

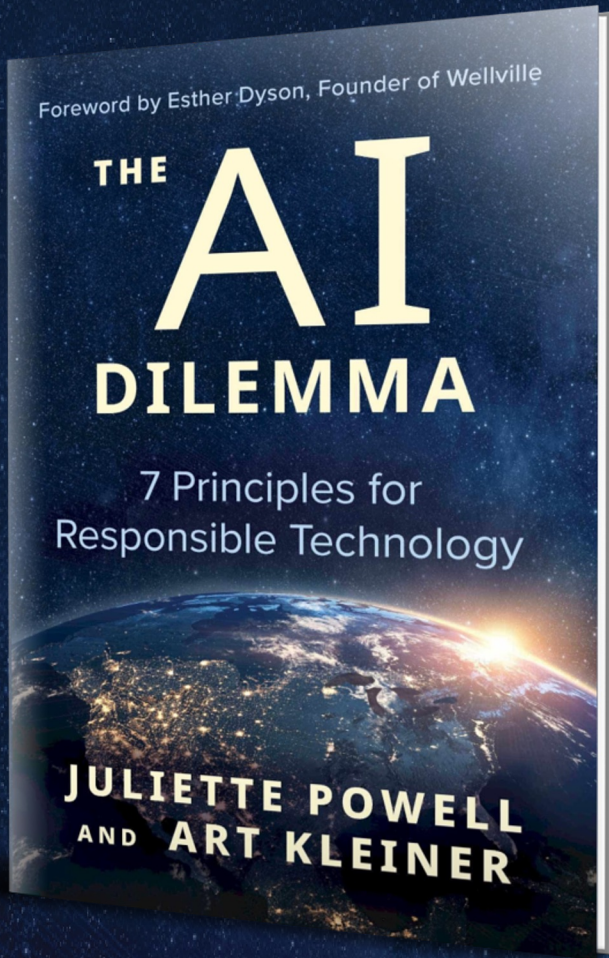
The A.I. Dilemma

October 12, 2023

Beyond Accounting:
AI and Accountants

Art Kleiner





*The technology in
the wrong hands
is dangerous but
in the right hands
is beneficial to all.*

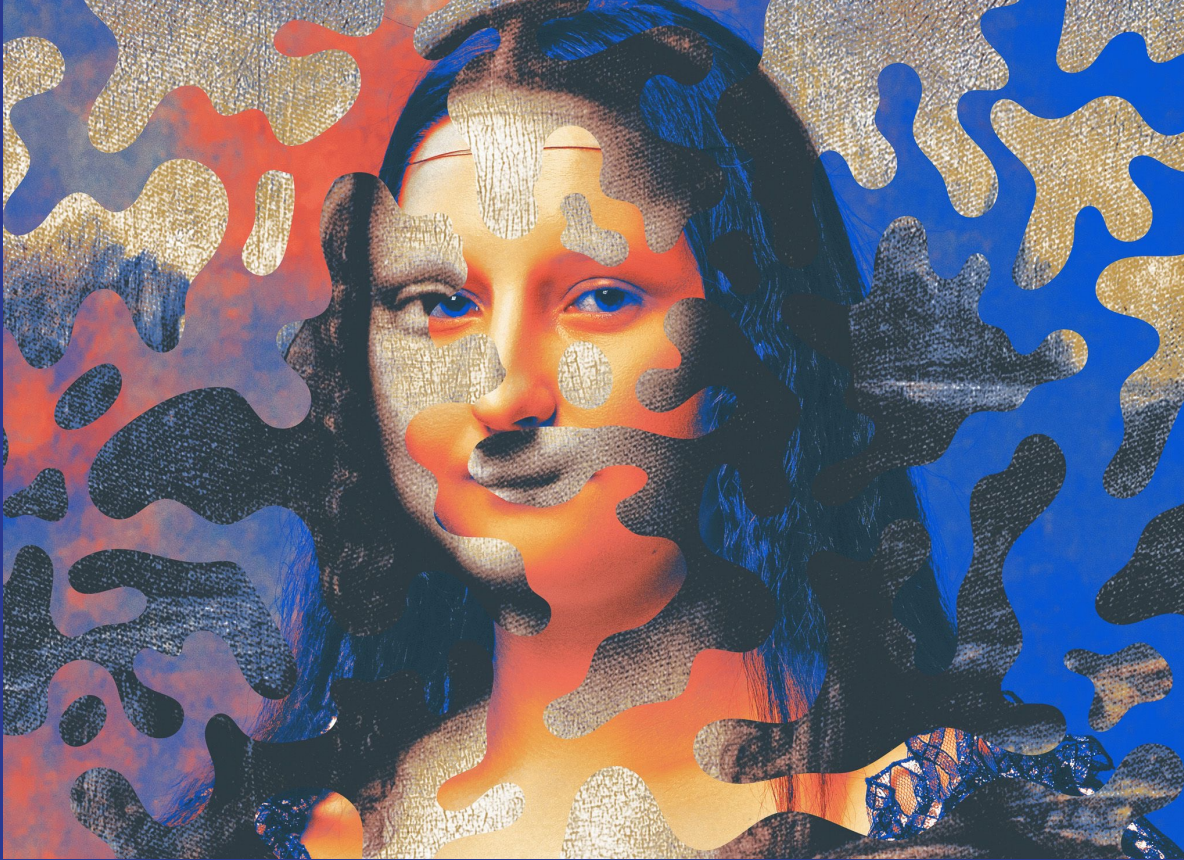
2023: Changes in the Broader AI Environment



