

AI-tocracy

Noam YUCHTMAN, Martin BERAJA, and David Y. YANG

Abstract :

The conventional wisdom suggests a fundamental misalignment between autocracy and technological innovation, but some have argued that AI innovation may actually be symbiotic with autocratic regimes. In this project, we examine whether there exists a political and economic alignment between the surveillance and political control aims of autocracies and the innovative aims of AI firms. We gather comprehensive data on firms and government procurement contracts in China's facial recognition AI industry, as well as on political unrest across China during the last decade. We find two results. First, autocrats benefit from AI: local unrest leads to greater government procurement of facial recognition AI, and increased AI procurement suppresses subsequent unrest. Second, the AI sector benefits from autocrats' suppression of unrest: the contracted AI firms innovate more both for the government and commercial markets. Taken together, these results establish the existence of the forces necessary to sustain an equilibrium in which autocrats are entrenched, and the AI sector rapidly innovates.