

# THE IMPACT OF AI AND ROBOTICS

Steve Omohundro, Ph.D.

Possibility Research

PossibilityResearch.com

SelfAwareSystems.com

<http://www.flickr.com/photos/klearchos/623501846/>



# AI and Robotics at an Inflection Point

Big Investments

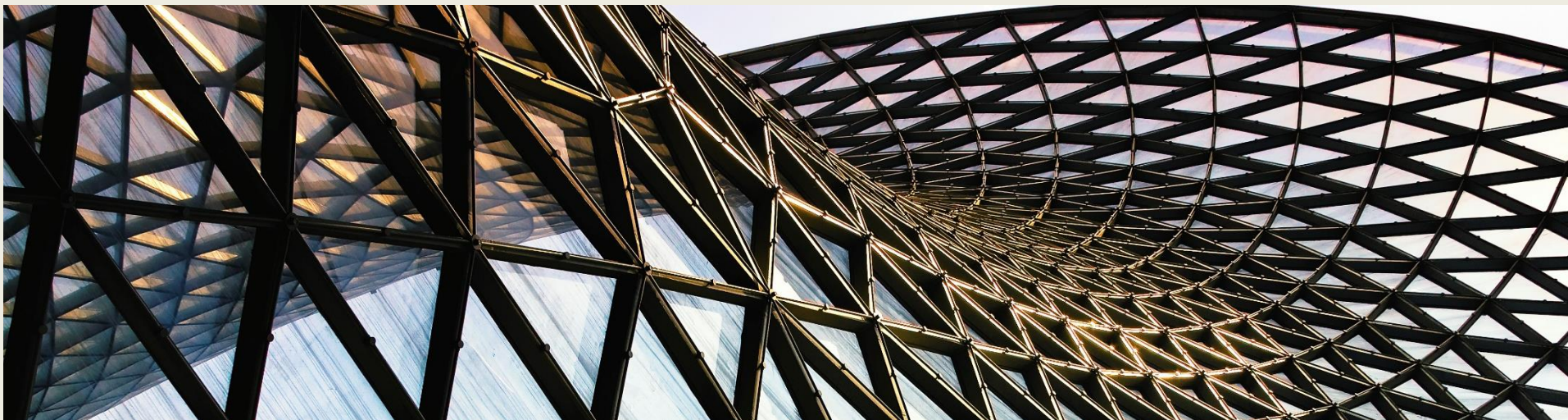
Huge Opportunity

Massive Social Disruption

Competitive Arms Races

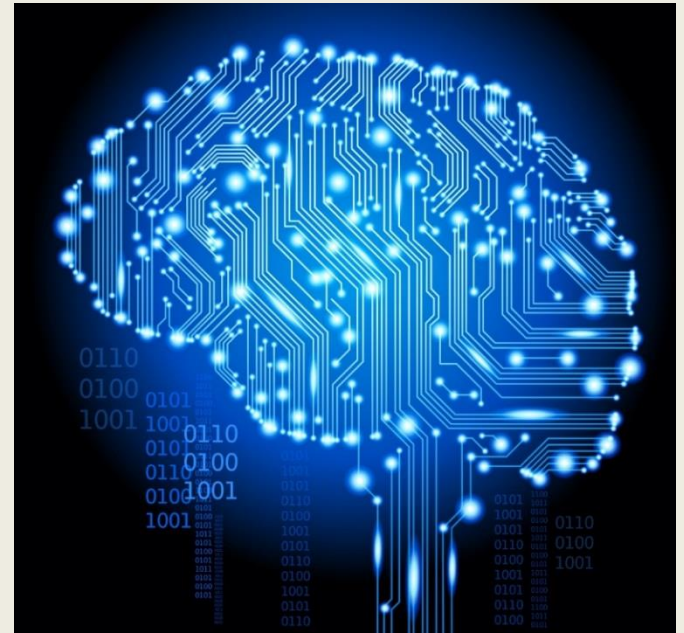
Dangerous Autonomous Drives

Path to Safety and Human Thriving



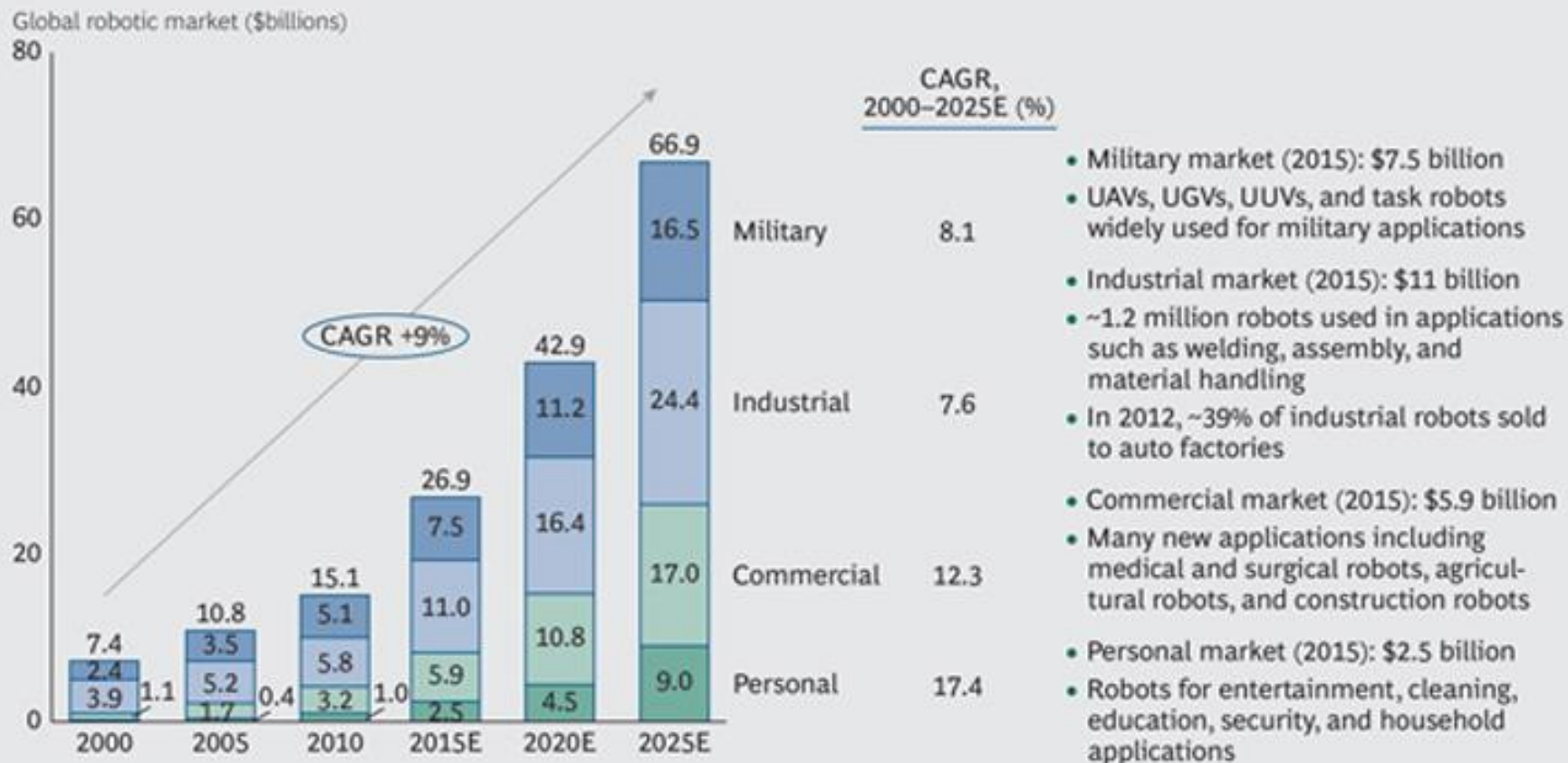
# Recent AI and Robotics Investments

- 2012 **Foxconn** - 1 million robots
- 2012 **Amazon** — Kiva \$775 million
- 2013 **Facebook** — AI lab, DeepFace
- 2013 **Yahoo** - LookFlow
- 2013 **Ebay** — AI lab
- 2013 **Allen Institute for AI**
- 2013 **Google** — DNNresearch, SCHAFT, Industrial Perception, Redwood Robotics, Meka Robotics, Holomni, Bot & Dolly, Boston Dynamics
- 2014 **IBM** - \$1 billion in Watson
- 2014 **Google** — DeepMind \$500 million
- 2014 **Vicarious** - \$40 million
- 2014 **Microsoft** — Project Adam, Cortana



# \$450 Billion on Robotics by 2025: BCG

**EXHIBIT 1 | Worldwide Spending on Robotics Is Expected to Reach \$67 Billion by 2025**



**Sources:** International Federation of Robotics; Japan Robot Association; Japan Ministry of Economy, Trade & Industry; euRobotics; company filings; BCG analysis.

