IJCRT.ORG ISSN : 2320-2882

INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

Artificial Intelligence And Sustainable Development Goals: An Economic Perspective On Inclusive And Green Growth

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Abstract

The functioning of the global economy is being altered by artificial intelligence, which is having an impact on production, trade, and even the organization of jobs. Because it aligns with the United Nations' Sustainable Development Goals (SDGs), this presents a unique opportunity to create growth pathways that are inclusive, sustainable, and resilient. Artificial intelligence has the potential to not only reduce the rate of economic growth but also to solve social and environmental issues. Specifically, it can accomplish these goals by enhancing the efficiency of farming and making it simpler for individuals to transition to green energy. In this article, the economic elements of artificial intelligence's engagement in achieving the Sustainable Development Goals (SDGs) are examined, with a particular emphasis on governance, employment, environmental preservation, and inclusivity. Technology discusses both the positive and negative aspects of artificial intelligence and offers suggestions on how to incorporate technology into long-term economic strategies for emerging nations, particularly India.

Keywords: Artificial Intelligence, Sustainable Development Goals, Economic Growth, Inclusive Development, Green Economy, and Digital Transformation

1. Introduction

Artificial intelligence (AI) and machine learning are two of the technologies that could make the biggest changes in the world right now. This technology might be used in almost every field, including agriculture, manufacturing, banking, education, and even health care. Another objective that the world is working toward is to reach the Sustainable Development Goals (SDGs) by 2030. One of the main purposes of these seventeen linked goals is to get rid of poverty, protect the environment, and make sure that everyone is living a safe and affluent life.

Artificial intelligence has two main effects on the economy: it can boost productivity and it can also change the job market. Both of these functions are significant. To promote growth and sustainability that includes everyone, economists and policymakers need to make sure that the benefits of AI are shared fairly.

This research examines the capacity of artificial intelligence (AI) to facilitate the attainment of the Sustainable Development Goals (SDGs). We pay special attention to economic inclusiveness, the shift to a greener economy, and the rules that need to be in place for AI to perform well.

A lot of people think that AI, or artificial intelligence, is one of the most cutting-edge technologies we have right now. It could help almost every field, such as farming, business, healthcare, banking, and schools. The global society has established a goal for itself to reach by 2030 called the Sustainable Development Goals (SDGs). Ending poverty, safeguarding the environment, and making sure everyone has an equal chance to be successful are all part of the 17 goals.

The use of artificial intelligence (AI) might have two consequences on the economy: it could make people work more, or it could make things harder for individuals looking for job. Economists and policymakers have a big job ahead of them when it comes to encouraging growth that is both fair and long-lasting. This difficulty comes from the need to make sure that the benefits of AI are shared fairly.

The aim of this article is to examine the function of artificial intelligence (AI) in facilitating the attainment of the Sustainable Development Goals (SDGs). The study specifically addresses economic inclusion, the shift towards a sustainable economy, and the governance structures essential for effective integration.

2. Objectives of the Study

1. To examine the economic function of Artificial Intelligence in attaining Sustainable Development Goals.
2. The study also aims to evaluate the influence of AI on economic growth, productivity, and employment opportunities.
3. The study aims to identify potential risks and inequalities that may arise from the implementation of AI in developing nations.
4. The study aims to develop policy frameworks that balance AI-driven innovation with sustainable and inclusive development.

3. Methodology

The study employs both descriptive and analytical methodologies, utilizing secondary data sourced from global organizations, including the World Bank, the United Nations Organization, the Organization for Economic Cooperation and Development (OECD), and the National Institution for Transforming India (NITI Aayog). This article analyzes academic studies, reports, and real-life examples to illustrate how artificial intelligence (AI) may enhance economic stability. The study analyzes the issue from an economic standpoint, addressing subjects such as the rise in gross domestic product (GDP), worker productivity, and the impact of artificial intelligence on diverse enterprises.

