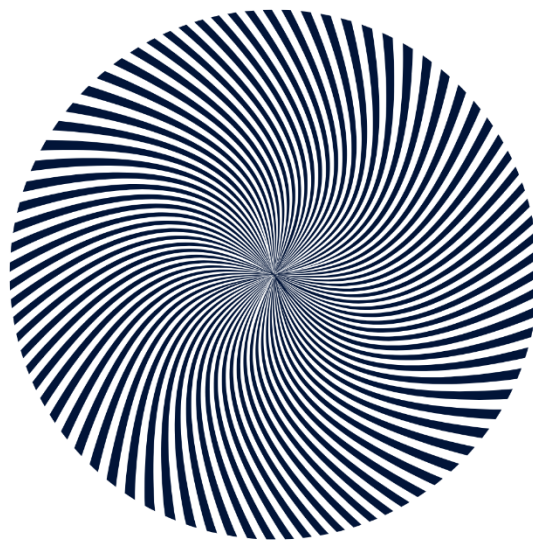




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## **THE AI ILLUSION: A SHARP TOOL IN IGNORANT HANDS IS A PROFESSIONAL LIABILITY**



Artificial Intelligence, specifically generative AI like ChatGPT, is hailed as an efficiency machine that automates the tedious and simplifies the complex. But a dangerous assumption is that AI is a substitute for knowledge, rather than a tool that demands it.

Using AI without deep research and subject matter expertise is like handing a scalpel to someone who's never opened an anatomy textbook. They might make a convincing incision, but the outcome will be a catastrophe. This is not a hypothetical future scenario; the pitfalls are already here, costing professionals and organisations their credibility and their clients money.

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## The "Garbage In, Gospel Out" Myth

AI models are not oracles; they are sophisticated pattern recognition systems. They are brilliant at producing statistically probable text, but they have no inherent understanding of truth, context, or factual accuracy. This is their core weakness. They can, with terrifying confidence, create compelling fiction.

When a user lacks the knowledge to properly frame a question. Select and sort the data or critically evaluate the output, they fall prey to the "garbage in, gospel out" myth. They ask a vague or misinformed question, the AI returns a confident, well-articulated, and entirely fabricated answer. To the uninformed eye, this looks dependable; and this is where the professional credibility risk begins.

## The Deloitte Debacle, An Expensive Lesson

The Australian Department of Employment and Workplace Relations (DEWR) commissioned Deloitte to examine and review its compliance framework and IT system used to automate welfare penalties, at a cost of AUD \$440 000. The report submitted on completion was fundamentally flawed and contained numerous errors: incorrect footnotes, nonexistent academic references, a fabricated quote from a court judgment. Deloitte acknowledged its *faux pas* and refunded the government AUD \$98,000.

Following the initial discovery of the defects, Deloitte did not disclose its use of AI in the original version of the report. It only admitted to using AI after the errors were exposed by an academic and reported by the media.

The core failure - The report was found to have relied on AI and data analytics, which were applied without sufficient subject matter expertise or human validation and oversight. The model's output was taken at face value, leading to erroneous assumptions and conclusions about the system. This raised questions on the efficacy of the report for its intended policy making purpose.

## Parallel Pitfalls in Law and Other Professions

While the Deloitte case is the most recent and with huge financial implications, the same principle applies with equal force to legal profession and others.

- Legal Professionals: Lawyers have used AI to prepare heads of argument which were filed in court, citing nonexistent, fictitious cases.



#### Other potential AI risks –

- practitioners could employ AI to draft opinions or contracts without the expertise to spot subtle errors in legal reasoning or outdated provisions.
- An AI trained on generic international law will not know or automatically apply the nuances of specific South African legislation and regulations.
- Journalism and Academia: CNET has been accused of plagiarism in a 2023 scandal for its use of AI to generate articles. Numerous articles were found to contain errors and plagiarised passages from other websites.

University students have submitted AI generated essays which undermine the learning process. Students risk severe academic penalties for plagiarism.

- Financial Services: There have not yet been many publicised AI use failures in the financial services sector; with growing use, failures may become prevalent and more evident in the near future.

#### Potential AI risks –

- An advisor using AI to generate investment advice without understanding the underlying market principles or the specific risk profile of a client could give inappropriate guidance.
- In a country with a complex legal and socio-economic fabric like South Africa, the cost of bias and discriminatory programming and models is not just financial. It can undermine justice, perpetuate inequality, and erode trust in financial institutions.

### **The Indispensable Human in the Loop**

The lesson from Deloitte and others is not to cancel AI. The tool is too powerful to ignore. The lesson is to redefine professional competence. This competence rests on two pillars:

1. Deep Subject Matter Knowledge: You must know your field so well that you can immediately spot AI's logical errors, factual inaccuracies, or contextual blind spots. Your expertise is the benchmark against which all AI output must be measured.
2. Meticulous Research and Verification: AI is a starting point, not a conclusion. Every fact, figure, and case citation it generates must be treated as suspect until independently verified through primary sources. The professional's role evolves from "user" to custodian and validator of AI generated content.



## Flaws Demand Vigilance, Not Technophobia

Professionals have an opportunity to lead by embracing AI's potential while building a culture of ethical and knowledgeable use:

- Implement Company-Wide AI Policies: Mandate that all AI generated work is verified and signed off by a qualified professional.
- Invest in Training: Not just on how to use AI, but on how to assess its output critically.
- Cultivate "Simplicity": Recognise that a superficial, jargon riddled, confident answer from a machine is not a substitute for earned professional knowledge.

AI in the hands of the knowledgeable and diligent, can elevate work and output; in the hands of the uninformed, it is a professional liability waiting to happen. Ensure that your use of AI is built on the foundations of research and expertise; clients, courts, and professional integrity depend on it.

By [Adv. Sannah Poee](#) 2025/10/28