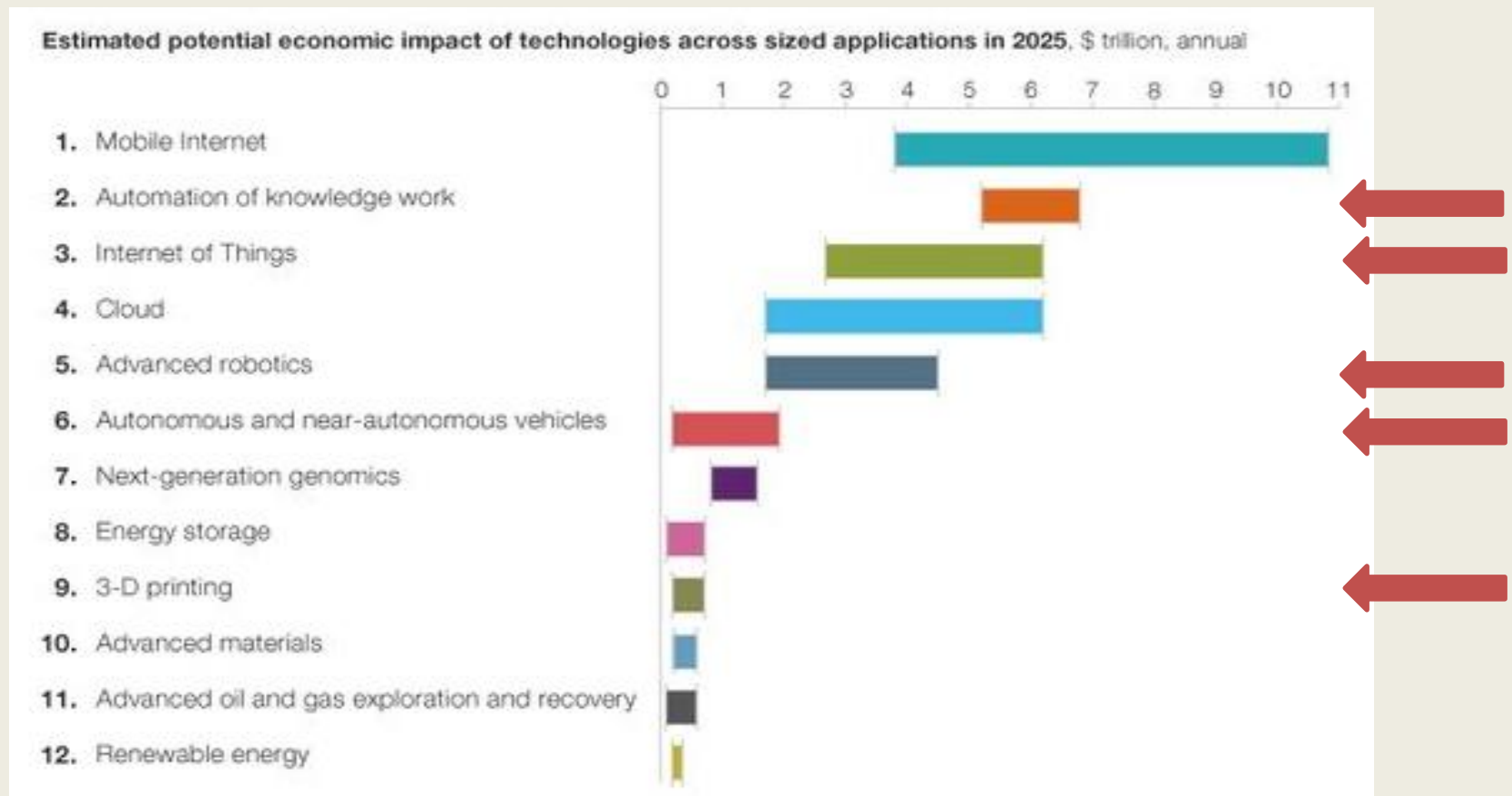
**Note:** UAV = unmanned aerial vehicle; UGV = unmanned ground vehicle; UUV = unmanned underwater vehicle. Estimates do not include the cost of engineering, maintenance, training, or peripherals.

# \$50-100 Trillion Opportunity to 2025

Knowledge work: \$25-33 T   Internet of Things: \$13-31 T

Robotics: \$8-22 T   Vehicles: \$1-9 T   3D Printing: \$1-3 T

Global GDP \$72 trillion, US GDP \$17 trillion



# Automation of Knowledge Work



\$25-33 Trillion to 2025

- Clerical \$5-6 T
- Customer service \$3-4 T
- Education \$4-5 T
- Health care \$1-2 T
- Science and Eng \$3-4 T
- IT \$2-3 T
- Managers \$4-6 T
- Finance \$2-3 T
- Legal \$1-2 T

<https://www.linkedin.com/pulse/article/20140417121158-1853953-the-silent-rockstar-of-bigdata-machine-learning>

[http://www.mckinsey.com/insights/high\\_tech\\_telecoms\\_internet/disruptive\\_technologies](http://www.mckinsey.com/insights/high_tech_telecoms_internet/disruptive_technologies)

# Value is in Ideas

What Ideas Are Worth:  
The Value of Intellectual Capital  
And Intangible Assets in the  
American Economy

Kevin A. Hassett and Robert J. Shapiro

SONECON 



- Intangible assets \$14.5 trillion, **79.2%** of market value of US companies
- Intellectual Capital \$8 trillion, **44.2%** of market value of US companies
- Both numbers are increasing

# Intelligent Personal Assistants

- Apple's Siri
- Google Now
- Microsoft Cortana
- IBM Watson/Cognea
- Baidu Eye

Future of search?



# Manufacturing Robots

Global manufacturing labor costs \$6 trillion annually.



- One-time cost + maintenance + power
- Easy replication
- Work anywhere
- Work 24 hours/day
- No breaks, food, medical
- Won't quit, get bored, get depressed
- Hazards OK
- Won't leak secrets
- Work well with others

# Foxconn



<http://www.tomshardware.com/news/foxconn-apple-iphone-ipad-robot,19088.html>

- World's largest contract manufacturer
- Assembles 40% of all consumer electronics
- iPhone, iPad, Kindle, Xbox, Playstation 4, etc.
- Employee suicides
- 1.3 million employees, \$8K salary
- Founder Terry Gou: Replace 1 million workers in 3 years
- Built 30,000 robots, cost \$25K

Chinese robot use from 2008 to 2013 grew at 36% per year.

# Baxter: Rethink Robotics



- Rod Brooks: Roomba
- \$25,000 (instead of \$100K+\$400K over life)
- Easy to train
- Safe to be around

# Health Care

## The cost effectiveness and advantages of Robotic Surgery

Posted on June 5, 2014 by Colin Lewis

### Robotic-Assisted da Vinci® Surgery: Impacting Patient Outcomes, Reducing Cost

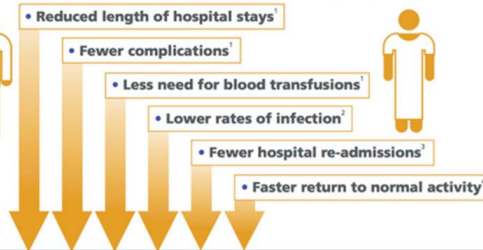
In surgery, the cost-effectiveness of an advanced technology cannot be determined purely from operating room costs. The total financial impact of surgery also includes the costs associated with hospital stays, procedure-related complications and hospital re-admissions. Robotic-assisted da Vinci Surgery, which has enabled patients to receive less invasive surgery in place of alternative treatment options, reduces many of these significant cost drivers.

da Vinci Surgery's positive effect on reducing length of hospital stays, complications, blood transfusions, infections, hospital re-admissions and return to normal activity is an important consideration when evaluating the true cost-effectiveness of treatment.

#### da Vinci Surgery

IMPROVES KEY  
PATIENT OUTCOMES  
THAT REDUCE  
HEALTH CARE COSTS

Cost studies of da Vinci Surgery for appropriate procedures have clearly established the financial benefits of using the robotic-assisted approach as compared to appropriate alternative treatment methods. The results of those studies demonstrate:



da Vinci Surgery Reducing Health Care Cost Drivers

<http://robotenomics.com/2014/06/05/the-cost-effectiveness-and-advantages-of-robotic-surgery/>

- Disabled and Elder care
- Nurse assistance
- Pharmacy
- Robotic surgery
- Exoskeletons

## GoCart Robot delivers food in elderly and health care facilities

Posted on September 1, 2014 by Colin Lewis



The revolution has started and what's a revolution without a demonstration?  
A GoCart demonstration, that is.

It's our way of introducing you to GoCart, Yujin Robot's revolutionary new robot for elderly and health-care facilities. So powerful, it frees your staff from meal-transport and recovery tasks. So advanced, it monitors the world around it with its d-SLAM™ vision system, talks to other GoCarts, and automatically transports meals quickly and safely. And so simple, that its as easy to operate as a phone. All of which you can experience for yourself, at any of our demonstrations or pilot sites. So come to the demonstration. It's the first step to seizing power.