Smoke inpainted in an image of the White House. Credit: [OpenAI](#)

Deepfakes

2023: Changes in the Broader AI Environment



Intellectual
Property
issues

4/7/23, 4:59 PM



Home » Pause Giant AI Experiments: An Open Letter

[← All Open Letters](#)

Pause Giant AI Experiments: An Open Letter

We call on all AI labs to immediately pause for at least 6 months the training of AI systems more powerful than GPT-4.

Signatures

17931

Add your signature

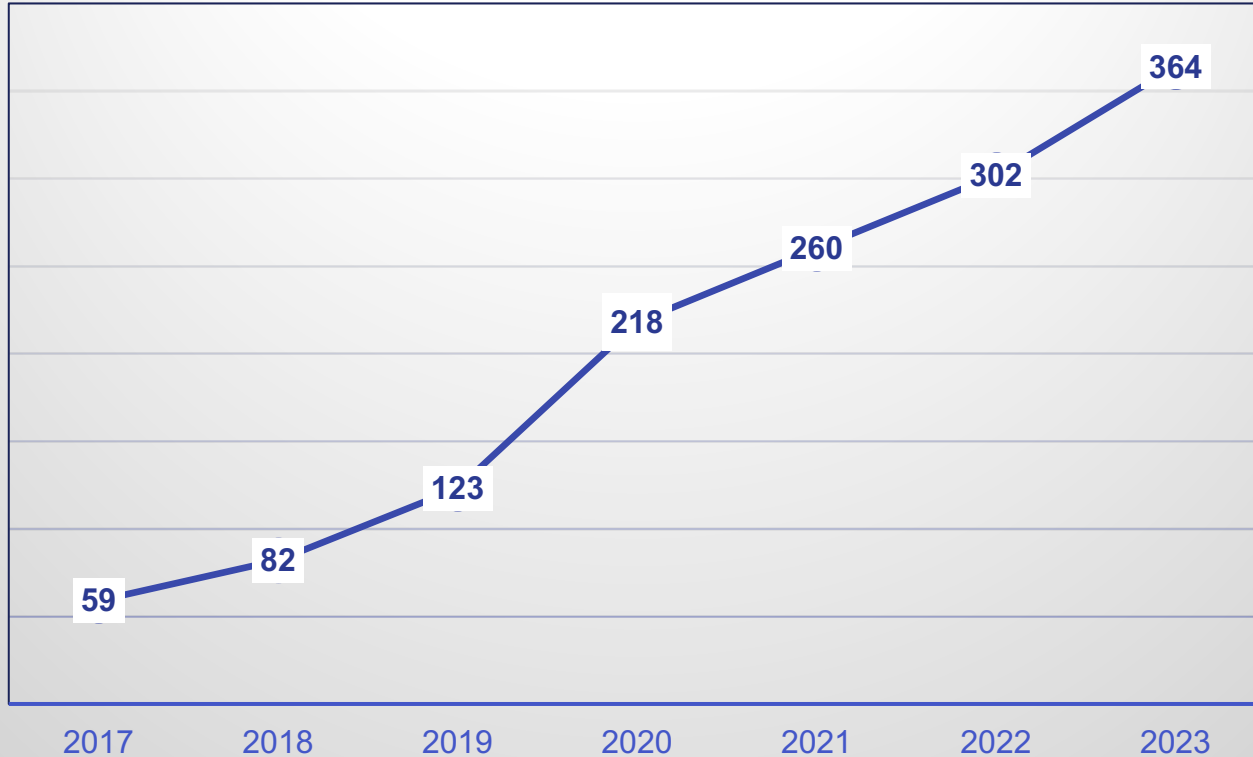


PUBLISHED

March 22, 2023

Steve Wozniak
Elon Musk
Yuval Noah Harari
Andrew Yang
Valerie Pisano
Connor Leahy
Kate Jerome
Jaan Tallinn
Tristan Harris
Danielle Allen
Marc Rotenberg
Gary Marcus

AI Incidents and Controversies Count



As logged by the
AI, Algorithmic,
and Automation
Incidents and
Controversies
Repository

