COMMITTEE: Artificial Intelligence (ILO4)
ISSUE: Should robots be taxed to offset the effects of massive job automation and thus ensure better protection for workers?
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INTRODUCTION

Welcome, dear delegates! My name is Abdul-Salam Antwi. I am 16 years old and will be one of the chairs of the Artificial Intelligence Committee. I'm originally from Ghana but was born in the U.S. and grew up in Ghana, Ethiopia, and France. I am part of the English National Programme in my high school, Lycée International Ferney-Voltaire. I have been part of FerMUN since November 2023, where I acted as a delegate. Sports have always been a big part of my life, I swam, played judo and football as well as track and field athletics. My interest in sport has made me rather competitive, and I always want the best out of my teams and myself.

According to McKinsey Digital, “Generative AI’s impact on productivity could add trillions of dollars in value to the global economy”. In this committee, we will explore beyond this simple quote. We will focus on artificial intelligence and its future in our society, specifically how to protect workers around the world. My goal in this report is to give you an overview of the issue and to guide you toward doing the necessary research based on your country. See you in January, and remember to have fun!

KEYWORDS

Automation: According to the Merriam-Webster Dictionary, the technique of making an apparatus (equipment), a process, or a system operate automatically.

Machine learning: According to the International Business Machines Corporation, machine learning (ML) is a branch of artificial intelligence (AI) that focuses on using data and algorithms to enable AI to imitate how humans learn, gradually improving its accuracy.

Robot: According to the Cambridge Dictionary, a robot is a machine controlled by a computer that is used to perform jobs automatically.

Offset: According to the Oxford Dictionary, to offset something is to counteract something by having an equal and opposite force or effect.

OVERVIEW

1. **What is automation?**

There are different ways to achieve automation. The process of replacing mechanical power of any kind for human (or animal) power is known as mechanization. Mechanization has been fueled by humanity's inclination to construct tools and mechanical devices. Then we have artificial intelligence. A technology that enables computers and machines to simulate human problem-solving capabilities.

Automation is the process of making tasks achievable with the least amount of human interaction. It means setting up automated systems or procedures that carry out predetermined tasks in response to pre-established parameters, triggers, or algorithms. In its essence, automation is the act of having machines perform tasks for us. Reducing errors, increasing productivity, and optimizing resource usage are the goals of automation.

2. **History of automation:**

One of the most impactful and used mechanical devices is James Watt's steam engine which was invented in 1769. It led to mechanization in the transportation and manufacturing industries, where engines replaced horses and minimized the number of workers in factories.

Henry Ford's assembly line was another significant automation breakthrough that led to mass production in the 20th century. Instead of the workers having to move around the vehicle, it made it possible for the work to be brought to them through the use of the production line. All of these innovations were used for simple, predictable, and repetitive tasks; these innovations created new and better jobs leading to profit margins being widened.

The actual automation revolution took place in the latter half of the 20th century with the introduction of digital technology. A new wave of automation that went outside the manufacturing sector was made possible by computers, microprocessors, and software. These microprocessors and software were able to do much more complicated tasks by reducing them into simpler ones. This led to an increase in profit margins as automation took but also created more, and better jobs.

Why is the future of automation currently debated? Why slow down technology's exponential progress?

3. The current issue:

Many **traditional jobs are disappearing** due to automation, especially manual repetitive tasks that robots and computers are capable of performing. For instance, a study led by the McKinsey consulting firm published in May 2024 affirms that individuals with support and administrative functions will be the first to be affected by unemployment in the future. Workers in these types of vulnerable jobs face challenges when it comes to acquiring the skills needed to leap into new employment. Despite some apparent job growth in certain sectors, the ILO has warned that many people are at risk of becoming unemployed. Underemployment is a serious potential problem, specifically in low and middle-income countries (LMICs). Many of these countries do not have the necessary means to support a large number of unemployed individuals or simply do not invest enough in programs for job transition which can lead to strain on the country's economy and social stability. Jobs with more "complicated" tasks (ie: marketing or project management) will also be affected by automation. However, it's argued by some, such as the ILO, that these jobs will not be taken over by A.I, rather, A.I will complement them.

For workers the possible negative outcomes of implementing complementary A.I tools are many:

- **Increased workload**: AI tools may boost productivity, but this will likely result in heightened demands and a greater volume of work for human employees. They may be

steered toward accomplishing even more tasks at an even quicker expected rate, leading to faster burnouts. A study led by the BBC in 2024 shows that according to 77% of workers surveyed, AI tools have actually increased their workload and, 61% of respondents think that utilizing AI at work will make them more likely to experience burnout.

- **Dependency**: Employees could lean too heavily on artificial intelligence, allowing them to do too much of the work often. If these systems fail or give bad information, it will be a lot harder for humans to inhabit the roles that AI tools have been doing. By allowing AI to sort, and evaluate our world for us, we'd seem to be on a track leading to a significant decline in human intelligence.