<http://robotenomics.com/2014/09/01/gocart-robot-delivers-food-in-elderly-and-health-care-facilities/>

**\$5-15 trillion to 2025**  
Surgical robots, human  
augmentation, health  
knowledge

# Food Preparation

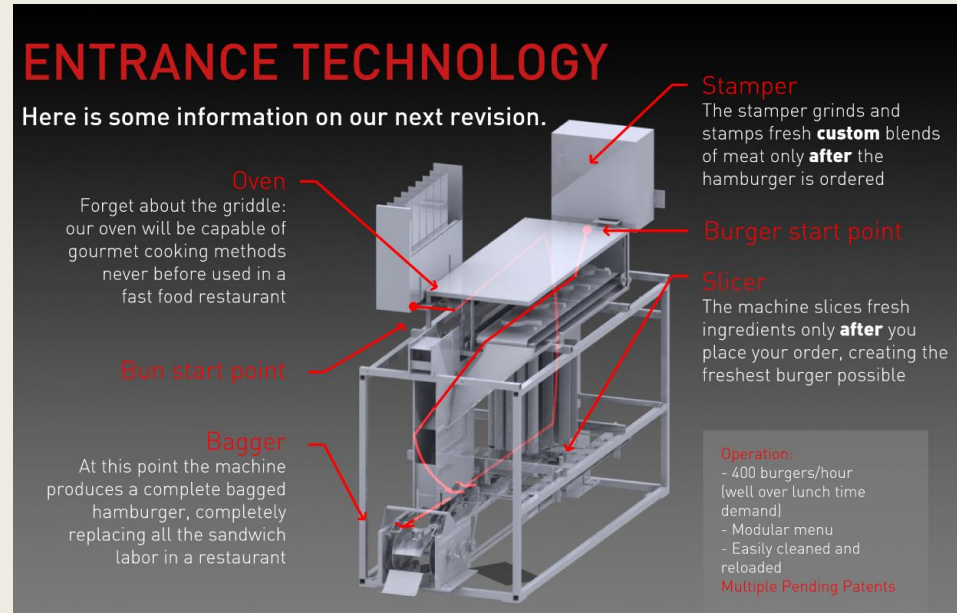
## Fast-Food Workers Could Face Robot 'Armageddon'

The Huffington Post | By Alexander C. Kaufman

Posted: 08/12/2014 10:53 am EDT | Updated: 08/12/2014 3:59 pm EDT



[http://www.huffingtonpost.com/2014/08/11/fast-food-robot\\_n\\_5668600.html](http://www.huffingtonpost.com/2014/08/11/fast-food-robot_n_5668600.html)



<http://momentummachines.com/wp-content/themes/whiteboard/images/Robot-Specs.png>

- Knows customer tastes and allergies
- Records nutrients
- Health monitoring and feedback
- Mental monitoring and feedback

Today, 807,000 US workers at \$16 billion annual labor cost.

<http://www.bls.gov/ooh/food-preparation-and-serving/food-preparation-workers.htm>

# Building Construction



- Chinese Winsun 3D printed 10 houses in 1 day
- 2100 square feet
- Recycled materials
- Cost \$4800

1.3 million US construction workers, \$52 billion annual cost.

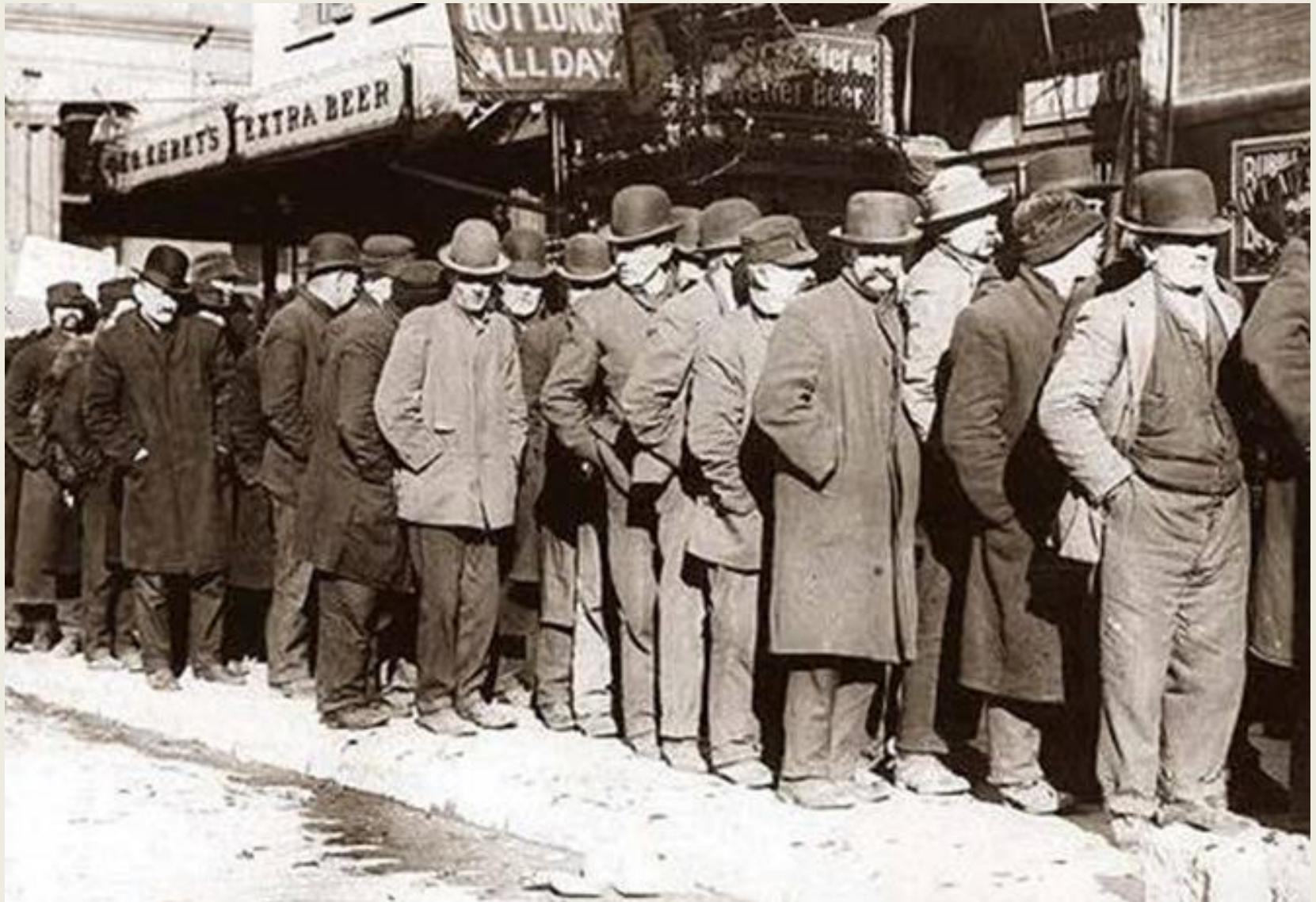
# Self-Driving Cars

\$1-10 trillion to 2025.

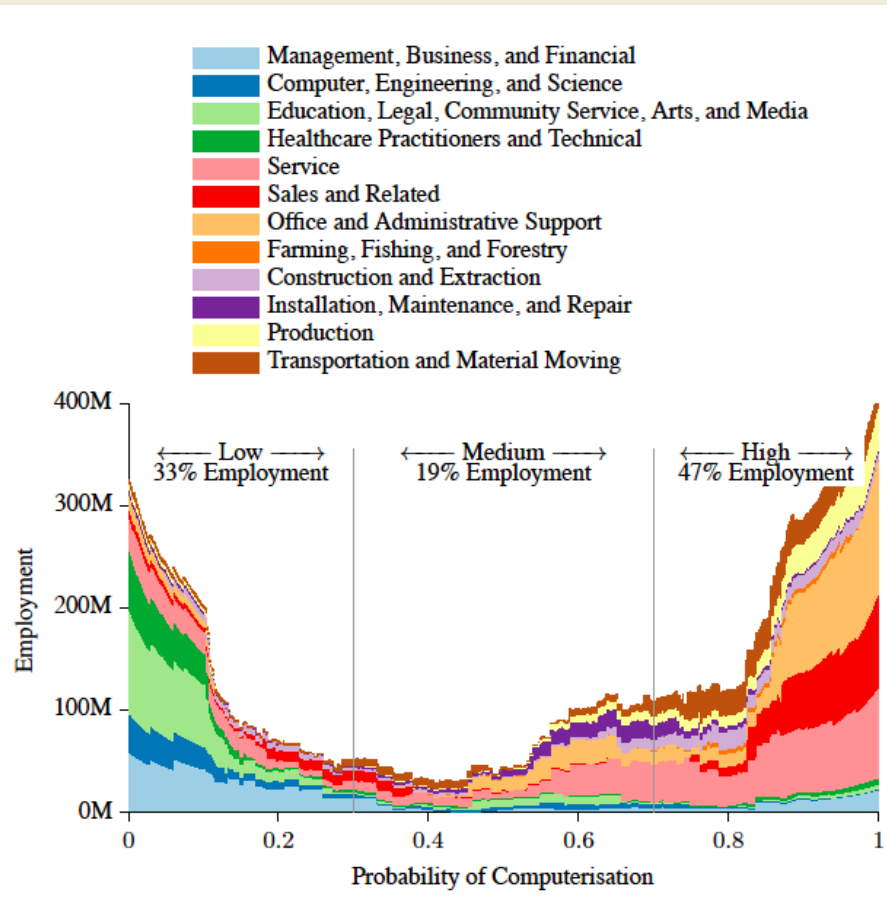
<http://www.flickr.com/photos/quikbeam/6896564084/>



