

HOW AI AND BIG DATA ARE RESHAPING PUBLIC POLICY: OPPORTUNITIES AND CHALLENGES

Mahi Maitreyi College, Department of Economics and Finance Delhi University

> Dr. Sayak Bhattacharya Department of Social Studies & AI Centre for National Policy Research

The emergence of artificial intelligence (AI) and big data analytics is creating a paradigm shift in public policymaking. This paper explores the transformative potential of these technologies, examining both their opportunities and challenges. We discuss how AI and big data can enhance evidence-based policymaking, improve efficiency and resource allocation, and personalize public services. However, we also acknowledge concerns regarding algorithmic bias, data privacy, and the potential for AI to exacerbate existing inequalities. The paper concludes by emphasizing the need for responsible development and governance frameworks to ensure that AI and big data are used ethically and effectively for the benefit of society.

I. INTRODUCTION

The ability to collect, analyze, and interpret vast amounts of data is rapidly changing the landscape of public policy. AI and big data offer policymakers powerful tools to gain deeper insights into complex problems, develop more targeted interventions, and improve the overall effectiveness of governance. However, these technologies also raise significant ethical and societal concerns that must be addressed. AI and big data can analyze large datasets to identify patterns and trends that would be difficult or impossible for humans to detect. This data-driven approach can inform policy decisions, leading to more effective and efficient solutions to complex challenges. By analyzing data on resource utilization and population needs, AI can help governments allocate resources more efficiently and equitably. This could lead to better targeting of social programs, improved infrastructure maintenance, and optimized service delivery. [1-3]

AI can be used to tailor public services to individual needs and preferences. This could involve personalized education, healthcare, or social welfare programs. AI can analyze data to predict and prevent potential problems, such as disease outbreaks, crime incidents, or economic downturns. This allows for proactive policy interventions that can mitigate negative impacts. Extensive administrative data — like healthcare records, social programs, tax systems, and more are gathered at various governmental levels. This data is supplemented with social media input, cameras, and sensors. Thus, new-age Big Data technology allows you to gather vast amounts of national and international data and process it in real-time, operating in a sort of feedback cycle.

Top-notch analytics allows you to make information accessible, accurate, sophisticated, and ready to integrate for your specific purposes.[5-8] However, at present, it's not enough to simply collect voluminous data — you need an efficient talent pool with profound knowledge to extract actionable insights from it. Researchers from different countries have already experimented with large-scale administrative data to measure and compare certain variables (incomes, spending, productivity levels, etc.) across small population groups. The results have helped guide research and policies in multiple economic subfields. In such a way, Big-Data-driven governing can equip nations with better decisions without compromising their overall quality. However, it's vital to remember the so-called data culture and regulatory frameworks that determine how Big Data should be collected, used, and shared.

Application of AI algorithms in the public sphere still has various challenges to surmount.[4] AI algorithms can perpetuate existing biases present in the data they are trained on. This can lead to discriminatory outcomes in areas such as criminal justice, loan approvals, and employment opportunities. Mitigating this bias requires careful data selection, algorithm design, and ongoing monitoring. The use of big data raises concerns about privacy and individual rights.[9] Balancing the need for data collection with the protection of individual privacy is crucial to ensure public trust and prevent misuse of personal information. AI decisionmaking processes can be opaque and difficult to understand, concerns about transparency raising and accountability. Explainable AI techniques and clear regulatory frameworks are needed to ensure responsible use of these



technologies. AI and big data could exacerbate existing inequalities if not used responsibly. For example, algorithms used in hiring decisions could discriminate against certain groups, or personalized services could reinforce existing social divisions. Policymakers need to consider these risks and develop strategies to mitigate them.

II. APPLICATIONS OF AI IN PUBLIC POLICY SPHERE

Here are a few case studies highlighting the role of AI in shaping public policies:

1. Enhancing Law Enforcement: The Use of AI Technology in Predictive Policing

In recent years, the integration of artificial intelligence (AI) technology into law enforcement has sparked both enthusiasm and debate. One notable application is predictive policing, where AI algorithms analyze vast amounts of data to forecast potential criminal activities. While offering the promise of increased efficiency and crime prevention, it also raises concerns about privacy, bias, and ethical considerations.

Predictive policing involves the use of advanced algorithms to analyze historical crime data, identify patterns, and predict where future criminal activities might occur. It relies on various data sources, including crime reports, demographic information, and even social media activity. By leveraging machine learning techniques, predictive policing aims to provide law enforcement agencies with insights that can help optimize resource allocation and enhance proactive measures.