- **Skill Obsolescence**: Without the creation of policies, in the eyes of employers, A.I could make some skills redundant, requiring workers to find new ones or enhance previous ones. In the developing world, where policies protecting workers are scarce, A.I could easily lead to wage depression.

RELEVANT UN TREATIES AND EVENTS

The International Labour Organization:

The ILO has studied the impact of AI and automation on jobs and has several reports and webinars on the topic. Senior Economist Janine Berg of the ILO views AI in a more positive light than many others do. While she warns of the risk of AI and automation displacing workers, she sees enormous potential for AI to enhance productivity by automating repetitive tasks and freeing up workers to do more creative, higher-value work.

POSSIBLE SOLUTIONS

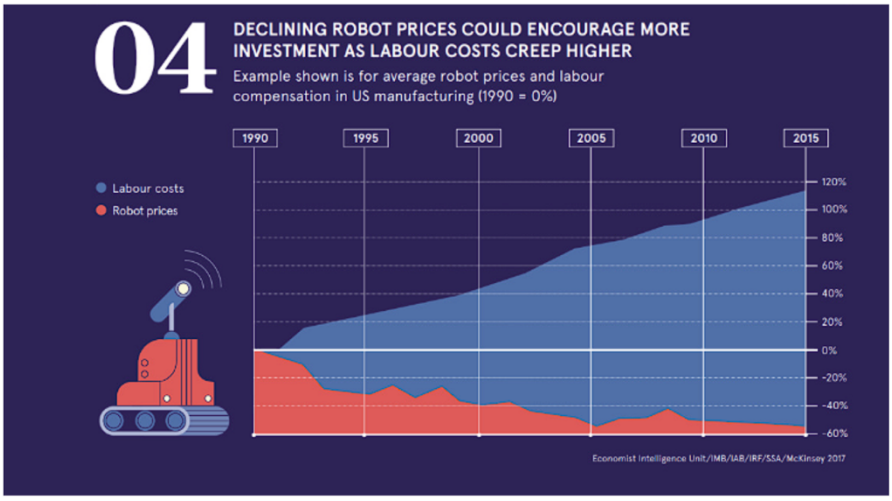
Human-Centric AI use and Automation:

Developing AI and automation technologies that complement human labour rather than replace it can help mitigate job displacement. This means designing systems that enhance human capabilities and require human oversight. Collaborative Robotics also would help humans enhance productivity while preserving jobs. Concrete examples of collaborative robotics can be found in the healthcare sector. Thanks to AI, a huge amount of data is collected, analyzed and then interpreted by researchers. Strict data collection regulations, combined with the use of AI, have improved diagnosis and patient care. The use of platforms such as Aidoc, which analyzes X-rays, CT scans and MRIs in particular, is becoming increasingly commonplace. By informing radiologists of important findings and possible abnormalities, these platforms help them to assess their patients more quickly and efficiently.

Collaborative Robots can take on repetitive tasks, allowing human workers to focus on more complex activities.

Tax:

Robot tax could encourage companies to adopt automation more responsibly. It may also motivate businesses to invest in their human workforce alongside automation technologies (Human-centric AI and Automation)



This graphs illustrates the comparison between robots and normal labour prices in the United States

This graph shows average labour prices in comparison to robot prices in the United States. For this argument, we will have to disregard ethical reasoning and assume there are no policies to protect human workers: Why would an employer choose to pay more when he can widen profit margins by using automation? This is why tax and policy creation regarding worker protection against automation is crucial.

In LMICs where worker protection laws are scarce, this assumption is the reality.

Social Programs:

The potential revenue generated from robot taxation is significant and would go a long way toward funding social protections, upskilling programs, and job-related transition services for displaced workers. Upskilling aims to help individuals adapt to new circumstances, improve their skills, and remain competitive in their careers, particularly after significant changes in technology, professional requirements, or societal norms.

The development of upskilling has been observed in countries notably in France with the “French skills investment plan” published by the European Commission in 2021. The French government invested over 15 billion euros for this program which aims to train 1 million job seekers whose skills became redundant and 1 million young individuals who face significant obstacles to finding and maintaining employment. This relatively new program bore fruit as their goal has partially been completed: 960 00 jobseekers have been affected, and an increase in accessibility has been observed which goes to show the need of upskilling programs.

Guided questions for research:

1. What is your country's leading economic sector and how far do you think the rise of automation will affect its financial state?

2. Has your county enacted measures to safeguard labor rights that the emergence of artificial intelligence may threaten?

3. How would the revenue from a potential robot tax be utilized in your country?

4. What are your country's long-term economic benefits or challenges of increased automation?

5. How should the international community prepare for the potential mass displacement of jobs due to automation in the next decade?

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