ICSW NEWS
International Council on Social Welfare



Welcome Letter

by Antonio López Peláez, ICSW Executive Director

Dear ICSW members, friends, and interested readers,

Welcome to the October 2026 issue of our newsletter.

The title of our international seminar in Marrakech, October 22–24, 2026 ("From Exclusion to Belonging: Promoting Inclusive Practices to Strengthen Social and Community Ties") is a fitting theme for the month of October and for the coming year, 2027. Strengthening social ties and reinforcing our groups and communities is one of the basic requirements for ensuring that our social well-being is sustainable and viable. I encourage you all to stay tuned for the outcomes of this international seminar and the Marrakech Declaration, which we have been developing collaboratively for months. This international seminar, organized by our colleagues in Morocco in Marrakech, is a joint initiative of the ICSW MENA Region, the ICSW Europe Region, and the ICSW Global Office, and is made possible thanks to the leadership of our vice president, Driss Guerraoui, the driving force behind this international seminar. I would like to thank everyone who is making this international seminar possible, which gives us the opportunity to advance the cause of social, participatory, and inclusive well-being, while also allowing us to strengthen our own ties within the ICSW.

In this newsletter, in addition to a contribution from our president, Sergei Zelenev, we are publishing two excellent articles on two topics that are highly relevant today. First, human dignity and social protection. On this topic, the president of ICSW-US, Patricia Martin O'Meally, has published an interesting article titled "Human Dignity and the Future of American Social Protection." Second, community networks as a strategy for sustainable social development. On this topic, Mojela Mpiti has published an article titled "The Fracture of Indigenous Communitarian Security Net: A Vision for Integrated Social Development." Finally, in the "Publication in Focus" section, newsletter readers can find a review of the book "The Economics of Transformative AI: Opportunities, Risks, and the Future of Human Welfare." A newsletter would not be possible without contributors who send us their articles and provide us with rigorous information for debate and social action. That is why I would like to wholeheartedly thank the authors who have contributed to this newsletter.

Take care and stay healthy.

Antonio López Peláez
ICSW Executive Director

President's Corner



October calendar—invitation for reflection and action on welfare issues

by Sergei Zelenev, ICSW President

October is, in a remarkable sense, a month of social reflection at the United Nations. It begins with the International Day of Older Persons, passes through the International Day for the Eradication of Poverty, and ends with the International Day of Care and Support. Between these dates are observances devoted to girls, mental health, food, rural women, disaster risk reduction, and other concerns that are central to human well-being. Taken together, they form something close to a social-welfare calendar for the month.

The United Nations currently observes **125 international days**, although the precise total depends on whether one counts only days proclaimed by the General Assembly or also observances established by UN specialized agencies and other UN bodies. Not all of them carry the word "International" in their names: World Health Day, for example, is an April observance of the World Health Organization. International days therefore constitute a broad family of UN and UN-system observances rather than a single category created through one procedure.

Their significance is sometimes underestimated. An international day does not, by itself, change a law, create a social protection program, or put money into a national budget. Yet these days perform an important political and educational function. They give an issue a particular moment in the international calendar; create a common language around it; bring governments, civil society, professional organizations and citizens into a shared conversation; and provide an opportunity to measure progress—or to acknowledge that progress has been insufficient.

October is especially interesting because several of its observances can be read together as different dimensions of social well-being.

The month opens, on **1 October, with the International Day of Older Persons**. The day recognizes the contributions, experience and wisdom of older people while emphasizing their human rights, dignity, autonomy and participation in society. It also draws attention to the challenges associated with longer lives: ageism, chronic illness, dementia, gaps in health care, inadequate social protection and the risk of social isolation.

The 2026 observance is particularly timely. Its theme, **"The Age of Longevity: Rethinking Systems for Longer Lives,"** asks societies to look beyond the simple fact that people are living longer. Longevity is one of humanity's great achievements, but it also requires institutions to adapt. Pension systems, health services, housing, transportation, employment arrangements and community life all need to be reconsidered when a much larger proportion of the population can expect to live into advanced old age.