One of the key advantages of AI-driven predictive policing is the optimized allocation of law enforcement resources. By identifying high-risk areas, police departments can deploy officers strategically, increasing their presence where it is most needed. The ability to predict potential crime hotspots allows law enforcement agencies to implement preventive measures, disrupting criminal activities before they occur. This proactive approach is seen as a valuable tool for reducing overall crime rates. Predictive policing can streamline investigative processes by prioritizing cases with a higher likelihood of leading to arrests. This efficiency is particularly crucial for police departments with limited resources.

The Los Angeles Police Department (LAPD) implemented predictive policing software to forecast property crimes. By analyzing historical data, the system identified patterns and helped the department allocate resources more effectively. However, the program faced scrutiny over concerns of bias and questions about the transparency of the algorithms.

The Chicago Police Department experimented with predictive analytics to anticipate potential crime locations and allocate resources accordingly. While the initiative showed some success in crime reduction, controversies arose regarding the fairness of the algorithms, raising questions about potential bias in policing practices.

The AI approach does not come without scope of bias and unfairness. The predictive policing algorithms may perpetuate and even exacerbate existing biases in law enforcement. If historical crime data reflects biases, the algorithms may inadvertently reinforce discriminatory practices. The vast amount of data used for predictive policing, including information from social media, raises significant privacy concerns. Ensuring that citizens' rights are protected while using the AI technology remains a critical challenge for all concerned.

The use of AI technology in predictive policing presents a powerful tool for law enforcement to enhance public safety and crime prevention. However, careful consideration must be given to ethical concerns, transparency, and potential biases to ensure that the benefits of these technologies are realized without compromising individual rights.[10-12] As technology continues to evolve, an ongoing dialogue between policymakers, law enforcement agencies, and the public is essential to strike a balance between security and privacy in the digital age.

2. Harnessing AI Technology for Traffic Management

As urbanization accelerates and populations grow, traffic congestion has become a pervasive issue in many cities worldwide. In response to these challenges, the integration of artificial intelligence (AI) technology in traffic management has emerged as a transformative solution. Leveraging AI algorithms, smart cities are enhancing traffic flow, reducing congestion, and improving overall transportation efficiency.

AI's application in traffic management involves the analysis of real-time data from various sources, such as traffic cameras, sensors, and GPS devices. By utilizing machine learning algorithms, cities can process and interpret this data to make informed decisions that optimize traffic flow and enhance overall mobility.

AI algorithms analyze live traffic data to identify patterns, congestion points, and anomalies. This enables traffic management systems to make instant adjustments, rerouting vehicles and optimizing traffic signal timings based on the current flow.

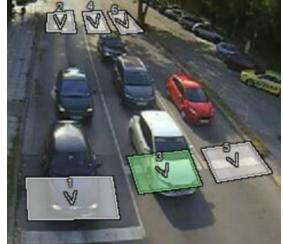


Fig 1. An example of the old-school video analytics gating methods used



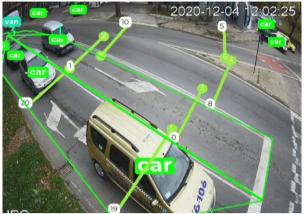


Fig 2. Video analytics run on off-the-shelf EDGE computing units equipped with NVIDIA Jetson Xavier processors

In a case study, GoodVision and Telelink City partnered to bring real-time traffic monitoring to Stara Zagora, yielding 97% accuracy.[19] Among the largest cities in Bulgaria, Stara Zagora has 150,000 residents, 70 buses for public transit, and a city management team of 40. Prior to engaging GoodVision, Telelink City used conventional traffic data collection methods and traditional video detectors that simply didn't deliver the high-quality data they needed. As visible in Fig 1., Environmental conditions like sun, shade, and other obstacles reduced the accuracy of detection using traditional background subtraction video analytics methods. Low accuracy also meant traffic-control strategies that real-time couldn't be implemented to their full potential as the controller's reaction is only as accurate as the input data to it.

GoodVision's solution was connected with the existing city IP cameras (2.0 megapixels, 25FPS). Traffic video analytics as seen in Fig 2. are based on GoodVision's proprietary artificial intelligence, which performs real-time detection, classification, and tracking of traffic attendants based on their appearance and their full trajectories were retrieved for further analysis.

