

There Will Be No Human-Centered AI Without Humane Economics

In this all-digital, now all-AI frenzy, the value we seek to create today determines the one of our tomorrow's society.

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Many economic actors around the world are seeking the next generation of new business

models, focused, passionate, stubbornly determined to take advantage of digital technologies, particularly AI.

The market capitalization of the top 100 global companies reached \$40 trillion by the end of March 2024, marking a record level in five years. Technology giants recorded the highest growth among all companies, representing nearly one-third of this total market capitalization on their own, particularly due to the excitement surrounding AI.

Paradoxically, the more our society engages in this quest for new business models—by thinking it through the prism of new digital technologies, including those supposed to artificially augment human intelligence—the more we drift away from the invention of what could truly be a renewal of companies' business models.

In this all-digital, and now all-AI frenzy, while sometimes being convinced to the contrary, a succession of business creation is inexorably perpetuated, and the model is, in reality, nothing new. Companies' business models have basically remained the same, built from the same reference, the same mold and the same model. This model is called "profit and loss."

At the heart of the value system of most businesses in the world, inherited from capitalism, this model, often relying on unsustainable consumption of the planet's

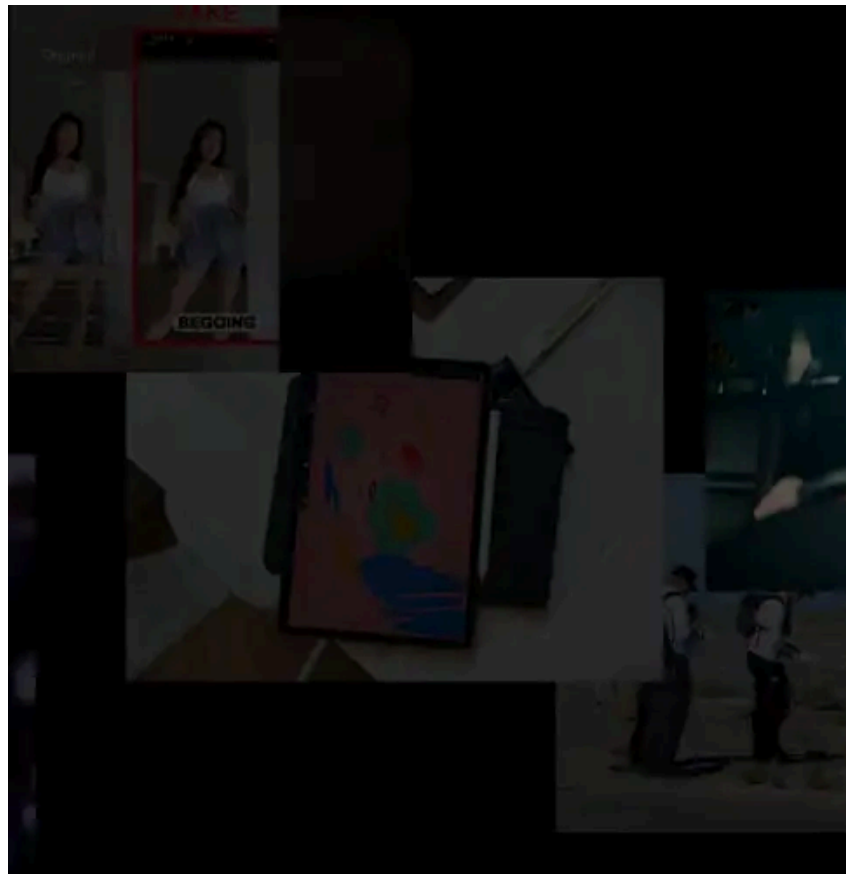
resources, has over the centuries become a source of formidable value destruction, rampant at a speed made exponential today by digital technologies which could risk being further accelerated with AI.

This model, which succeeds itself over time with the aim of creating wealth, has on the contrary become the major cause of the blind impoverishment of what is most precious to humans—such as air, such as water—all the while thinking that it is innovating on itself.