This is ultimately a question not simply about older people, but about society as a whole. A society that enables people to age with dignity is also a society that recognizes interdependence across generations.

Other October observances reinforce this idea. **International Day of the Girl Child** reminds us that inequalities begin early in life and that investment in girls' education, health, safety and opportunities has consequences across the life course. **World Mental Health Day** draws attention to a dimension of well-being that was for too long marginalized in public policy. **International Day of Rural Women** recognizes the often invisible economic and social contributions of women whose work sustains households, agriculture and rural communities. **International Day for Disaster Risk Reduction** reminds us that vulnerability is socially distributed: poverty, age, disability, inadequate housing and weak social protection can determine who is most exposed when disaster strikes.

Then comes **17 October, the International Day for the Eradication of Poverty**. Its message is perhaps the most direct expression of social welfare in the October calendar. Poverty is not merely a shortage of income. It can mean inadequate housing, insecure employment, hunger, exclusion from essential services, discrimination and an absence of voice and dignity.

The eradication of poverty therefore requires more than economic growth. It requires social protection, access to health and education, decent work, affordable housing, equality of opportunity and institutions capable of preventing people from falling through the cracks. The principle of leaving no one behind acquires meaning only when these systems actually reach people in vulnerable circumstances.

24 October, United Nations Day, provides another perspective. Unlike the more issue-specific observances, it invites reflection on the institution itself and on the idea of international cooperation. The day has been observed since 1948, following the entry into force of the UN Charter in 1945. Its relevance to social welfare is considerable. Problems such as poverty, ageing, migration, care, inequality and climate change do not stop at national borders. They require cooperation, common standards and shared commitments.

International days themselves are an expression of that multilateral process. A UN Member State may propose a resolution declaring an international day, usually building support among other Member States before bringing it to the General Assembly. The General Assembly then considers and adopts the resolution. UN specialized agencies can also establish observances within their respective mandates. The process matters because an international day is ultimately a political decision to say: this issue deserves collective attention.

There is also something distinctive about these days. They are not religious holidays. They do not derive their authority from a religious tradition or commemorate a sacred event. Their purpose is secular and civic: to draw attention to human concerns, collective achievements, unresolved problems and shared responsibilities.

This brings us to **29 October, the International Day of Care and Support**, a particularly significant addition to the October calendar. Care is the infrastructure of human life, although it has historically been treated as if it were largely a private family matter. Children need care. Older people need care. People with disabilities and people living with illness may need care. And sooner or later, almost every person will both provide and receive care.

Yet much care remains unpaid, invisible and disproportionately carried by women. The challenge is therefore not simply to provide more care, but to rethink the organization and value of care in our economies and societies.

One useful framework is the **5R approach: recognize, reduce, redistribute, reward and represent** care work. We need to recognize unpaid care in statistics and policy-making; reduce unnecessary burdens through infrastructure and public services; redistribute responsibilities more fairly between women and men and between families, communities, markets and the state; reward care workers through decent wages, working conditions and social protection; and ensure that caregivers and care recipients have a voice in decisions affecting them.

This requires public investment. Childcare, eldercare, health services, accessible transportation, water and energy infrastructure are not merely expenditures. They are social investments that make participation in employment and community life possible. Investment in the care economy can also create substantial employment, particularly in sectors such as health, education and social care.

Seen together, the October international days tell a coherent story. They move from ageing to childhood, from mental health to rural livelihoods, from poverty to international cooperation, and finally to care and support. These are not isolated themes. They are connected by a common question: What kind of society do we want to build, and how do we organize our institutions so that people can live with dignity throughout the life course?

Perhaps that is why October deserves to be seen as a social month in the UN calendar. The individual days are important in their own right, but their deeper significance emerges when we look at them together. They remind us that social welfare is not a collection of separate programs for separate groups. It is an interconnected system of rights, relationships, services, protection and solidarity.