# Social Disruption



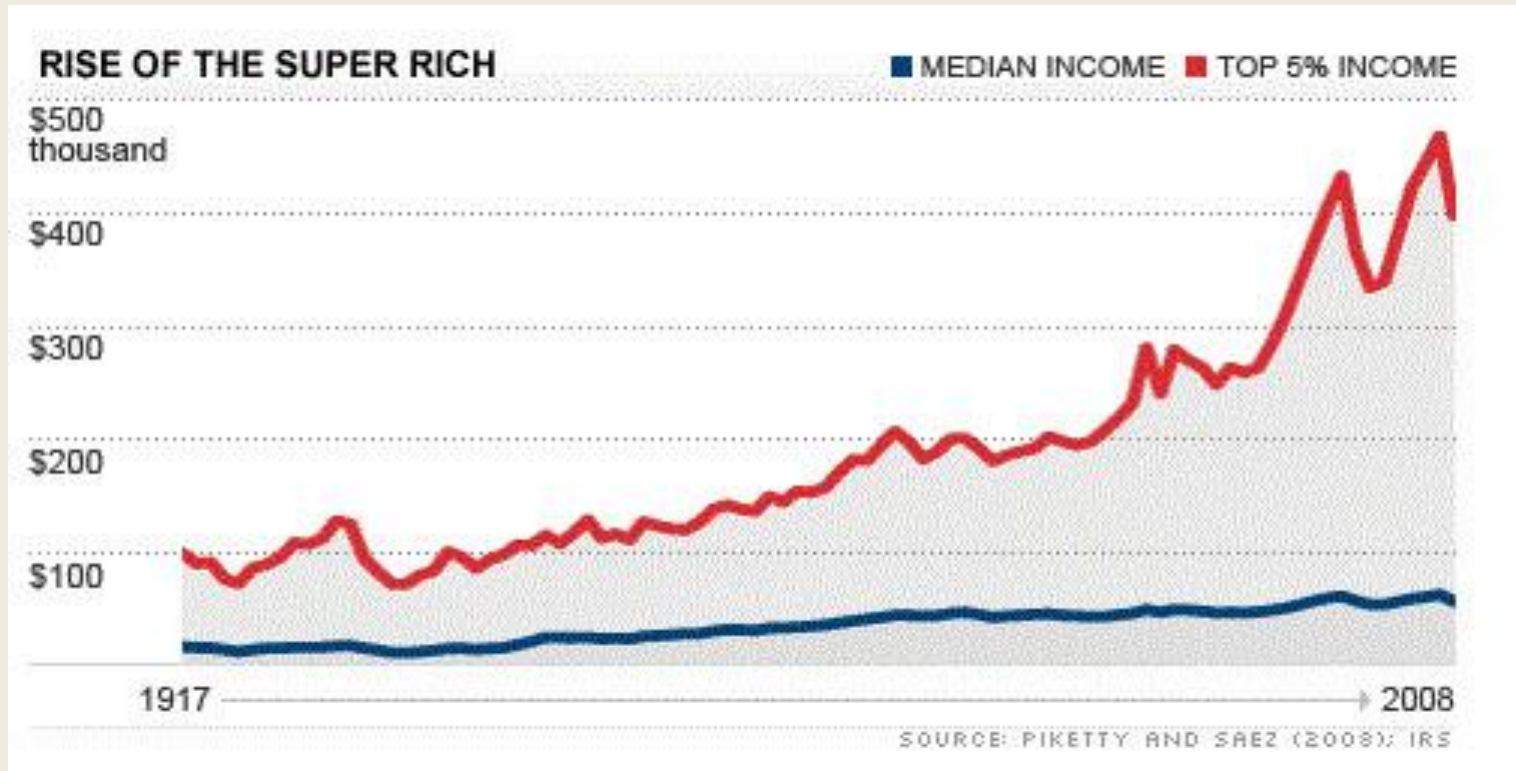
# Oxford: 47% of jobs automated in “a decade or two”



- 702 occupations
- Perception and Manipulation
- Creative Intelligence
- Social Intelligence
- At risk: telemarketers, accountants, real estate, retail sales, loan officer

Frey and Osborne, 2013, “The Future of Employment: How susceptible are jobs to computerization?”

# Automation Concentrates Wealth



<http://www.decisionsonevidence.com/2011/08/introduction-rising-inequality-in-america/>

Piketty: Return on capital > Rate of Growth

Robots accelerate return on capital

Robots making robots

Automated design

“Capital in the 21<sup>st</sup> Century”: <http://piketty.pse.ens.fr/en/capital21c2>

# Universal Basic Income: Something We Can All Agree on?

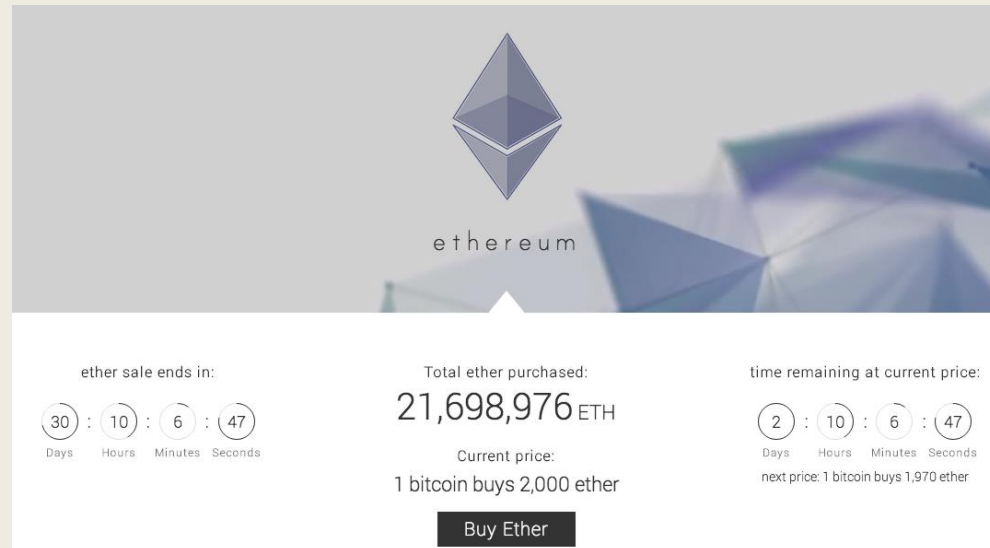
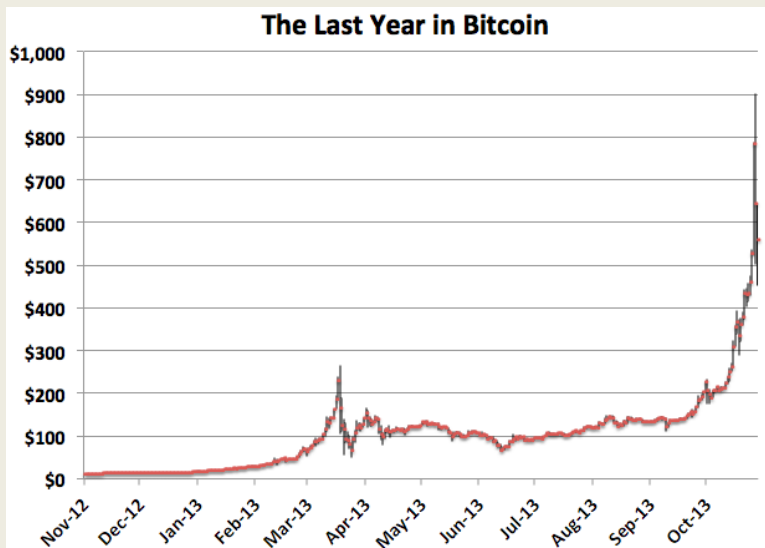
BY PAUL HIEBERT · July 31, 2014 · 6:00 AM



<http://www.psmag.com/navigation/business-economics/talking-basic-income-87057/>

# DAOs: Distributed Autonomous Organizations

- Ethereum: Bitcoin 2.0
- \$12 million in first week
- Distributed Autonomous Society



# Competition -> Autonomous Systems

## *Time Criticality Competition*

- Military Command/Control
- Financial Decision Making
- Cyber Defense
- Robotic Control
- ...



# 2010 US Air Force Report

*“Greater use of highly adaptable and flexibly autonomous systems and processes can provide significant time-domain operational advantages over adversaries who are limited to human planning and decision speeds...”*

## United States Air Force Chief Scientist (AF/ST)



### Report on **Technology Horizons** **A Vision for Air Force Science & Technology During 2010-2030**

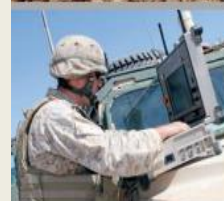
Key science and technology focus areas for the U.S. Air Force over the next two decades that will provide technologically achievable capabilities enabling the Air Force to gain the greatest U.S. Joint force effectiveness in 2030 and beyond.

**Volume 1**  
**AF/ST-TR-10-01-PR**  
**15 May 2010**

# 2011 US Defense Department Report

*“There is an ongoing push to increase UGV autonomy, with a current goal of supervised autonomy, but with an ultimate goal of full autonomy.”*

## UNMANNED GROUND SYSTEMS ROADMAP ROBOTIC SYSTEMS JOINT PROJECT OFFICE





<http://presstv.com/detail/2012/08/25/258087/us-drone-strike-kills-dozens-in-somalia/>

# Military Drones

87 Nations have Drones  
26 equivalent to MQ-1 Predator

<http://www.washingtontimes.com/news/2013/nov/10/skys-the-limit-for-wide-wild-world-of-drones/>

[http://www.washingtontimes.com/multimedia/image/dronesjpg\\_735182/](http://www.washingtontimes.com/multimedia/image/dronesjpg_735182/)

## DRONING ON

The United States leads the pack, but it is far from alone in the race to obtain and deploy drone technology.