4. Artificial Intelligence and the Global Economy

The growth of the economy is greatly helped by the growth of artificial intelligence, which makes things run more smoothly, encourages new ideas, and makes businesses more competitive. McKinsey (2023) says that AI would add $15.7 trillion to the world's GDP by 2030. It would be like a 14% rise in the world's gross domestic product. Artificial intelligence makes it possible for developed countries to automate tasks, create more complicated manufacturing methods, and do financial analysis. In economies that are still growing, it is the driving force behind leapfrogging in agriculture, the provision of public services, and the management of small businesses.

Even so, Conversely, the advantages of artificial intelligence are not uniformly allocated to all people. Rich countries spend a lot of money on research and development. But many poor countries are having problems with their digital infrastructure, not enough people knowing how to use data, and not enough rules, all of which might make inequality worse.

5. AI and the Sustainable Development Goals (SDGs)

AI directly supports several SDGs by providing innovative and cost-effective solutions:

Sustainable Development Goal	AI Contribution
SDG 1: No Poverty	Artificial intelligence makes it feasible to build social safety plans that work and provide money to the right people by using data analytics.
SDG 2: Zero Hunger	Using smart agriculture and predictive weather analytics can help you get more done and waste less food.
SDG 3: Good Health and Well-being	Artificial intelligence helps in medical diagnosis, predicting diseases, and telemedicine in locations that are hard to reach.
SDG 4: Quality Education	Adaptive learning platforms give each student personalized training and help close the gap between rural and urban areas.
SDG 7: Affordable and Clean Energy	AI makes both the production of renewable energy and the management of grids better.

SDG 8: Decent Work and Economic Growth	Automation does make people more productive, but it also means that people need to learn new skills to find new jobs.
SDG 9: Industry, Innovation and Infrastructure	Digital infrastructure and smart manufacturing are driven by artificial intelligence.
SDG 13: Climate Action	Artificial intelligence helps keep an eye on pollutants and manage resources to protect the environment.

The applications that have been created show that AI is not only a tool for technology but also a way to make sustainable growth possible.

6. Economic Benefits of AI for Sustainable Growth

Artificial Intelligence has become a powerful economic force that can change the way things are made, improve the way services are delivered, and make better use of resources. When used in line with the United Nations Sustainable Development Goals (SDGs), AI is not just a technological tool; it is also a catalyst for growth that is both sustainable and inclusive. AI directly helps achieve important SDGs relating to poverty reduction, zero hunger, clean energy, climate action, and strong institutions by increasing productivity, encouraging innovation, strengthening agricultural systems, and making it easier for people to access financial services. The following sub-sections look at the main economic benefits of AI in the context of the SDGs. They show how development driven by technology may lead to growth that is strong, fair, and good for the environment in both developed and developing economies.

6.1. AI-Driven Productivity and SDG 8: Decent Work & Economic Growth

AI boosts efficiency in factories by automating tasks, predicting when maintenance is needed, and making operations run more smoothly. Higher productivity increases the national revenue and supports long-term economic growth, which is a direct contribution to SDG 8.

6.2. Improved Agricultural Systems and SDG 2: Zero Hunger

Smart irrigation, crop monitoring, and climate prediction are examples of AI solutions that help farmers grow more food and waste less food. This helps SDG 2, improves food security, and enhances farmers' incomes.

6.3. Inclusive Digital Finance and SDG 1: No Poverty

AI-powered credit scoring, microfinance platforms, and mobile banking make it easier for disadvantaged people to get financial services. This lowers poverty, gives small business owners more power, and is in line with SDG 1..

6.4. Green Energy Optimization and SDG 7: Affordable & Clean Energy

AI makes it easier to produce renewable energy, run smart grids, and use less fossil fuels. This helps countries move toward clean energy systems, which is good for SDG 7 and climate goals.