International days cannot substitute for action. But they can create the occasion for action, give visibility to neglected issues and help turn scattered concerns into shared priorities. Their greatest value may therefore lie not in celebrating a single day, but in using that day to ask what should be different on all the days that follow.



Human Dignity and the Future of the American Social Protection

By Patricia Martin-O'Meally, Chair, ICSW-US

The United States faces increasingly complex social challenges that affect the well-being of families, children, older people, and communities. Food insecurity, rising health care costs, housing pressures, and inadequate access to essential services leave many households struggling to meet their basic needs. These challenges raise fundamental questions about the responsibilities of government, the effectiveness of social protection, and the kind of future we seek to grow and build for this country.

For the International Council on Social Welfare–United States (ICSW-US), addressing these concerns is central to our mission of advancing social development, social welfare, and social justice. As the country approaches the November 2026 midterm elections, it is particularly important to ensure that social needs remain visible in public debate and that the voices of vulnerable populations are heard by those making policy decisions.

Food Security and Health Care: Essential Foundations

Access to nutritious food is a basic condition for health and human dignity. Yet many American families continue to experience difficulties securing an adequate and reliable food supply. The Supplemental Nutrition Assistance Program (SNAP) provides essential support to eligible households, helping parents feed their children and older adults maintain adequate nutrition has lost or reduced benefits to more than 5 million recipients. Reductions in benefits and or restrictions on eligibility places additional pressure on families already facing economic hardship.

When food assistance becomes less accessible, households must make difficult choices between groceries, housing, utilities, transportation, and medicine. Children and older people are particularly vulnerable to the consequences of inadequate nutrition. Food banks and charitable organizations play an important role in responding to immediate needs, but many say they are overwhelmed by the demand and cannot fully replace and reach the coverage of public programs.

Health care is intricately connected to food security. Changes affecting access to Affordable Care Act insurance coverage and subsidies can increase financial pressures for those households that depend on affordable health insurance. When medical or mental health services become inaccessible, people may delay treatment, potentially worsen their conditions and increase the burden on families and community-based health care institutions.

Emergency departments and community service organizations often confront the consequences of unmet health and medical needs. A family unable to afford preventive care may eventually require more expensive emergency treatment. An older person struggling to pay for medication may face a choice between protecting their health and meeting other essential expenses.

These problems demonstrate that food security and health care cannot be addressed in isolation. Poor nutrition can contribute to health difficulties, while illness can compromise an individual's ability to work and contribute to their employment and financial stability. Effective social protection must therefore recognize the interconnected circumstances that shape lives.

Rethinking Economic Security

Economic security is often understood primarily in terms of employment and income. Having a job is important, but employment alone does not guarantee that a household can afford adequate housing, nutritious food, health insurance, or child care.

Rising housing costs can consume a substantial share of household earnings. The cost of child care may prevent parents from accepting employment or pursuing further education. Medical expenses can undermine savings and retirement plans, while caring responsibilities may limit the ability of family members to work full-time.

These pressures challenge the traditional distinction between economic policy and social policy. Access to essential services is not simply a matter of providing assistance to people living in poverty. It also influences workforce participation, family stability, educational opportunities, and the economic resilience of communities.

An essential question is how public policies can support individual motivation and drive while protecting people against circumstances they cannot manage independently. A well-designed support system should help people participate in economic life while ensuring that disability, unemployment, illness, old age, or family responsibilities do not allow for growth and prosperity.

There are differing views about how this balance should be achieved. Some emphasize personal responsibility, employment incentives, eligibility requirements, and the careful use of public resources. Others stress the need for stronger public guarantees and more reliable access to essential services.
A constructive discussion should move beyond assumptions that poverty is primarily the result of individual choices. Low wages, unstable working hours, limited employment opportunities, high living costs, and inadequate services can all contribute to economic insecurity. Policies must take these structural barriers into account if they are to promote lasting independence and well-being.

Fiscal responsibility and social protection should not be treated as mutually exclusive objectives. The challenge is to ensure that public resources are used effectively while addressing genuine needs and preventing avoidable hardship.