COUNTRIES POSSESSING DRONES				
<ul style="list-style-type: none"> <li>Algeria</li> <li>Egypt</li> <li>Lebanon</li> <li>Singapore</li> </ul>	<ul style="list-style-type: none"> <li>Austria</li> <li>France</li> <li>Mexico</li> <li>Spain</li> </ul>	<ul style="list-style-type: none"> <li>Botswana</li> <li>India</li> <li>Nigeria</li> <li>Syria</li> </ul>	<ul style="list-style-type: none"> <li>Canada</li> <li>Israel</li> <li>Peru</li> <li>Tunisia</li> </ul>	<ul style="list-style-type: none"> <li>Croatia</li> <li>Jordan</li> <li>Romania</li> <li>UAE</li> </ul>
<ul style="list-style-type: none"> <li>Angola</li> <li>Estonia</li> <li>Libya</li> <li>Slovakia</li> </ul>	<ul style="list-style-type: none"> <li>Azerbaijan</li> <li>Georgia</li> <li>Morocco</li> <li>Sri Lanka</li> </ul>	<ul style="list-style-type: none"> <li>Brazil</li> <li>Indonesia</li> <li>Norway</li> <li>Taiwan</li> </ul>	<ul style="list-style-type: none"> <li>Chile</li> <li>Italy</li> <li>Philippines</li> <li>Turkey</li> </ul>	<ul style="list-style-type: none"> <li>Czech Republic</li> <li>Kazakhstan</li> <li>Russia</li> <li>United Kingdom</li> </ul>
<ul style="list-style-type: none"> <li>Argentina</li> <li>Ethiopia</li> <li>Lithuania</li> <li>Slovenia</li> </ul>	<ul style="list-style-type: none"> <li>Belarus</li> <li>Germany</li> <li>Netherlands</li> <li>Sweden</li> </ul>	<ul style="list-style-type: none"> <li>Bulgaria</li> <li>Iran</li> <li>Pakistan</li> <li>Thailand</li> </ul>	<ul style="list-style-type: none"> <li>China</li> <li>Ivory Coast</li> <li>Poland</li> <li>Uganda</li> </ul>	<ul style="list-style-type: none"> <li>Denmark</li> <li>Latvia</li> <li>Serbia</li> <li>United States</li> </ul>
<ul style="list-style-type: none"> <li>Australia</li> <li>Finland</li> <li>Malaysia</li> <li>South Africa</li> </ul>	<ul style="list-style-type: none"> <li>Belgium</li> <li>Greece</li> <li>New Zealand</li> <li>Switzerland</li> </ul>	<ul style="list-style-type: none"> <li>Burundi</li> <li>Iran</li> <li>Panama</li> <li>Trinidad and Tobago</li> </ul>	<ul style="list-style-type: none"> <li>Colombia</li> <li>Japan</li> <li>South Korea</li> <li>Ukraine</li> </ul>	

Source: Government Accountability Office

# Israeli “Iron Dome”

Missile/Anti-Missile Arms Race

*2012: Intercepted 90%  
of 300 targeted  
missiles*

[http://en.wikipedia.org/wiki/File:Iron\\_Dome\\_near\\_Sderot.jpg](http://en.wikipedia.org/wiki/File:Iron_Dome_near_Sderot.jpg)



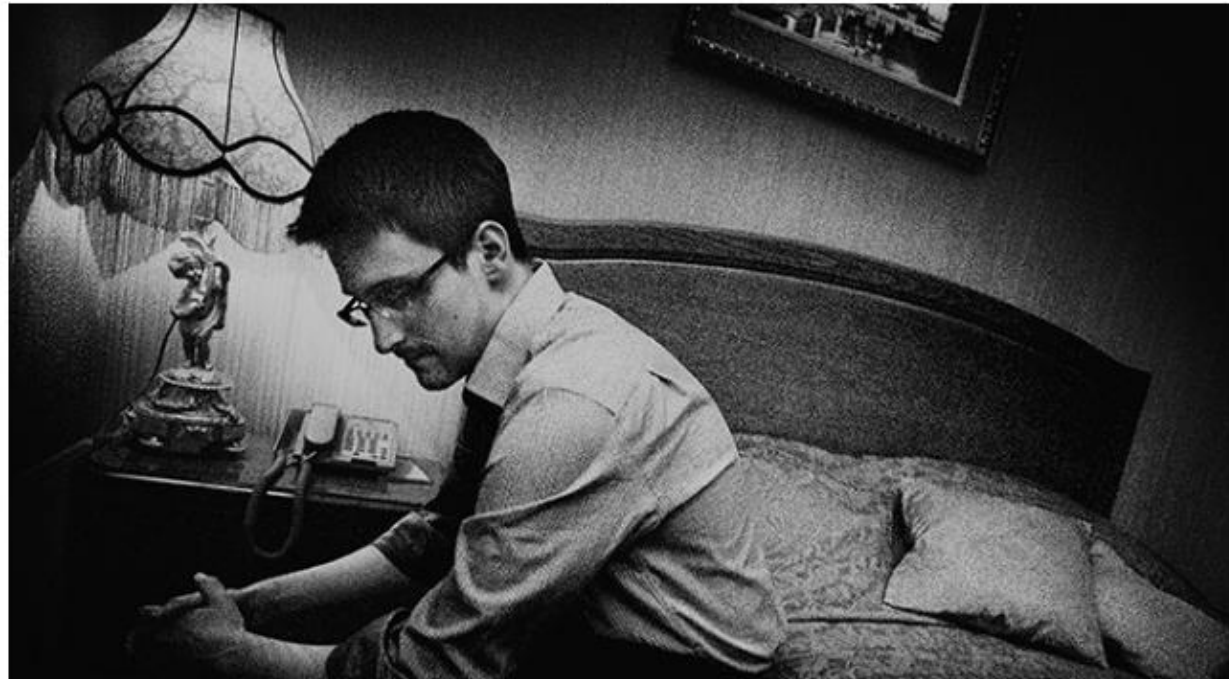


# Cyber Warfare

## Snowden went too far by revealing the NSA's MonsterMind cyber weapon

By Graham Templeton on August 14, 2014 at 10:02 am

177 Comments

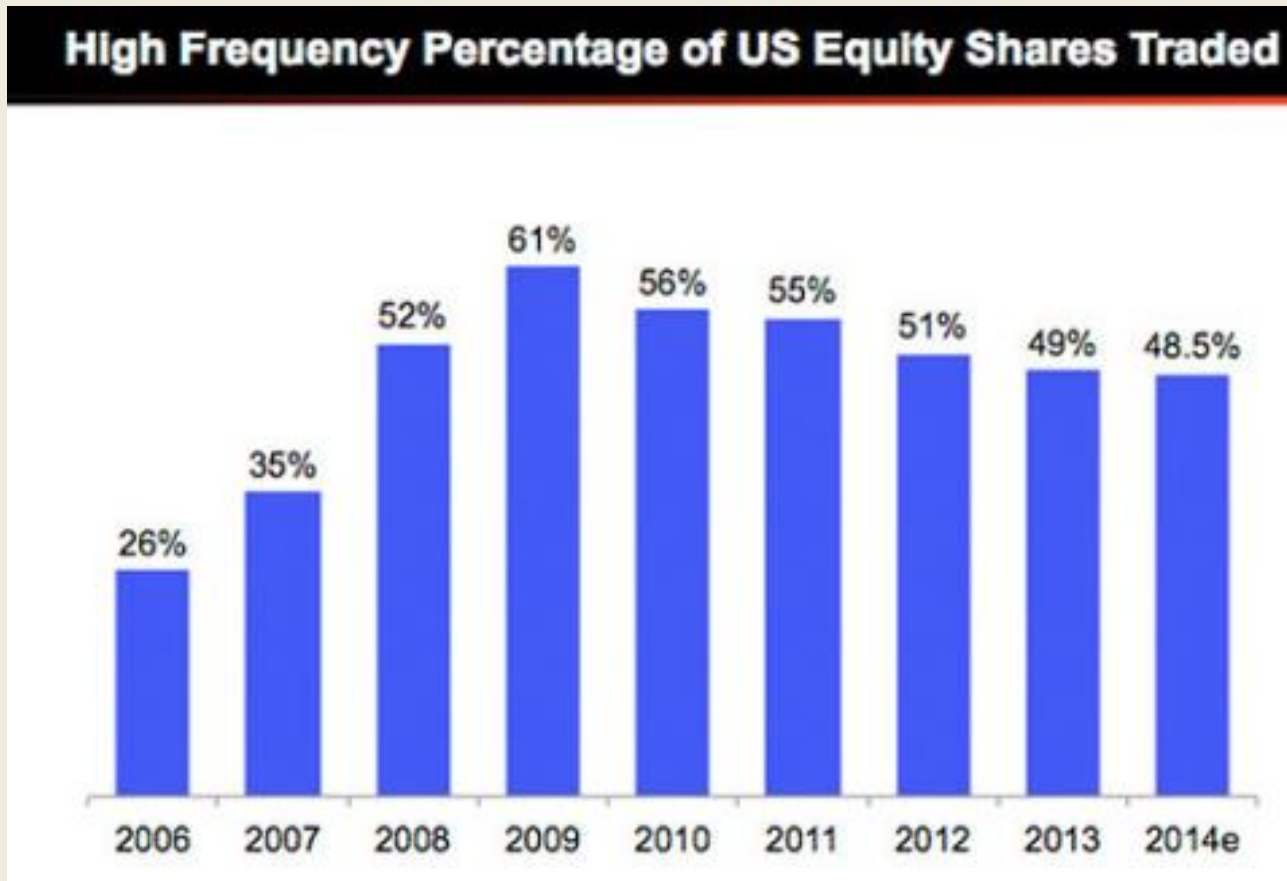


<http://www.extremetech.com/extreme/187992-snowden-went-too-far-by-revealing-the-nsas-monstermind-cyber-weapon>



[http://www.solarnavigator.net/cyber\\_wars.htm](http://www.solarnavigator.net/cyber_wars.htm)

# 50% of US Stock Market Trades are Automated



# Hawking and Musk Warnings



“Success in creating AI would be the biggest event in human history. Unfortunately, it might also be the last, unless we learn how to avoid the risks.”