6.5. Environmental Monitoring and SDG 13: Climate Action

AI-powered sensors, remote sensing, and climate modeling help keep an eye on pollution, deforestation, and the dangers of disasters. These systems help the environment and make it more resilient to climate change, which is in line with SDG 13.

6.6. Improved Governance and SDG 16: Peace, Justice, and Strong Institutions

AI makes things more open, cuts down on welfare scheme leaks, improves the delivery of public services, and helps policymakers make decisions based on facts. This helps SDG 16 and makes governance systems stronger.

7. Economic Challenges of AI Adoption

Artificial Intelligence has the potential to greatly speed up sustainable and inclusive development, but its use also brings up difficult economic problems that need careful management and regulatory action. The advantages of AI are not uniformly spread out across areas, skill groups, and industries. This could slow down progress toward several of the Sustainable Development Goals (SDGs). Problems including job loss, growing economic disparity, digital gaps, moral issues, and environmental challenges can make it harder to reach SDGs that are related to decent work, less inequality, responsible consumerism, strong institutions, and global collaborations. To make sure that AI-driven growth is fair, long-lasting, and socially responsible, we need to understand these problems. The next several sections look at these limits within the SDG framework to show how important it is to have AI policies that are fair and include everyone.

7.1. Employment Displacement and SDG 8: Decent Work Challenges

Automation might take over occupations that don't require a lot of skills, which might hurt people's livelihoods in manufacturing and services. Countries may have a hard time meeting SDG 8 goals for productive employment if they don't help people learn new skills.

7.2. Inequality and SDG 10: Reduced Inequalities

AI might make the gap between skilled and unskilled workers, between people living in cities and those living in rural areas, and between affluent and poor countries even bigger. If digital initiatives don't include everyone, AI use could slow down progress toward SDG 10.

7.3. Digital Divide and SDG 9: Industry, Innovation, Infrastructure

In remote places, AI isn't as useful because not everyone has access to bandwidth, data infrastructure, and computer capacity. This makes it harder for new ideas and industries to grow, which slows down the progress of SDG 9.

7.4. Ethical, Privacy, and SDG 16: Effective Institutions Concerns

Weak data protection rules and algorithms that aren't fair put trust and openness in government systems at risk. This goes against SDG 16, which says that institutions should be powerful and responsible.

7.5. Environmental Costs of AI and SDG 12: Responsible Consumption & Production

Large AI systems use a lot of energy and computing power, which could lead to more carbon emissions. If AI isn't used in a way that is good for the environment, it could hurt SDG 12 and other environmental goals.

7.6. Unequal Global Access and SDG 17: Partnerships for the Goals

Only a few countries have advanced AI technologies. Developing countries can't profit equally because they don't have enough access to capital, skills, and technology. This makes it harder to achieve SDG 17's goals of global cooperation.

8. The Indian Context – AI for Sustainable Development

India offers a distinctive and evolving landscape for the incorporation of Artificial Intelligence into national development goals, especially within the context of the Sustainable Development Goals (SDGs). India has a digital economy that is growing quickly and has a lot of different kinds of people living there. This gives the country both new chances and big problems when it comes to using AI for growth that includes everyone and lasts. The country's commitment to connecting technology progress with the SDGs is shown by national programs like NITI Aayog's "AI for All," Digital India, and AI interventions in specialized sectors including agriculture, health, education, and governance. However, differences in digital infrastructure, talent development, and preparation for regulation also show how hard it is to use AI on a large scale. This section looks at how AI is being used in important areas of India and how it could help speed up progress toward reducing poverty, improving education, making the country more resilient to climate change, and building strong institutions, all while making sure that technological change is fair and long-lasting.

8.1. AI in Agriculture and SDG 2: Zero Hunger

India is helping farmers, boosting production, and cutting down on crop losses by employing AI-powered technologies like crop monitoring, soil analysis, and weather forecasting. These new ideas help make sure that people have enough food and that farmers make more money, which is in line with SDG 2 on Zero Hunger.

