

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

Poverty and Inequality Impact Policy Brief

December 2025

# AUTOMATING OR PREVENTING INEQUALITY

## Will AI Solve or Cement Inequality and Poverty Across Africa?



### The Inequality Imperative

Sub-Saharan Africa faces a defining challenge: by 2030, the region is projected to be home to 90% of the world's extreme poor<sup>1</sup>. Whether Artificial Intelligence (AI) lifts people out of poverty by creating new, higher-value opportunities or exacerbates it by displacing workers and suppressing wages is a critical, unanswered question.

AI presents a dual potential. On one hand, it offers transformative tools to address long-standing challenges in public service delivery, with the potential to make essential services more equitable and accessible. On the other hand, the rapid proliferation of AI, particularly generative models, introduces significant risks to social cohesion by potentially amplifying misinformation and enabling new forms of identity-based violence.



If we do nothing, we risk a future where these technologies entrench algorithmically-generated inequality, creating new, opaque categories of exclusion that policymakers cannot see or fix. Without deliberate intervention, the default trajectory is one where AI automates poverty rather than solving it, deepening societal fractures and leaving the most vulnerable without recourse. Ultimately, this shift threatens to exacerbate existing economic disparities within countries and across the region, as the benefits of AI primarily accrue to those with the foundational infrastructure and digital fluency required to harness them.

<sup>1</sup> World Bank (2024). Pathways out of Poverty. Available [Here](#).



## Flying Blind

Despite the scale and urgency of these dynamics, we lack the evidence to know if AI will reduce poverty or automate inequality. We are deploying systems that may lock vulnerable populations into new categories of exclusion. In a continent defined by rich linguistic diversity and complex social fabrics, the deployment of culturally misaligned AI models further risks fracturing our societies before they can be uplifted by them.

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 are the risks of AI reinforcing or creating new forms of exclusion and inequality in the labour market, access to services and in economies more broadly?
2. What are the differential socioeconomic impacts of AI across different demographic groups (women, young people, migrants and displaced persons, people with disabilities, etc.)?
3. What governance mechanisms are needed to ensure that AI enhances the equity and effectiveness of public service delivery and contributes to inclusive economic development?



## From Evidence to Leverage

Right now, many African policymakers are reacting to global AI trends. Answering these questions flips the dynamic, giving us the agency to proactively shape the outcome. The evidence can serve as critical inputs for key shifts, including but not limited to:



### Mechanisms of Exclusion

Policymakers currently lack empirical evidence on how AI reshapes inequality within the economy, particularly regarding platform-dependent informality and opaque public service algorithms. By mapping exactly where and how AI systems create barriers to market access and service delivery, this research empowers regulators to design policies that prevent automated discrimination and ensure economic gains are broadly shared rather than captured by a digital elite.



### Social Fragmentation

Current data is often aggregated, masking the specific penalties or premiums AI places on vulnerable groups. We lack granular insight into how automation risks vary by gender. We also lack data on if and how identity-based violence that targets ethnic and religious groups is amplified by AI tools. By disaggregating data to reveal the specific impacts on women, youth, and marginalised communities, policymakers can deliver precise, targeted interventions. This evidence allows for the proactive protection of those most exposed to the risks of digital displacement and social fracturing.



### Governance for Equity

There is a significant gap between the theoretical promise of "Ethical AI" and the practical policy levers available to governments. We currently lack clarity on which investment strategies successfully cultivate local innovation and which regulatory frameworks effectively oversee algorithmic decision-making in public services. By evaluating the effectiveness of different national strategies and institutional responses, this research empowers governments to implement enforceable standards for algorithmic due process.



## 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 [poverty and inequality](#), the focus of this brief, is one. This initiative will empower African researchers to answer the questions that will define the continent's position in the global digital economy. We cannot afford to wait. The window to set the rules for the AI economy is closing. Let us ensure Africa holds the pen, not just the paper.