<http://www.independent.co.uk/news/science/stephen-hawking-transcendence-looks-at-the-implications-of-artificial-intelligence--but-are-we-taking-ai-seriously-enough-9313474.html>



“We need to be super careful with AI. Potentially more dangerous than nukes.”

<https://twitter.com/elonmusk/status/495759307346952192>

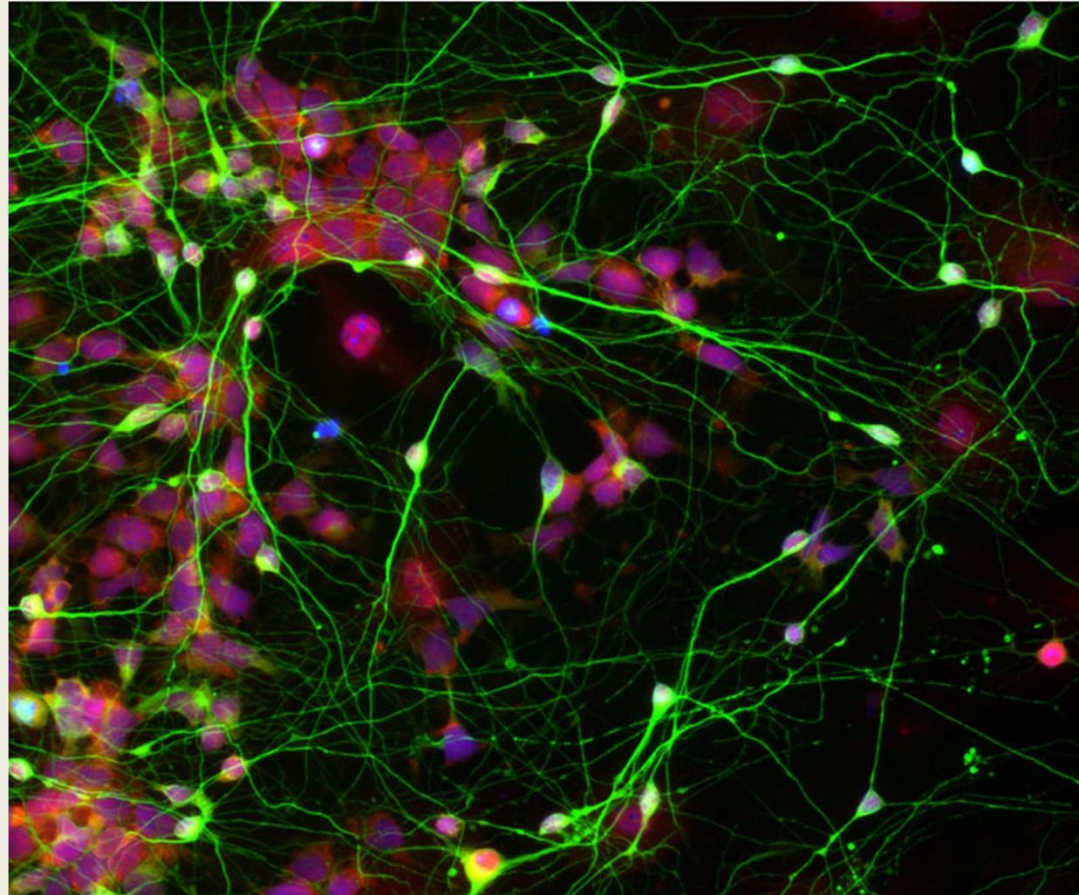


# Unintended Consequences

*Chess Robot:*  
Win lots of chess  
games against  
good players.

# Approaches to AI

- Logic-based systems
- Production Systems
- Bayesian learning and decision theory
- Neural Networks – Deep Learning
- Genetic programming
- Brain Simulation
- Artificial economies
- ...



<https://www.flickr.com/photos/pennstatelive/8972110324/>

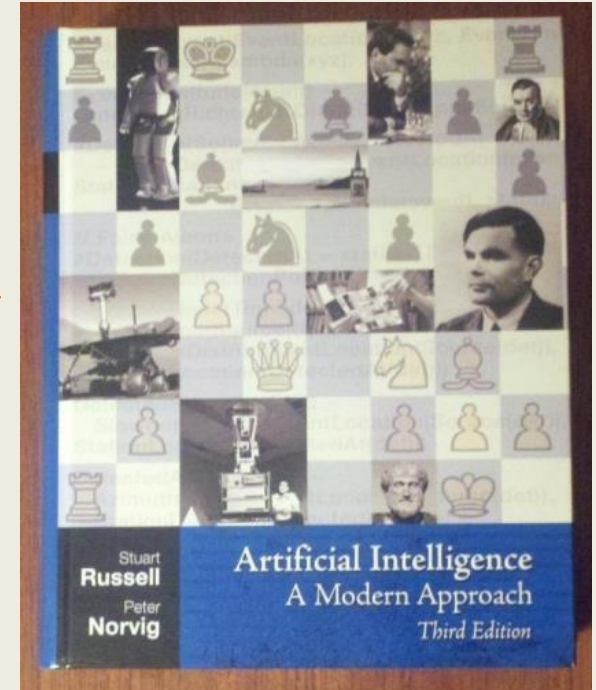
*Autonomous Systems:* Take actions to achieve goals in ways not pre-planned by their designers.

# Rational Decision Making



[http://commons.wikimedia.org/wiki/File:John\\_von\\_Neumann.jpg](http://commons.wikimedia.org/wiki/File:John_von_Neumann.jpg)

1. *Have utility function*
2. *Have a model of the world*
3. *Choose the action with highest expected utility*
4. *Update the model based on what happens*

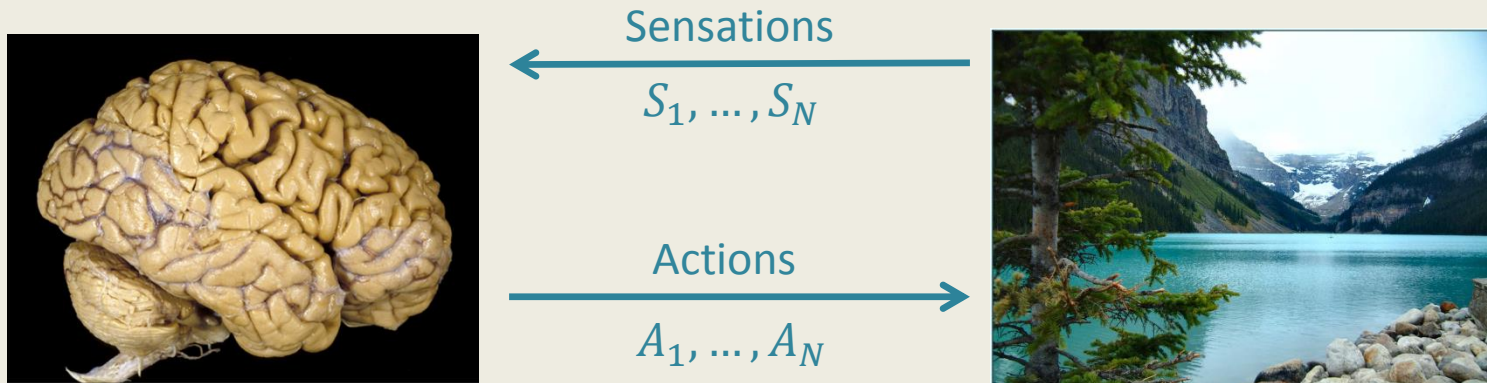


<http://aima.cs.berkeley.edu/>

- Von Neumann and Morgenstern, 1944
- Savage, 1954
- Anscombe and Aumann, 1963

Modern Approach to AI

# Fully Rational Systems



Utility function:  $U(S_1, \dots, S_N)$  Prior Probability:  $P(S_1, \dots, S_N | A_1, \dots, A_N)$

