

Enigma of increasing investment in AI, despite its fears.

Outline

(a) Introduction:-

Thesis Statement: Despite widespread fears regarding its ethical, economic and security implications, investment in AI has risen due to its capacity to enhance sustainable economic growth, strengthen security, advance human development, and foster inclusive governance; conversely, failure to invest in AI risks widening structural divergence among states and creates dependency.

(b) AI and Economic Growth

i. AI can enhance economic growth by increasing total factor productivity.

ii. AI ~~also~~ augments opportunities in the Gig economy.

(c) AI and National Security

- i. Artificial Intelligence reinforces the efficiency of military ISR - Intelligence Surveillance and Reconnaissance.

UNIDIR: AI in Military domain (2025)

- ii. AI - driven system facilitate realistic and scalable training and simulation for complex operational procedure.

(d) Artificial Intelligence and Human Development

- i. Incorporation of AI in Ed-Tech optimize learning outcomes and student efficacy.

- ii. Artificial Intelligence can advance public health through disease diagnostic and drug development.

(e) AI and Governance

- i. AI enhances governance through Anticipation, Adaptability, and Agility.

ii. AI strengthen political will by increasing visibility of citizen needs.

(d) AI and Climate Mitigation

i. The integration of AI in data ^{collecting} gathering system augments climate action.

ii. AI enhances carbon capture through advanced monitoring and detection.

(e) Implications of Inaction in AI Development

i. Failure in AI development would lead to security dilemma

ii. Insufficient progress in AI leads towards global dependency.

(f) Conclusion

Every new technology has led to hysteria and hype for what is lost and what might be gained. When writing began to spread in ancient Greece, Socrates lamented that writing "will create forgetfulness in the learners' souls... they will trust to the external written characters and not remember for themselves."

The reality is that writing continues to augment memory and indeed it drove progress and accumulation of knowledge in civilization. Ironically, historians know about Socrates's fears because Plato wrote them down.

Similarly, AI provokes the full spectrum of reactions, from alarm to exuberance, much along the lines of Socrates. Disc warnings about AI causing mass unemployment, eroding human creativity, or even representing an existential risk. Despite all these fears, Artificial Intelligence Index Report 2025 indicates that a 44.5% increase in global private AI

investment. The increase in AI investment is mainly due to its potential in increasing total factor productivity; reinforcing the efficiency of military ISR; optimizing EdTECH; and enhancing governance. However, failure in AI development would lead to security dilemmas. Despite widespread fears regarding its ethical, economic and security implications, investment in AI has risen due to its capacity to enhance sustainable economic growth, strengthen security, advance inclusive governance; conversely, failure to invest in AI risks widening structural divergence among states and creates dependency.