By considering historical traffic data and factors such as events, weather, and construction, AI can create predictive models. These models help anticipate potential traffic issues, allowing authorities to implement proactive measures and reduce the impact of congestion.

AI-powered traffic signal control systems adjust signal timings dynamically based on real-time traffic conditions. This adaptive approach, helps manage intersections more efficiently, reducing wait times for drivers and improving the overall flow of traffic.

Singapore has implemented an AI-driven traffic management system that utilizes data from sensors and cameras. The system analyzes traffic patterns, identifies congestion points, and adjusts traffic signals in real-time. This has led to a significant reduction in congestion, shorter travel times, and a more sustainable transportation network. Los Angeles implemented an AI-based traffic management system that integrates with the city's existing infrastructure. The system uses data from various sources to predict and alleviate congestion. Results have shown improvements in traffic flow, reduced emissions, and enhanced overall urban mobility.

The collection and utilization of extensive traffic data raise concerns about privacy. Cities must implement robust data protection measures to ensure that sensitive information is handled responsibly and securely. There is a need to address potential disparities in the deployment of AI-based traffic management. Ensuring that advancements benefit all segments of the population and avoiding unintentional biases is crucial for fostering equitable transportation solutions. Transparent communication with the public about the use of AI in traffic management is vital. Building trust involves educating the community about the benefits, limitations, and safeguards in place to protect their privacy.

The integration of AI technology in traffic management represents a pivotal step towards creating smarter, more efficient, and sustainable urban environments. By leveraging real-time data and predictive analytics, cities can alleviate traffic congestion, reduce emissions, and enhance the overall quality of transportation systems. As AI continues to evolve, ongoing collaboration between technology innovators, city planners, and the public will be essential to navigate the future of smart and efficient traffic management systems.

3. The Impact of AI Technology on Healthcare Policy

In an era of rapid technological advancements, artificial intelligence (AI) is making profound contributions to various sectors, and healthcare is no exception.[13-14] The integration of AI technology into healthcare policy is reshaping the landscape of public health, offering opportunities for improved efficiency, better patient outcomes, and informed policy decisions.

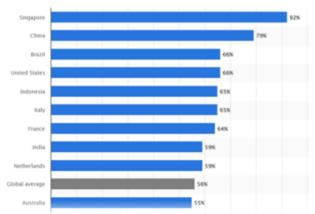


Fig 3. Rate of Adoption of predictive analytics in Healthcare in selected countries in the World [20]



AI technologies excel in processing and analyzing vast amounts of healthcare data, ranging from electronic health records to clinical trial results. By leveraging machine learning algorithms, policymakers gain valuable insights into disease trends, treatment efficacy, and healthcare disparities. This data-driven approach enhances the evidence base for healthcare policy decisions.[16]

AI-driven predictive analytics enable healthcare policymakers to anticipate disease outbreaks, allocate resources effectively, and implement preventive measures. For example, AI algorithms can analyze epidemiological data to predict the spread of infectious diseases, allowing for targeted interventions and timely policy adjustments. AI supports the development of personalized treatment plans by analyzing individual patient data, genetic information, and treatment responses. Healthcare policies that incorporate AI-driven personalized medicine can optimize patient outcomes, minimize adverse reactions, and improve the overall efficacy of healthcare interventions.

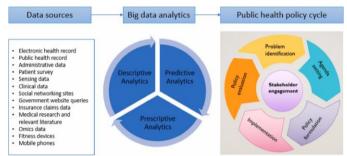


Fig 4. How Big Data is utilized in Public Health Policy Cycle

IBM Watson for Oncology is an AI system that analyzes medical literature, clinical trial data, and patient records to provide oncologists with evidence-based treatment recommendations. By integrating such AI systems into healthcare policies, policymakers can promote the adoption of precision medicine in cancer treatment.

Deep learning algorithms have shown promise in detecting diseases at early stages by analyzing medical imaging data. By incorporating these technologies into healthcare policy, policymakers can prioritize early detection programs, potentially reducing the burden of chronic diseases and improving overall population health. The extensive use of AI in healthcare policy relies on the availability of large datasets. Policymakers must address concerns related to patient privacy and implement robust security measures to safeguard sensitive health information. The integration of AI technologies often requires standardized data formats and interoperable systems. Policymakers play a crucial role in fostering collaboration between healthcare stakeholders to establish common standards and facilitate data exchange.

Policymakers must navigate ethical considerations related to AI applications in healthcare, including issues of bias, transparency, and the responsible use of patient data.