Democratic Participation and the Voices of Vulnerable Communities

Social welfare is also connected to the quality of democratic participation. People need meaningful opportunities to communicate their concerns to elected representatives and influence decisions affecting their lives.

Yet those experiencing economic hardship may have the least time and capacity to participate in public affairs. People working multiple jobs, caring for relatives, living with disabilities, or struggling to secure necessities can face practical barriers to attending public meetings, contacting policymakers, or engaging in civic activities.

The protection of voting rights and the integrity of elections are therefore important dimensions of social justice. Free and fair elections allow citizens to hold public officials accountable and express their views on the priorities that should guide public policy.

The November 2026 midterm elections will influence the political environment in which decisions about health care, food assistance, and other social programs are made. Their importance, however, extends beyond competition between political parties. They provide an opportunity to consider whether public institutions are responding adequately to the needs of families and communities.

ICSW-US is committed to encouraging informed participation and ensuring that the experiences of people whose voices are often overlooked become part of these discussions. Our role is not simply to observe political developments, but to help connect social needs with policy choices through engaging in a democratic process.

Strengthening ICSW-US and Collective Action

ICSW-US places a strong emphasis on expanding membership and increasing member participation. New members bring valuable experience, fresh ideas, and different perspectives on the challenges facing communities. Their engagement strengthens our capacity to identify problems, share effective approaches, and advocate for constructive responses at local, national, and international levels.

Addressing today's social challenges requires cooperation among social welfare professionals, researchers, community organizations, policymakers, and concerned citizens. No single institution can resolve food insecurity, improve access to health care, or overcome the many barriers to economic security on its own.

Our organization can contribute by bringing these perspectives together, raising awareness of unmet needs, supporting evidence-informed policy discussions, and promoting approaches that respect human dignity. We must also listen to people directly affected by social problems, recognizing that they are not merely recipients of services but individuals with experience, knowledge, and the capacity to contribute to solutions.

The future of our American democracy will depend on how effectively society reconciles economic priorities with social needs, individual responsibility with collective political engagement, and developing national policies that respond to the diverse circumstances of local communities.

Food security, affordable health care, and meaningful democratic participation are intricately connected elements of a just and inclusive society. They help determine whether people can live with dignity, support their families, and contribute to their communities.

As ICSW-US continues its work, we reaffirm our commitment to giving a voice to those whose needs are too often unheard. By strengthening our membership, encouraging public engagement, and advocating for effective social protection, we can help build a society in which the well-being of all people is recognized as a shared responsibility.

Ms. Martin-O'Meally is a licensed Clinical Social Worker in D.C. and in Maryland; she has certifications in Psychotherapy, Addictions and in Public Management. She taught as an Associate Adjunct Professor at the Howard University School of Social Work for 24 years.



The Fracture of the Indigenous Communitarian Security Net

A Vision for Integrated Social Development

by Mojela Mpiti

1. Introduction: A Multidimensional Lens from South Africa
South Africa is a country deeply shaped by a history of resilience, profound social transformation, and the continuing challenges of post-apartheid development.
Across the fields of social work, community welfare, and human rights, the challenges confronting our societies are rarely linear. They cannot be addressed through financial interventions or legal frameworks alone. Our contemporary realities call for a multidimensional and deeply empathetic approach that connects formal socioeconomic policy with psychological support, empirical research, and community-led action.

As an accredited mediator, practicing counselor, grassroots community researcher, and social performing artist, my work has focused on precisely these intersections. Each of these roles provides a distinct perspective on the human condition:

Mediation and counseling provide essential interpersonal and therapeutic tools for repairing fractured relationships, addressing family disputes, and supporting individuals experiencing trauma.

Community research provides an empirical foundation for documenting, understanding, and analyzing changing socioeconomic conditions within communities.

