

Scoping of the Socio-Economic and
Political Impacts of AI across Africa

Labour and Livelihoods Impact Policy Brief

December 2025

THE COST OF FLYING BLIND

AI and the Future of African Labour



An Uncertain Future

Artificial Intelligence (AI) is transforming the global division of labour, and Africa stands to gain or lose the most from this transformation. By 2050, the continent's working-age population will double to 1.6 billion people¹. This "demographic dividend" is potentially our greatest economic asset, but only if there is meaningful work for young people. However, 72 million youth (15–24) are currently classified as Not in Employment, Education or Training (NEET)². We need to create millions of jobs annually just to keep pace.

¹ New African Magazine (2024). Reaping the demographic dividend requires time, money and effort. Available [Here](#).

² ILOSTAT (2023). African youth face pressing challenges in the transition from school to work. Available [Here](#).

³ IDRC and Genesis Analytics (2024). AI in Africa: The state and needs of the ecosystem. Executive Summary. Available [Here](#).

⁴ WEF (2025). The Future of Jobs Report. Available [Here](#); WEF (2025) How is AI reshaping the career ladder, and other trends in jobs and skills on Labour Day. Available [Here](#).

⁵ ISS and AUDA-NEPAD (2025). Tackling working poverty and informality in Africa's labour future. Available [Here](#).



Into this fragile environment enters AI – a technology with the potential to inject \$2.9 trillion into African economies. However, realising this potential requires navigating significant workforce volatility. Early analysis from the World Economic Forum indicates that AI may disrupt traditional employment trajectories by automating entry level tasks, specifically routine, clerical, and analytical functions, which often serve as professional stepping stones for those entering the workforce. There are serious risks of displacement in key service sectors like Business Process Outsourcing (BPO), which many nations have relied upon to employ youth. For the 85% of the African workers who are in the informal economy, AI-driven platforms also introduce new forms of algorithmic management that could deepen precarity.



Flying Blind

Despite the scale and urgency of AI's impact on African lives and livelihoods, there remains limited robust, real-world evidence on its impacts. There is a need to better understand AI's role in creating or displacing jobs, and on the quality and precarity of jobs, particularly in regions with young and growing populations like Africa. While some initial assessments exist, rigorous evidence on AI's differential impacts in Africa is insufficient.

To define a clear path forward, we consulted key stakeholders and experts across policy, academia, and civil society. In the process, the following priority research questions were uncovered:

1. What is the net impact of AI on formal and informal employment in Africa, particularly across sectors and demographic groups?
2. How is AI affecting gender dynamics in the labour market, youth employment outcomes and rural livelihoods?
3. How is AI transforming job roles, especially entry-level positions and youth employment?
4. What are the implications of AI for informal workers, including job security, income stability and access to protections?



From Evidence to Leverage

Right now, African stakeholders are forced to react to global AI trends. Answering these questions flips the dynamic, giving us the agency to proactively shape the outcomes of our contexts. The evidence produced by this call can serve as critical inputs for key shifts, including but not limited to:



Precision Policy

Currently, many industrial policies are reactively adjusting to AI impacts. By pinpointing exactly which value chains will contract and which will expand, policymakers can direct resources effectively. Instead of generic "digital upskilling," governments can channel incentives specifically into resilient sectors (like the green economy or complex service delivery), helping to immunise the economy against automation shocks.



AI Adoption Readiness

Readiness extends beyond formal skills to encompass public awareness, digital literacy, and equitable access. Currently, the impact and benefits of AI are unevenly distributed, as those with higher readiness levels accrue gains while others are left behind. By pinpointing the structural barriers that drive this imbalance, research can inform policies that shape AI as a catalyst for equal opportunity for women, rural communities, and marginalised groups, ensuring a more inclusive digital transition.



Restoring Bargaining Power

For unions and civil society, the "black box" of algorithmic management makes it challenging to protect informal workers. You cannot regulate what you cannot see. By documenting exactly how algorithms impact wages and autonomy, this research provides the legal and technical basis to demand transparency, creating a floor of dignity for the millions of Africans in the gig economy.



How to Participate

We are soon to announce the researchers who will be tasked with solving these puzzles. These researchers will be building the evidence base Africa needs.

Follow the launch:

Explore the Research Agenda

Review the full report by Genesis Analytics for a detailed methodology, the underlying research, and an expanded view of our thematic focus for the call for research.

Stay Tuned

The awards announcement is imminent. Visit the [Genesis Analytics LinkedIn page](#) and the [IDRC website](#) for more information about the call for research.

Follow Along

Look out for similar briefs on our other research themes:

- ▶ Productivity and Economic Transformation
- ▶ Poverty and Inequality
- ▶ Global Inequality and AI Colonialism

Engage

As these projects launch, we encourage the private sector and civil society to participate in data sharing and interviews to ensure this research reflects the ground reality.

Closing the Knowledge Gaps

To close these critical knowledge gaps, the International Development Research Centre (IDRC) and the UK's Foreign, Commonwealth and Development Office (FCDO), through the Artificial Intelligence for Development (AI4D) programme, have launched a research initiative designed to produce actionable, localised evidence. This initiative is supported by diagnostic research from Genesis Analytics.

We have designed a specific research agenda across four thematic focus areas, of which lives and livelihoods, the focus of this brief, is the first. This initiative will empower African researchers to answer the questions that will define the continent's economic future. We cannot afford to wait. The transition is happening now, and the window to influence it is narrowing.