

# Financial Networks in the Brave New World

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## Abstract

There is growing academic and societal interest on the relation between the surge of AI and the future of work and services. Some experts project utopian visions where AI enhance human life and helping us to achieve a more sustainable world. Others project dystopian visions where AI dominates human life suppressing freedom and democracy.

These discussions do not adequately account for the crucial role played by the structure of the ownership relationships. Who will own the robots? Who will own the physical devices and the technologies to make them work?

In particular, developed economies have committed to move towards a more sustainable and circular production system. This process could greatly benefit from AI but may require a transformation of the notion of ownership. Consumers may have to purchase services rather than owning goods (i.e. the right to use a car rather than owning the car itself).

Ownership takes place through chains of contracts, which give rise to complex financial networks. In one direction, financial funds flows to make possible the realisation of projects and technologies. In the other direction, revenues, control but also financial risk flow towards the owners. Understanding the properties of financial networks is key to understand and manage the trajectory that human society we will take in the next decades in relation to the surge of AI.