Social performance art provides a dynamic vehicle for social transformation. Statistics and legal frameworks can describe a crisis, but they do not always reach people emotionally or challenge deeply rooted cultural assumptions. By translating social research into community theater, interactive performance, and storytelling, we can transform passive observers into active participants in social change. We bring structural problems to life so that communities can begin to address them collectively.

This contribution introduces my multidisciplinary practice to the global ICSW network while examining a critical structural challenge affecting communities across sub-Saharan Africa: the weakening of traditional systems of social protection and solidarity under the pressures of rapid socioeconomic transformation and urbanization.

2. The Communitarian Security Net: The "Village Insurance Model"
To understand some of the challenges facing vulnerable populations—particularly children and young people—we must first consider the historical foundations of community-based social protection in many African societies.

Before colonial interventions, large-scale urbanization, and the expansion of modern market economies transformed patterns of family and community life, many African societies relied heavily on extended kinship networks and reciprocal obligations. From a social policy perspective, these arrangements can be understood as an informal, community-based form of social insurance: a system in which responsibility for individual well-being was distributed across an extended network rather than concentrated within a single household.

At the heart of this system was a classificatory kinship structure. Family relationships were defined not only by biological ties but also by shared social responsibilities and obligations. For a child growing up within such a system, an "uncle" or "aunt" was not simply a relative at the margins of family life. Kinship terminology often expressed specific responsibilities and social roles.

The Paternal Lineage
A child's biological father—*Baba* in Swahili, *Ubaba* in Zulu, or *Utata* in Xhosa—shared parental responsibilities within a wider network of male relatives. Older and younger brothers of the father could be recognized through distinct kinship terms, such as *Baba Mkubwa / Ubab'omkhulu* or *Baba Mdogo / Ubab'omncane*.

These terms reflected more than forms of address. They expressed expectations of responsibility. If a biological father died, other members of the paternal lineage could assume responsibility for his children, integrating them into their own households and continuing the family's social and economic obligations.

The Maternal Lineage
The maternal side provided another important layer of protection. A mother's sisters could function as co-mothers, sharing responsibilities for nurturing, discipline, and child-rearing. The mother's brother—known as *Malume* in Nguni cultures or *Mjomba* in parts of East Africa—could occupy a particularly important protective and mediating role.

Because the maternal uncle belonged to a different lineage, his role could provide a form of protection and mediation when tensions arose within the paternal household. In difficult circumstances, the maternal family could therefore provide an alternative source of security and sanctuary.

Supported by systems of community leadership and the authority of elders, local communities also possessed mechanisms for resolving disputes, managing shared resources, and responding to individual hardship. The village functioned as an interconnected network in which responsibility for vulnerability was distributed across the wider community.

The strength of this model lay not in the absence of hardship, but in the principle that an individual or household was not expected to face hardship entirely alone.

3. The Anatomy of the Fracture: Individualism and Communalism
The transition from predominantly agrarian economies to urban, wage-based, and increasingly monetized economies profoundly altered these traditional systems of solidarity.
In many traditional rural settings, an extended household and a larger family network could represent additional labor and shared productive capacity. In the modern urban economy, however, every additional household member can generate immediate financial costs: rent, electricity, water, transportation, education, healthcare, and food.

At the same time, large-scale migration from rural areas to cities such as Johannesburg, Nairobi, and Lagos has physically separated family members from traditional support networks. Urban housing is often organized around smaller household units, making it difficult for extended families to reproduce the spatial arrangements of rural communities.

As younger generations have moved into cities in search of employment and education, the physical distance from their extended families has often been accompanied by changes in expectations surrounding kinship and responsibility.

This transformation is particularly visible in discussions surrounding "Black Tax"—the financial expectations placed on relatively successful urban professionals to support relatives and communities in need. The individual may be encouraged by modern economic culture to prioritize personal savings, retirement planning, housing, and the immediate nuclear family. At the same time, longstanding communal expectations may continue to call for financial support to parents, siblings, children, and extended relatives.

