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Automation questions should be ‘top of agenda’, says economics expert



The service industry will be greatly affected by automation, says Dr Dambisa Moyo CREDIT: HELEN JONES PHOTOGRAPHY

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Global economist Dr Dambisa Moyo talks to Anna Isaac about integrating technology into business and the risks of data manipulation.

“People are always looking for a neat answer to the automation question and there really isn’t one,” says macroeconomics expert, Dr Dambisa Moyo. She won’t specifically define

how she thinks technology is going to shape the workforce of the future, but is in no doubt as to the scale of the impact automation will have.

“Lots of people think there’s an answer coming. Studies suggest that 47pc of jobs are going to be lost in the US. It should be the top of the agenda. If some of these forecasts do come true – and I think they will – we can expect the service industry to be particularly hit. It will be very impactful.”

Dr Moyo, who serves on the boards of Barclays bank, SABMiller, Barrick Gold and Seagate Technology, has had a career spanning posts at Goldman Sachs and The World Bank. She’s highly regarded for her ability to horizon-scan for trends in markets, particularly the West’s decline and the rise of China, which is the subject of her most recent book. Increasingly, she’s turning her attention to how technology is integrating into business.

“It’s central to how business is done. It’s also central to how we think about the future. How are we going to integrate it with telecommunications, transportation, health and education? It permeates every aspect of modern life. I don’t view it as some kind of tangential thing.”

As technology is so central to business and our lives, isn’t it essential that tech experts serve on company boards? Dr Moyo doesn’t think so. “There’s a very credible argument that you don’t need expertise at that level, because technological issues aren’t actually strategic; they’re tactical,” she says. Technology is often more of a matter for day-to-day operations, rather than longer-term strategy.

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But she concedes that, in some cases, technology has become so intrinsic to business that you do need technological expertise at the top table. She uses the example of the automobile industry, which has been disrupted by driverless cars and the sharing economy.

“In situations like that, you’ve fundamentally shifted the strategic goals of the company, so you do need a tech expert at board level. But there’s no off-the-shelf answer for which businesses will benefit from technological expertise.”

Technology’s ability to combine business interests and shift human behaviour is an area of fascination for Dr Moyo, especially in situations where it can lead to positive social and educational change. “I’m an investor in a small Silicon Valley company called Acorn. It’s disrupting the savings market by changing why and how people, especially millennials, save.

“Only 57pc of Americans are financially literate. Those types of [educational and practical] gaps are being closed by technological innovation. That’s exciting. We’ve seen how tech has disrupted money transfers in the emerging markets, and how [effective new ways to process] remittances are actually incredibly helpful for encouraging economic growth in the developing world.”

But as technology becomes ever-more integrated with our lives, the data about how we use it grows too. Dr Moyo, however, is concerned about the limitations of this data.

“Just because we have more data [than ever before], does it mean we’re getting more accurate information, or is it just garbage in, garbage out? There are downsides if the information we’re inferring from is incorrect.”

Data, she says, is one of the most potent and dangerous byproducts of technology. Public and businesses must understand, she argues, that data is not an end in itself. Rather, it has the potential to provide conclusions based on outcomes.

The ease with which data can be distorted is also troubling, she says. “The risk of information being misused, maligned or manipulated becomes greater as we become more heavily reliant on data.”

Dr Dambisa Moyo is a global economist and will be speaking at the Institute of Directors’ Annual Convention 2016, for which Telegraph Connect is a media partner