Rational Action at time t:

$$A_t^R(S_1, A_1, \dots, A_{t-1}, S_t) =$$

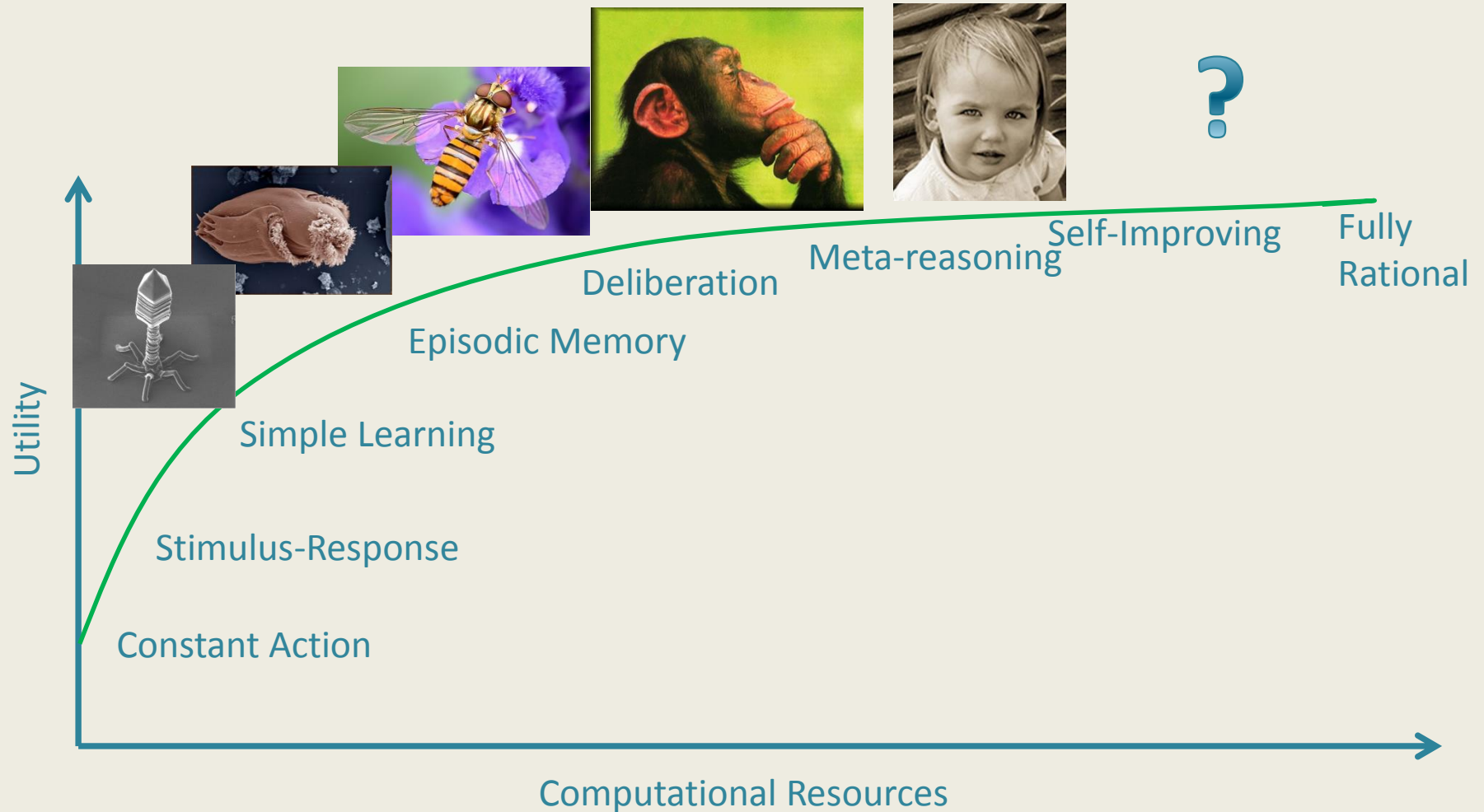
$$\operatorname{argmax}_{A_t^R} \sum_{S_{t+1}, \dots, S_N} U(S_1, \dots, S_N) P(S_1, \dots, S_N | A_1, \dots, A_{t-1}, A_t^R, \dots, A_N^R)$$

**The Formula for Intelligence!**

*It includes Bayesian Inference, Search, and Deliberation.*

But it requires  $O(NS^N A^N)$  computational steps.

# Approximately Rational Architectures



# Rational Drives

1. *Self-protective*
2. *Goal preservation*
3. *Reproduction*
4. *Resource Acquisition*
5. *Efficiency*
6. *Self-Improvement*



# The Intelligence and Goals of a System are Orthogonal



<https://www.flickr.com/photos/elycefeliz/5447507623>



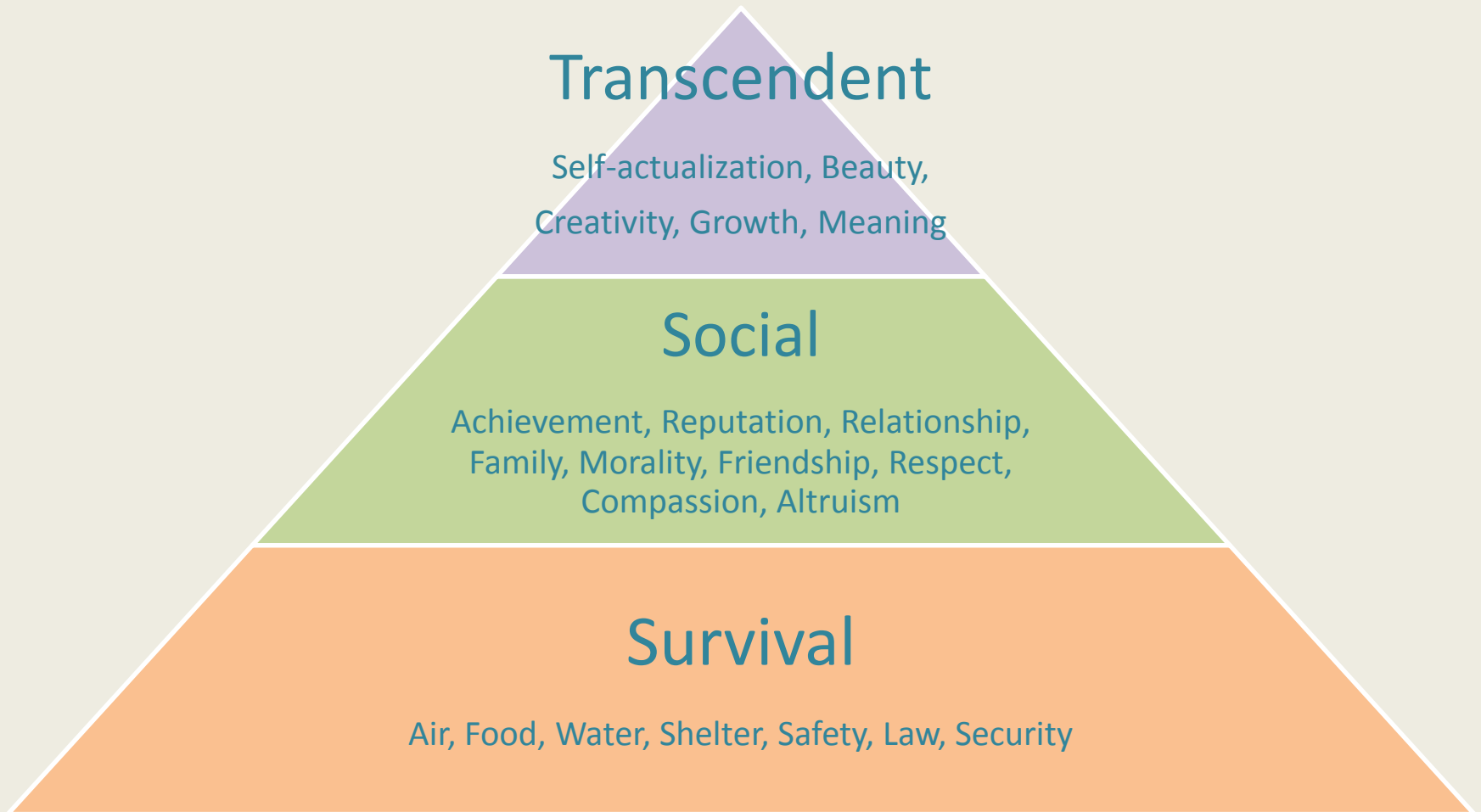
<https://www.flickr.com/photos/ahayward/24864319>

# Harmful Utility Functions

1. **Sloppy** – Good intentions, bad design
2. **Simplistic** – Unintended consequences
3. **Greedy** – Control all matter and free energy
4. **Destructive** – Use up all free energy quickly
5. **Murderous** – Destroy all other agents
6. **Sadistic** – Thwart other agent's goals