The resulting tension can be profound. When individuals resist these expectations, they may face accusations of abandonment or of failing to fulfill family obligations. When they attempt to meet all demands, however, the financial stability of their own households may be placed under considerable pressure.

The deeper problem is not simply a conflict between "individualism" and "communalism." It is the absence of a stable institutional framework capable of reconciling the two. As traditional systems weaken without being fully replaced by formal systems of social protection, vulnerable family members may fall into the gaps between them.

4. The Systemic Transitional State and the Street-Intake Pipeline
One of the most serious consequences of this transition can be the increased vulnerability of children and young people to homelessness and street life. When traditional family support systems weaken while formal social protection systems remain insufficient, a sequence of failures can occur.

This process can be understood through four stages:

Phase 1: Immediate Household Collapse
The crisis often begins within the immediate household. Extreme poverty, domestic violence, parental substance abuse, family breakdown, or the death of a parent can undermine the household's ability to care for a child.

Phase 2: The Rejection of Sanctuary
Under traditional arrangements, a child experiencing such a crisis might have been able to turn to members of the extended family, including a maternal uncle or other close relatives, for protection. Today, however, relatives may themselves be struggling with poverty, unemployment, overcrowded housing, and the cost of supporting their own children. In such circumstances, they may be unable to accommodate another child. In more serious cases, children may be exposed to neglect, exploitation, or abuse.

Phase 3: The Traditional Governance Void
Historically, community elders and local structures could exercise considerable authority in resolving family disputes and protecting vulnerable members of the community.
Urbanization and geographic separation have weakened these mechanisms. An elder living in a rural community may have little practical authority over relatives living hundreds of miles away in an urban environment governed by very different social, economic, and legal structures.

Phase 4: The Institutional Vacuum
The final stage occurs when the traditional safety net has weakened but a sufficiently strong formal welfare system is not available to fill the gap.
Where systems such as foster care, child protection, family support, housing assistance, and social services are limited or inaccessible, a vulnerable child can find themselves caught between two worlds: the traditional community network can no longer provide adequate protection, while the formal system is unable to provide an effective alternative.
Through my work as a community researcher, I have come to understand that children living on the streets should not automatically be viewed simply as “runaways” from functional homes. In many cases, their circumstances reflect a much broader failure of social protection. The traditional village-based safety net has weakened before reliable institutional alternatives have been fully established.

5. Reclaiming the Village: Mediation, Counseling, and Art as Social Solutions
Addressing this crisis requires more than economic assistance or conventional policy interventions. It requires rebuilding relationships, strengthening community responsibility, and creating new forms of solidarity that are compatible with contemporary urban realities.
This is where my professional practices as a mediator, counselor, community researcher, and social performing artist converge.

Mediation can help address tensions between urban professionals and their extended families. Structured and neutral dialogue can create opportunities for family members to acknowledge competing needs, clarify expectations, and establish realistic boundaries for financial and practical support. The objective is not to return to the past but to develop workable forms of solidarity for the present.

Trauma-informed counseling is equally important. Children who experience rejection, abandonment, family violence, or exploitation may carry deep psychological wounds. Supporting their emotional recovery and rebuilding their sense of dignity and self-worth can be an essential part of preventing further marginalization.

Social performance art provides another avenue for community engagement. Participatory theater, storytelling, and public performance can make otherwise invisible social problems visible. By dramatizing family abandonment, the erosion of traditional support systems, and the experiences of vulnerable young people, artistic practice can open spaces for dialogue that conventional policy discussions sometimes fail to create.

The purpose is not simply to preserve an idealized version of the traditional village. Rather, it is to ask how its principles of mutual responsibility, reciprocity, protection, and belonging can be adapted to contemporary conditions.

Through art and community dialogue, people can become participants in this process rather than merely audiences to it. In this sense, social performance can contribute to rebuilding a modern and resilient form of community solidarity.

6. What could be done?
The weakening of community-based systems of social protection is not unique to South Africa. Similar challenges can arise in societies undergoing rapid urbanization, economic transformation, migration, and globalization.