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Developed to its climax, it not only created irreconcilable inequalities with the right to dignity and a decent life for many human beings, but also indiscriminately precipitated global pollution and the depletion of necessary natural resources to all human life on Earth, up to the critical stage of extreme and close to irreversible situations.



At its peak, there are these hegemonic platforms, by some erected as a model of entrepreneurial success, often cited as an example of this new digital economy that so many seek to imitate.

Other such business models, which moreover, would be made more productive and efficient with AI, are not desirable.

Too many companies are so irresponsible that their model of value creation destroys precious resources, accentuating the handicaps of our societies, financing this one-sided value on a debt to humanity, which no balance sheet recognizes, which no bank will come and claim, and which they will never reimburse.

Everything happens as if all the entrepreneurial ingenuity of which humanity is capable, as if all the intelligence which characterizes human genius, had for the most part been confiscated to serve only one cause: that of more profits for more money, that of more money for more profits, that of even more profits for even more money for even more profits, in a loop, without any other priority, without any other consideration.

Like generations before us, we continue to move in all possible ways in this model and to transmit it to ourselves as a hereditary disease. Amplified by the multipliers of digital technologies, now AI, not only globalization but unconscious technologization of our world allows the counterproductive effects of these anti-sustainable business models to reach record highs.

Growth for growth—that which does not participate in making the weakest in our societies grow—profit for profit—that which does not benefit those who need it most—in reality, gives the illusion of value, but does not create it.

We may think that we are on our way forward because of the rise of corporate social responsibility and sustainability trends, but we're not there yet. All these trends and concepts actually change absolutely nothing to

the way a company is listed on the stock exchange.

While societal pressure is rising, corporate responsibility and sustainability have emerged as a necessary condition to protect firms' reputations but are still generally treated as a necessary expense merely because anything more is seen by many as an embezzlement on the backs of the shareholders.

It changes merely nothing either to the way they are valued by the markets.

It changes merely nothing to the way a company must be run to make what defines profit.

It remains somehow a way of continuing to being stuck in this business model we know, while adding complementary societal prerogatives whose objective of really addressing them are not core to the business and have no life and death effect on the valuation of a company, because all of this stays, in the end, simply peripheral.

We also may think that it is a "David versus Goliath" type of issue, a conflict between the short term and the long term, a never-ending tension between the shareholders' value and the stakeholders' value, but it's not.

The difference between long term and short term does not necessarily turn them into

opposing paths. Both must become one.

As long as there will be profit, as defined in the business today, and sustainable development, apart from what defines these profits, as long as there will be value for the shareholders, as defined in the business today, and value for stakeholders, apart from what defines this value, we will not be able to build the cement of an economy at the service of the progress of our societies and of humanity.

Steve Jobs said, "you can't connect the dots looking forward; you can only connect them looking backwards. So you have to trust that the dots will somehow connect in your future."

He was wrong. There are those things—crucial to humanity and the world—for which we must see ahead and beforehand how the dots are connected and cannot afford to wait and see the consequences to be aware of what we have done afterwards.

When it comes to value creation for the profit of the greater interest of the humanity, we can and we must connect the dots looking forward, because we cannot act by only connecting them looking backwards and just trust that the dots will somehow connect by chance in the future by their own.

The two most important things in any company do not appear in its balance sheet: its

reputation, and its people. Henry Ford got it right in saying that, especially when it comes to the people. And it is time.

In this artificial intelligence age, where more intelligence should be made accessible and available, it is of the utmost importance that we use it to build company value creation that would be that of their positive impacts on the society in which they operate and live.

It's humanity. This is the most important thing about a company's balance sheet.

Market capitalization is crucial from this perspective. It plays a key role in reflecting the value of a company's societal contribution in its valuation, but it is still largely focused on the overwhelming bias toward financial performance.

There will be no so-called responsible, trustworthy or accountable digital technologies—AI included—without responsible, trustworthy and accountable companies with regard to society.

There will be no human-centered AI without humane economics.

The economic value of a business should only be worth the value it creates for society, because the value we seek to create today, and how, determines the one of our tomorrow's society.