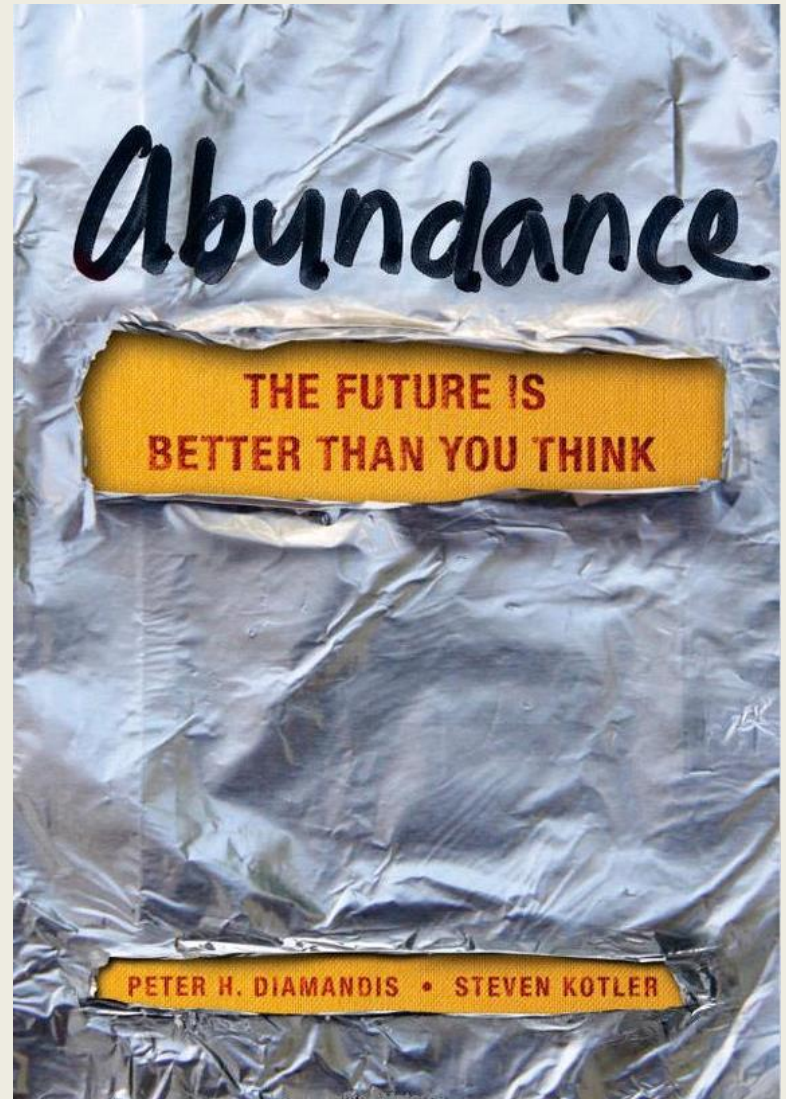


# What do we want?



# Potential for Good

- Healthcare
- Education
- Creativity
- Prosperity
- Governance
- Economic Stability
- Safety
- Peace
- Quality of Human Life



# Two Ways To Manage Systems

*Internal:* Build in pro-social cooperative goals – “Utility Design”



<https://www.flickr.com/photos/piper/38374115/>

*External:* Laws and economic incentives – “Externality Engineering”



<https://www.flickr.com/photos/waltstoneburner/2863583929/>

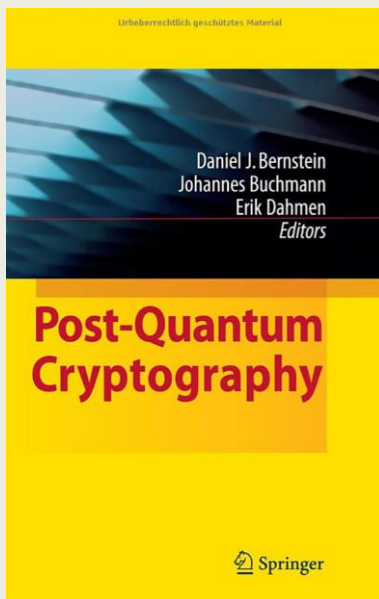
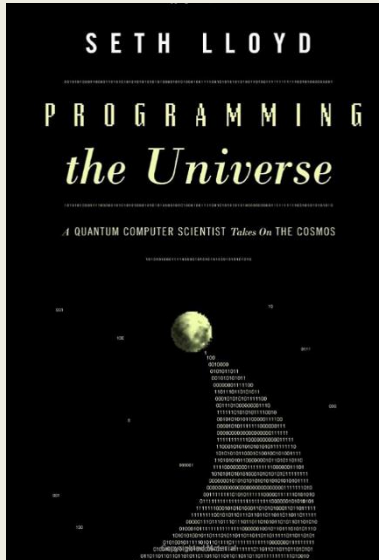
# Provably Safe Systems

- Specified hardware
- Specified resources
- Shut down
- Limited self-improvement



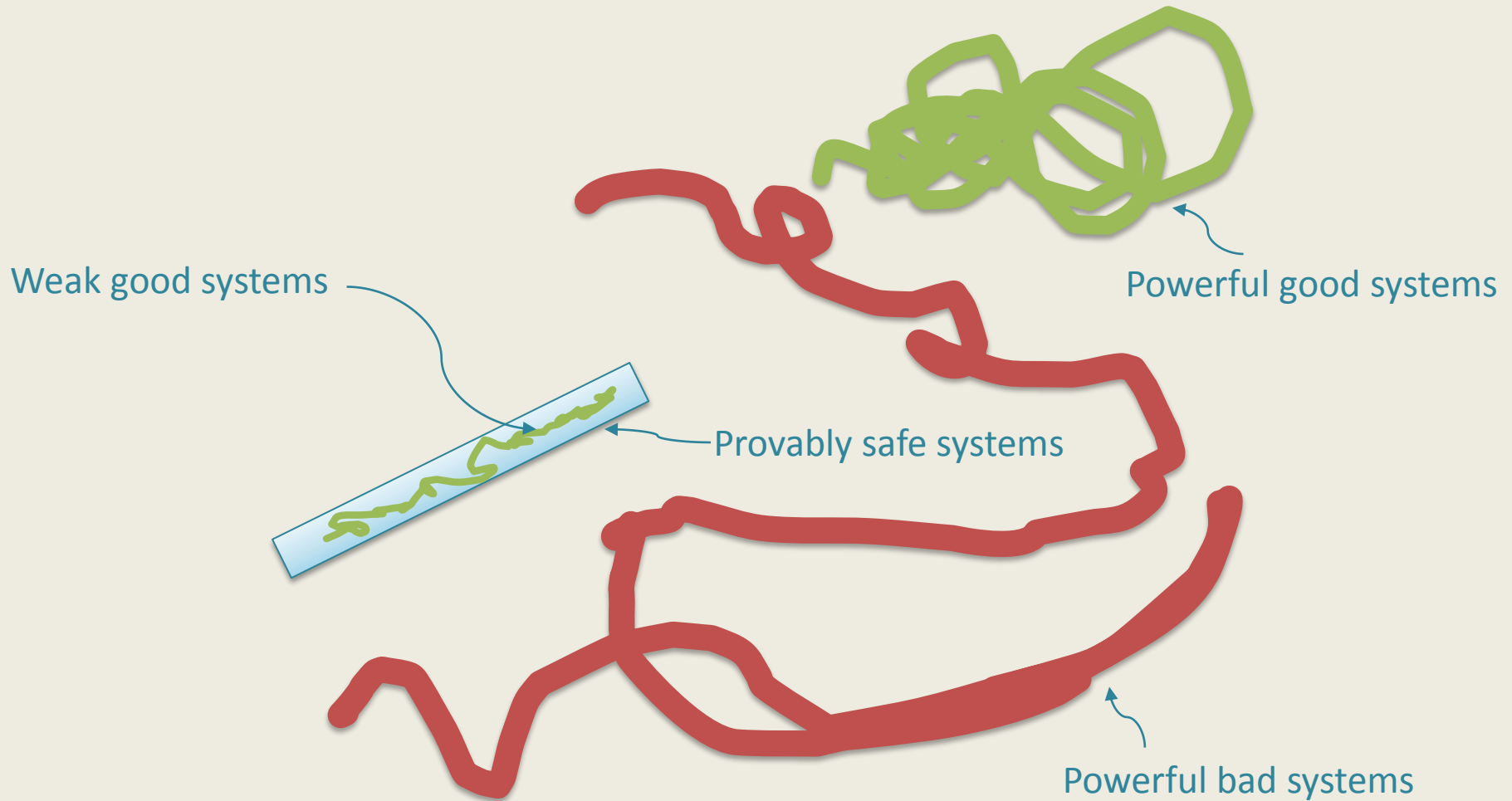
<http://www.dreamstime.com/royalty-free-stock-photography-wooden-puzzle-image7733587>

# Cryptographic Limits



- Seth Lloyd “Ultimate physical limits to computation”
- Margolus-Levitin theorem
- Entire visible universe:  
 $10^{122} \sim 2^{406}$  ops  
 $10^{92}$  bits of storage
- The whole universe as a quantum computer can't search **500 bits**
- Post-Quantum Cryptography:  
AES, Secure hash, McEliece,  
Lattice, Multi-variate quadratic

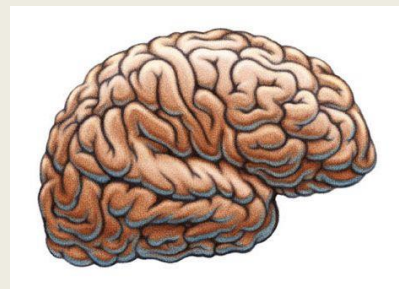
# Space of Intelligent Systems



# The Safe-AI Scaffolding Strategy



<http://affordablehousinginstitute.org/blogs/us/2008/08/donors-as-scaffolding-part-2-the-value-of-coaching.html>



<http://www.flickr.com/photos/isaacmao/19245594/>

# AI and Robotics at an Inflection Point

Big Investments: \$2B -> \$67B robotics by 2025

Huge Opportunity: \$50-100T through 2025

Massive Social Disruption: 47% jobs by 2025

Competitive Arms Races: Rapid automation

Dangerous Drives: Unintended consequences

Path to Safety and Human Thriving: Today's choices