Establishing ethical guidelines and governance frameworks ensures the equitable and responsible deployment of AI technologies.

The integration of AI technology into healthcare policy holds tremendous potential for transforming healthcare delivery, improving patient outcomes, and optimizing resource allocation. As policymakers navigate the complexities of incorporating AI into healthcare systems, they must prioritize ethical considerations, data privacy, and collaborative efforts to harness the full benefits of AI in shaping the future of healthcare policy. The synergy between technology and policy innovation has the potential to revolutionize public health and create a more responsive and effective healthcare ecosystem.

4. The Role of AI Technology in Shaping Education Policy In the ever-evolving landscape of education, the integration of artificial intelligence (AI) technology is emerging as a transformative force.[15] The use of AI in shaping education policy, as seen in Fig 4. holds the promise of enhancing learning experiences, optimizing educational resources, and fostering a more inclusive and personalized approach to education. This article explores the multifaceted impact of AI on education policy, highlighting its potential benefits and the challenges it presents.

AI technology allows for the customization of learning experiences based on individual student needs. By analyzing students' learning patterns, preferences, and performance data, AI systems can tailor educational content, pacing, and assessment methods. Education policies that embrace personalized learning can foster a more student-centric and adaptive approach to instruction. AI analytics enable education policymakers to make informed decisions by analyzing vast amounts of data, including student performance metrics, attendance records, and demographic information. This data-driven approach allows for evidence-based policy decisions that address specific challenges within the education system and optimize resource allocation. The evolution of Big Data Analytics in the Education Market is mapped in Fig 5.

AI technologies can assist educators by providing personalized professional development opportunities. By analyzing teaching methodologies and student outcomes, AI systems can offer insights to help teachers refine their practices. Education policies that promote AI-supported teacher training contribute to the continuous improvement of instructional quality.[17-18] Adaptive learning platforms, powered by AI algorithms, have been implemented in various educational settings. These platforms adjust content and difficulty levels based on individual student progress, offering a personalized learning experience. Policymakers can support the integration of adaptive learning technologies to enhance student engagement and achievement.

AI-driven early intervention systems analyze student data to identify those at risk of falling behind academically. By implementing policies that support these systems, education



authorities can proactively address learning challenges, providing targeted interventions to ensure all students receive the support they need.



Fig 4. List of Big Data Applications in Education

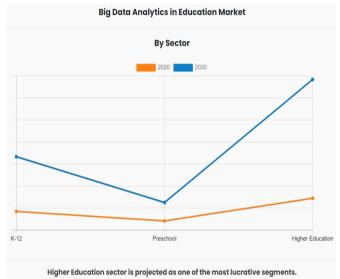


Fig 5. Evolution of Big Data Analytics in Education Market

While AI has the potential to enhance education, there are concerns about equity and accessibility. Policymakers must address issues related to the digital divide, ensuring that all students have equal access to AI-powered educational resources and opportunities. The collection and analysis of student data by AI systems raise concerns about privacy and security. Education policies must incorporate robust safeguards to protect sensitive student information and ensure compliance with data protection regulations. Big Data Analytics in Education Market Report Highlights

Aspects	Details
By COMPONENT	Software Services
By DEPLOYMENT MODEL	On-premise Cloud
By APPLICATION	Behavior Detection Skill Assessment Course Recommendation Student Attrition Rate Detection Others
By Sector	• K-12 • Preschool • Higher Education
By Region	North America (U.S., Canada) Europe (UK, Germany, France, Rest of Europe) Asia-Pacific (China, India, Japan, Rest of Asia-Pacific) LAMEA (Latin America, Middle East, Africa)
C By Key Market Players	Alteryx, Inc. Elackboard Inc. Fintellix Solutions pvt. Itd. LatentView Analytics International Business Machines Corporation Microsoft Corporation Oracle Corporation SAP SE SAS Institute Inc. Tableau Software TIBCO Software Inc.

Successful integration of AI into education policy depends on the acceptance and understanding of AI technologies by teachers and students. Policies should include provisions for training and support to ensure that educators and learners are comfortable with and benefit from AI applications.

The integration of AI technology into education policy holds great promise for creating more adaptive, personalized, and effective learning environments. By leveraging AI-driven insights, policymakers can make informed decisions to address the unique needs of students and educators. However, as we navigate this transformative journey, it is crucial to approach AI integration in education with a commitment to equity, privacy, and ongoing collaboration between policymakers, educators, and technology experts. The future of education policy lies at the intersection of innovation and inclusivity, where AI becomes a powerful tool for shaping a more responsive and equitable education system.