8.2. AI in Healthcare and SDG 3: Good Health and Well-being

AI-powered telemedicine, diagnostic tools, and disease surveillance systems are making it easier for people to get good medical treatment, especially in rural and underserved areas. India's progress toward SDG 3 is boosted by finding diseases early and making health care systems better.

8.3. AI in Education and SDG 4: Quality Education

Adaptive learning platforms, AI-based tutoring systems, and digital classrooms help close the educational gap between urban and rural India. These tools help students study better, lower the number of students who drop out, and achieve SDG 4's goal of providing quality education for everyone.

8.4. AI for Clean Energy and SDG 7: Affordable and Clean Energy

AI helps make the most of solar and wind energy, run smart grids, and cut down on energy waste. AI-powered forecasting and load balancing make India's shift to renewable energy stronger, which directly supports SDG 7 and a low-carbon economy.

8.5. AI in Governance and SDG 16: Peace, Justice, and Strong Institutions

AI-powered platforms make public services better, target benefits better, cut down on corruption, and make it easier for people to get their complaints heard. These new ideas support SDG 16's goals of openness, responsibility, and good government.

8.6. AI for Inclusive Development and SDG 10: Reduced Inequalities

AI-driven technologies for financial inclusion, digital identity systems, and targeted benefit programs like Aadhaar-enabled services all contribute to close the gap between rich and poor. AI helps India reach SDG 10 by giving power to weak groups including farmers, women, and those who live in rural areas.

9. Policy Recommendations (Aligned with the SDGs)

9.1. Strengthening Digital Infrastructure to Support SDG 9: Industry, Innovation, and Infrastructure

To make sure everyone has equal access to AI technology and to promote inclusive industrial growth, governments need to spend money on high-speed broadband, cloud services, and data centers, especially in rural areas.

9.2. Expand AI-Based Skill Development for SDG 4: Quality Education

AI, data analytics, and digital literacy should all be part of the curricula in national education and vocational systems. This makes sure that the workforce is equipped for the future and can adapt to new technologies. It also helps SDG 4.

9.3. Promote Ethical and Responsible AI Governance for SDG 16: Strong Institutions

We need to create all-encompassing legislative frameworks to protect data privacy, algorithmic transparency, cybersecurity, and the ethical usage of AI. This builds trust in the public and the integrity of institutions.

9.4. Support Inclusive AI Innovation for SDG 10: Reduced Inequalities

To make sure that everyone can take part in the AI-driven economy and to cut down on inequality, startups, women entrepreneurs, and rural innovators should get special incentives, subsidies, and incubation programs.

9.5. Enhance AI Integration in Agriculture for SDG 2: Zero Hunger

To boost food production, cut down on waste, and raise farmers' earnings, governments should support AI-powered crop advising systems, precision farming, and digital extension services.

9.6. Use AI for Climate Adaptation to Promote SDG 13: Climate Action

AI may be added to systems for monitoring the weather, predicting disasters, tracking pollution, and managing natural resources to make them more resilient and environmentally friendly.

10. Conclusion

The implementation of artificial intelligence has the potential to bring about a revolution in the economic structures that are currently in place and to speed up the progress of the Sustainable Development Goals. It has the potential to raise productivity, decrease inequality, and enhance environmental sustainability if it is controlled, and if it is controlled in a competent manner.

In the case of developing economies like India, the incorporation of artificial intelligence into the process of growth must place an emphasis on inclusiveness, the development of skills, and ethical regulation. This is because India is a developing economy. The economic future will not be awarded to the nations who adopt artificial intelligence (AI) at the quickest rate; rather, it will be awarded to those nations that deploy it in the most egalitarian and sustainable manner.

Consequently, when it is included into the framework of the Sustainable Development Goals (SDG), artificial intelligence has the potential to become a driver of economic growth that is inclusive, ecologically sustainable, and economically resilient.

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