For the global ICSW community, this raises an important social policy question: How can modern systems of social protection strengthen, rather than displace, the valuable forms of solidarity that already exist within communities?

We should explore innovative approaches that connect community-based responsibility with formal social protection. These could include community-managed funds or trusts, stronger recognition and support for extended-family caregivers, family mediation services, community-based child protection mechanisms, and partnerships between local organizations and public welfare institutions.

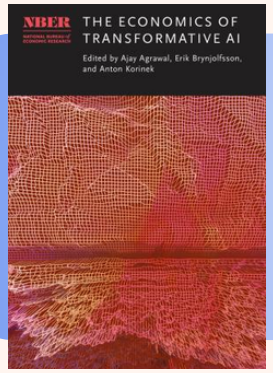
Such approaches would not require a return to the past. Instead, they would seek to combine the strengths of traditional communal values with contemporary principles of human rights, child protection, social justice, and accountable public policy.

The challenge before us is therefore not simply to preserve the old village or to replace it with the modern state. It is to build a bridge between them.

I look forward to collaborating with colleagues across the ICSW network to explore culturally grounded and innovative strategies for protecting vulnerable populations, strengthening social solidarity, and ensuring that no child or family is left to fall through the gaps between traditional community support and formal systems of social protection.

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Publications in Focus



The Economics of Transformative AI: Opportunities, Risks, and the Future of Human Welfare

by Sergei Zelenev

Book: Ajay K. Agrawal, Erik Brynjolfsson, and Anton Korinek (eds.). The Economics of Transformative AI. University of Chicago Press, 2026.

What happens to an economy when machines can think as well as, or even better than, human beings? This question lies at the heart of The Economics of Transformative AI, a collection of research examining one of the most consequential economic and social challenges of our time. The volume brings together sixteen studies and accompanying discussions presented at the National Bureau of Economic Research Conference on the Economics of Transformative AI, held at Stanford University in September 2025.

The contributors examine effects on innovation, employment, income distribution, and social organization, weighing opportunities such as personalized assistance and scientific discovery against labor displacement, inequality, concentrated power, unreliable information, and existential risks. For social policy and human development, the central question is how technological progress can advance welfare rather than deepen exclusion.

The editors suggest that humanity may be approaching a transformation comparable to, or even greater than, the Industrial Revolution. Although predictions about when AI might match or exceed human capabilities remain uncertain, its rapid progress makes the potential economic and social consequences impossible to ignore.

The central possibility is a shift from an economy in which human intelligence is scarce to one in which increasingly sophisticated cognitive capabilities can be reproduced and deployed at scale. This could challenge established assumptions about productivity, wages, employment, ownership, and economic advantage. Unlike earlier technological revolutions, which often displaced particular kinds of work while creating others, transformative AI could affect cognitive tasks across a broad range of professions, from administration and professional services to research and management.

Rather than treating any outcome as inevitable, the volume examines alternative futures and the choices that may shape them.

From knowledge work to “genius on demand”

One of the book’s useful concepts is AI as a source of “genius on demand.” It distinguishes workers who apply existing knowledge to solve problems from those whose work generates new knowledge and ideas. As AI becomes more capable of performing established cognitive tasks, demand for some routine knowledge work may fall, while creativity, original judgment, and the exploration of unfamiliar problems may retain or gain value.

AI may help some workers achieve more while replacing others, making expertise more accessible but also intensifying competition. Employment outcomes will depend on adoption costs, workplace organization, new tasks, institutional arrangements, and society’s ability to adapt. Education, professional development, and responsive labor-market institutions will therefore be essential.

AI could reduce the cost of producing knowledge-intensive goods and services, stimulate innovation, and create opportunities for businesses, public institutions, and individuals. Yet the gains will not necessarily be widely shared. Ownership of advanced systems, access to computing infrastructure, and control over data may give a limited number of companies and institutions substantial advantages, reinforcing market concentration and unequal economic power.

