

Embrace technology (and the future) - Klaus Schade

Latest after the World Economic Forum's Annual Meeting in Davos / Switzerland in January 2016, the Fourth Industrial Revolution and Artificial Intelligence are on the global agenda. It is often accompanied by fears and anxiety about job losses and robots taking over. These fears are certainly exaggerated, but clearly indicate that we need to start the debate about the potential impact on the current economic sectors, on employment and on the society.

Technological change has been around since millennia and has made life a lot easier for most of us. Recent technological development such as computers, laptops and smart phones enable us to connect easily, make payments and transfer funds even to those who do not yet have a bank account, order goods and services online etc. This results in shifts of employment from sectors that face automation to sectors that provide new goods and services.

Uber is being seen as a threat to the 'traditional' taxi operators. However, at least two Namibian companies have developed apps and offer services based on the Uber concept. Driverless vehicles are being introduced in some countries and sectors, such as the mining sector. Mining companies in Namibia will follow this trend sooner than later and use driverless haul trucks. Electric vehicles will result in a drop of employment at service stations and declining revenue for the MVA, Road Fund and Receiver of Revenue that derive (some of) their income from various levies charged on fuel. It can, on the other hand, lead to additional employment in the renewable energy sector.

Drones are being used in countries such as Malawi and Rwanda for transporting medication to remote hospitals and reportedly in Namibia to monitor movements in and around national parks in order to combat poaching. Countries such as Indonesia are making successful use of satellites to track the movement of vessels to curb illegal fishing, which led to an increase in revenue from fishing fees. Countries are wooing investors to build spaceports used to launch satellites that hardly weigh more than an adult. Spaceports will attract high-tech firms and professionals and support other technological spin offs. Namibia could be well positioned in the Southern Hemisphere, since the country is close to the South Pole and other uninhabited areas.

Technological change will result in a decline in employment in many traditional sectors and occupations, but will increase in other sectors and create new occupations. The impact of technology on our economy, labour market and society depends on how well prepared we are for it. We, therefore, need to start designing the necessary policy and legislative frameworks in order to ensure that the technology works for us and that work is equally distributed. And, we need to review the curricula at all levels of our educational system so that everyone is equipped with the skills and knowledge to exploit new opportunities.

Published in Business 7 – 29 August 2018