5. The Crucial Role of AI Technology in Fraud Detection

As governments strive to provide welfare services to citizens, ensuring the integrity of welfare scheme delivery is paramount.



The integration of artificial intelligence (AI) technology has emerged as a powerful ally in the fight against fraud, enhancing the efficiency and transparency of welfare programs. This article explores the innovative use of AI in detecting fraud in welfare scheme delivery, highlighting its benefits and addressing the challenges associated with this crucial application.

Welfare programs are essential for supporting vulnerable populations, but they are susceptible to fraudulent activities that can undermine their effectiveness. Fraudulent claims, identity theft, and misuse of benefits can divert resources away from those in genuine need. AI technology offers a sophisticated solution to detect and prevent fraud in welfare scheme delivery, ensuring that resources reach the intended recipients.

AI algorithms can analyze patterns of behavior associated with legitimate welfare recipients and identify anomalies that may indicate fraudulent activities. This includes irregularities in spending patterns, claim submissions, or changes in personal information.

AI systems can integrate and analyze diverse data sources, including financial records, social media data, and government databases. This comprehensive approach allows for a more accurate assessment of an individual's eligibility and helps identify discrepancies that may indicate fraudulent behavior.

Machine learning models can be trained to recognize patterns associated with fraud. By continuously learning from new data, these models become more adept at identifying evolving fraudulent tactics, enhancing the adaptability and effectiveness of fraud detection systems.

The Australian government implemented an AI-powered fraud detection system that analyzes data from various sources, including income, employment, and social media. The system identifies suspicious patterns and behaviors, leading to improved accuracy in identifying fraudulent welfare claims.

In the United States, SNAP leverages AI technology to detect fraudulent activities, such as false income reporting and identity theft. By employing sophisticated algorithms, the program aims to prevent and minimize fraudulent claims, ensuring that benefits reach eligible individuals and families.

The extensive data collection required for effective fraud detection raises privacy concerns. Striking a balance between detecting fraud and protecting individuals' privacy is crucial, necessitating robust data protection measures and compliance with privacy regulations. AI algorithms may inadvertently perpetuate biases if trained on biased datasets. Ensuring fairness and mitigating bias in fraud detection models is a critical consideration to avoid discriminatory outcomes and maintain the trust of welfare recipients. The lack of transparency in AI models poses challenges in explaining how decisions are made. Establishing transparent and explainable AI systems is essential to gain public trust and ensure accountability in welfare scheme delivery.

III. CONCLUSION:

The integration of AI technology in detecting fraud in welfare scheme delivery represents a significant step towards safeguarding the integrity of social welfare programs. By harnessing the power of AI for behavioral analysis, data integration, and machine learning, governments can enhance the accuracy and efficiency of fraud detection systems. However, it is crucial to address privacy concerns, mitigate biases, and ensure transparency to strike the right balance between fraud prevention and safeguarding individual rights. As AI technology continues to evolve, its responsible and ethical deployment in welfare scheme delivery remains essential for building trust and ensuring the effective and equitable distribution of benefits to those who need them most. These case studies demonstrate the diverse applications of AI in shaping public policies across different domains. While showcasing the benefits, they also highlight the importance of addressing ethical considerations, transparency, and inclusivity in the deployment of AI for policymaking.

AI and big data have the potential to revolutionize public policymaking, offering opportunities for more evidence-based, efficient, and personalized solutions. However, it is crucial to address the ethical challenges associated with these technologies to ensure they are used responsibly and equitably. Continued research, dialogue, and collaboration are needed to develop effective governance frameworks that harness the potential of AI and big data for the benefit of society.

IV. FURTHER RESEARCH:

This paper provides a brief overview of the complex and multifaceted issue of AI and big data in public policy. Further research is needed in several areas, including:

- Developing frameworks for ethical and responsible AI development and deployment in the public sector.
- Investigating the long-term societal impacts of AI and big data, including potential risks and mitigation strategies.
- Exploring the potential of AI and big data for specific policy domains, such as healthcare, education, and environmental protection.
- Engaging stakeholders from diverse backgrounds in discussions about the future of AI and big data in public policy.

By addressing these challenges and opportunities, we can ensure that AI and big data are used to create a more just, equitable, and prosperous future for all.

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