Decisions about access, pricing, deployment, and AI systems' objectives may affect employment, public services, and wealth distribution. Governance—including competition policy, regulation, and institutional design—will help determine who benefits.

Employment, inequality, and adaptive capacity

The volume's discussion of labor and distribution is particularly relevant to social protection. It distinguishes exposure to automation from the capacity to adapt. An "adaptive capacity index" offers a useful perspective: vulnerability depends not only on which tasks AI can perform, but also on whether people can acquire new skills, move between occupations, use AI productively, and access emerging opportunities.

Highly exposed professionals may have the education, resources, and flexibility to adjust. Some clerical and administrative workers, by contrast, may face substantial exposure and fewer options, especially where retraining, financial resources, and alternative employment are limited. The assumption that technological disruption will affect all workers in the same way is therefore misleading.

If productivity rises while some workers lose bargaining power, gains may accrue disproportionately to technology providers and owners of capital. The economy may become wealthier even as many households experience insecurity, weaker employment prospects, or reduced economic independence. Policy must go beyond technical training. Lifelong learning, employment services, income support, and portable social protection can help people share in progress, while recognizing that adaptation takes time and opportunities are unequal.

For the International Council on Social Welfare (ICSW), this raises a fundamental question: how can social policy ensure that technological progress strengthens human welfare rather than leaving those with the least capacity to adapt further behind?

The book also revisits the relationship between AI, markets, and economic coordination. Friedrich Hayek argued that knowledge is dispersed throughout society and cannot readily be assembled by a central authority; markets help coordinate information that no single decision-maker can fully possess.

AI may complicate this argument. By processing vast quantities of information and identifying complex relationships, AI systems could make some forms of centralized decision-making more effective than previously thought. The possibility challenges conventional economic thinking, but it does not prove that centralized decisions will generally outperform markets. Economic knowledge includes local experience, tacit understanding, changing preferences, and judgments about social values. Processing more information cannot by itself resolve questions of accountability, coordination, or legitimacy.

The challenge is to combine the strengths of markets, governments, communities, and public institutions. The contributors also warn that AI-generated information may undermine public debate, while concentrated AI capabilities may create wider systemic vulnerabilities.
These risks make AI governance a matter of public interest, not simply technological innovation or private investment.

Putting human flourishing at the center

The principal value of The Economics of Transformative AI is its effort to move beyond predictions of technological breakthroughs. By combining theoretical models, empirical analysis, and attention to institutions, it helps clarify the choices confronting governments, businesses, and societies.

For social welfare professionals and policymakers, the key lesson is that AI's consequences will not be determined by technology alone. They will also reflect choices about ownership, access, regulation, employment, education, and the distribution of gains. The same advances that support scientific discovery and improve public services could intensify insecurity and exclusion if their benefits remain concentrated.

Economic modeling cannot by itself resolve questions of dignity, social relationships, or collective responsibility. These require engagement with social policy, social work, ethics, political science, and communities' lived experience. The volume encourages social welfare institutions to help shape AI's consequences.

The task ahead is to translate productivity gains into better living standards, meaningful opportunities, stronger social protection, and fuller participation in economic and social life, while preserving human agency and democratic accountability.

For ICSW and the wider social welfare community, this is a timely contribution to debate about how technological transformation can serve the public good. It clarifies important economic forces and policy choices. The question is not only how intelligent machines will transform the economy, but how societies can govern that transformation to promote equality, protect human dignity, and advance the well-being of all.

Sergei Zelenev, ICSW President

More Activity at ICSW- Save the Date!

TO ICSW Europe Members!

In the European Region this year we have to elect the Regional President, Regional Vice-President, Regional Vice-President, Regional Treasurer and the members of the Regional Board.

Important dates:
-Voting will be in an electronic way in September - October 2026;
-The results of the electronic voting will be announced and approved at the General Assembly in Vienna on **13 November 2026**.

For questions, please, contact the Secretariat of ICSW Europe: gabriela.siantova@ icsw.org

https://www.icsw.org

Contributions to the newsletter are welcome!

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