

# Generative AI tools like ChatGPT fuel fears about a white-collar recession

## Article

**The trend:** The debut of generative AI made attendees at the **World Economic Forum** in Davos nervous about the future of white-collar jobs and the rise of misinformation.

- AI can now **process a mortgage application in minutes compared with the previous 30 days**, according to **Automation Anywhere CEO Mihir Shukla**, per [The Guardian](#).

- OpenAI's ChatGPT passed Wharton MBA and medical school exams.
- It's being used to write legislation and by C-suite executives.
- It's also writing news articles while Copilot writes computer code and **DALL-E** creates art.
- Meta's Cicero beat humans at a game of social strategy and diplomacy.
- An AI program will serve as a courtroom lawyer for the first time, while AI diagnoses and devises treatments for illness.

**Tech recession as harbinger:** The tech industry is turning to AI as its flagship product while the layoff bloodbath continues.

- Google is hatching big generative AI plans immediately after it laid off 12,000 workers, some of whom learned about their termination when their badges failed at office entryways.
- Microsoft laid off 10,000 employees, including all of its VR, mixed reality, and **HoloLens** workers, as it was planning a **\$10 billion** investment in OpenAI.

The overall US job market is strong for now, but **if a recession hits, the fear faced by blue-collar workers for decades—that machines will replace them—will be more acutely shared by their white-collar counterparts.**

**The main takeaways:** ChatGPT is sending shockwaves around the world, but in its current state, it's only suitable for augmenting human creativity, not replacing it.

- In the short term, human creativity will continue to be essential to the economy.
- AI is trained using intellectual assets created by people, so in theory, if people stop creating, AI will run out of fresh source data.
- **People's need to connect with other people and express themselves is in itself an economic driver** and is what fuels a lot of the branding behind digital content that AI can't easily substitute.

ChatGPT is a stepping stone to artificial general intelligence (AGI) for tech companies making rapid progress in the field.

- AGI could be capable of working independently and creating fresh data sources.

- It might also develop personalities that people will want to connect with in lieu of human relationships.
- The timeline for this becoming reality is unknown, but it could happen at a pace faster than society can adapt to, [fueling existential risk](#).

#### Current vs. Expected Adoption of AI Within Select Job Functions at Their Company According to Executives Worldwide, June 2022

% of respondents

	Not using	Piloting use cases	Limited adoption	Widescale adoption	AI is critical
<b>Current adoption</b>					
IT	2%	9%	22%	47%	20%
Supply chain/manufacturing	6%	16%	32%	34%	11%
Product development	6%	17%	42%	23%	11%
HR	4%	19%	42%	23%	10%
Finance	6%	14%	25%	46%	8%
Marketing & advertising	4%	34%	37%	20%	5%
Sales	4%	26%	46%	20%	3%
<b>Expected adoption in 2025</b>					
IT	2%	9%	17%	22%	49%
Finance	3%	10%	22%	21%	43%
Supply chain/manufacturing	4%	8%	18%	30%	38%
HR	3%	11%	19%	39%	27%
Sales	2%	12%	26%	37%	24%
Product development	2%	13%	18%	46%	21%
Marketing & advertising	3%	12%	21%	44%	20%

Note: n=600 in senior technology roles; responses of "not applicable/not sure" not shown; numbers may not add up to 100% due to rounding  
Source: MIT Technology Review Insights, "CIO Vision 2025: Bridging the Gap Between BI and AI" sponsored by Databricks, Sep 20, 2022

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