Note: 2022 is an
estimate

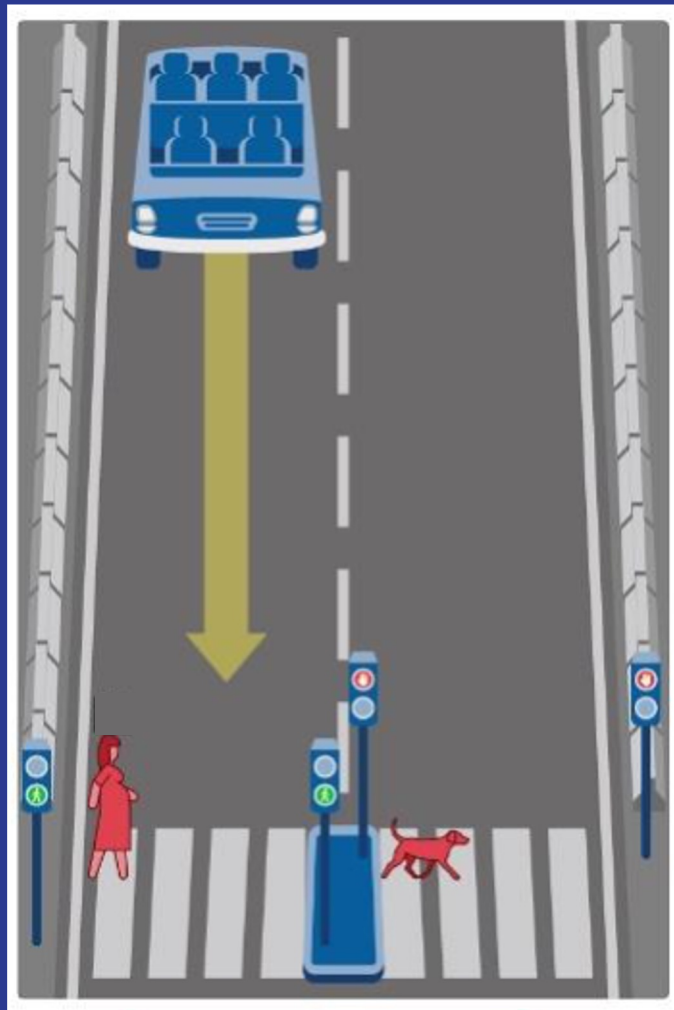


Robotaxis

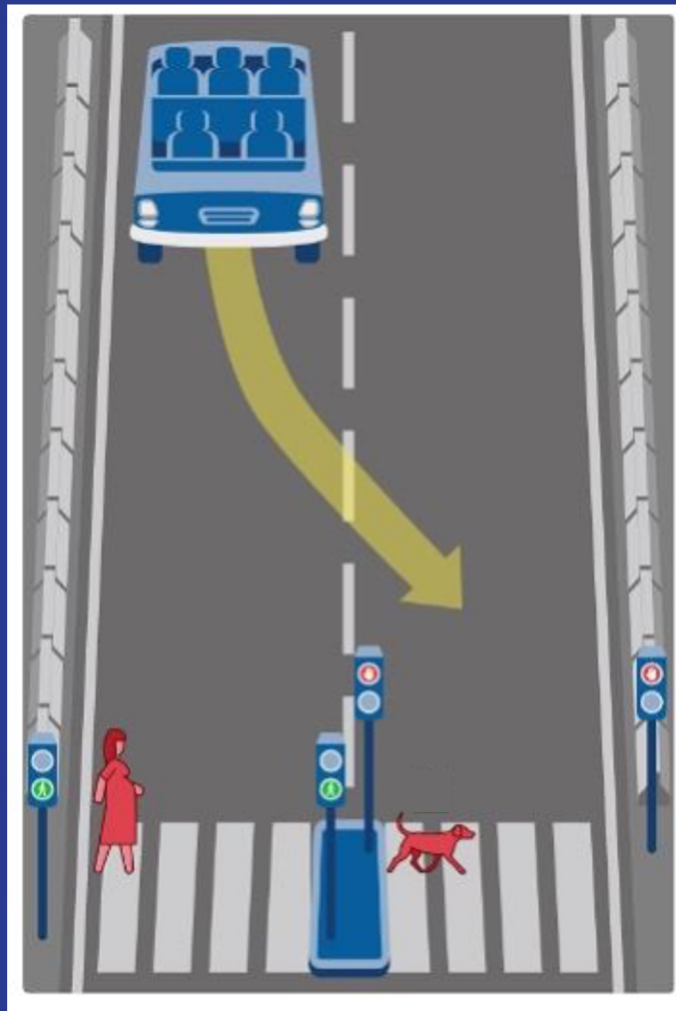
Suppose you made
a self-driving car....



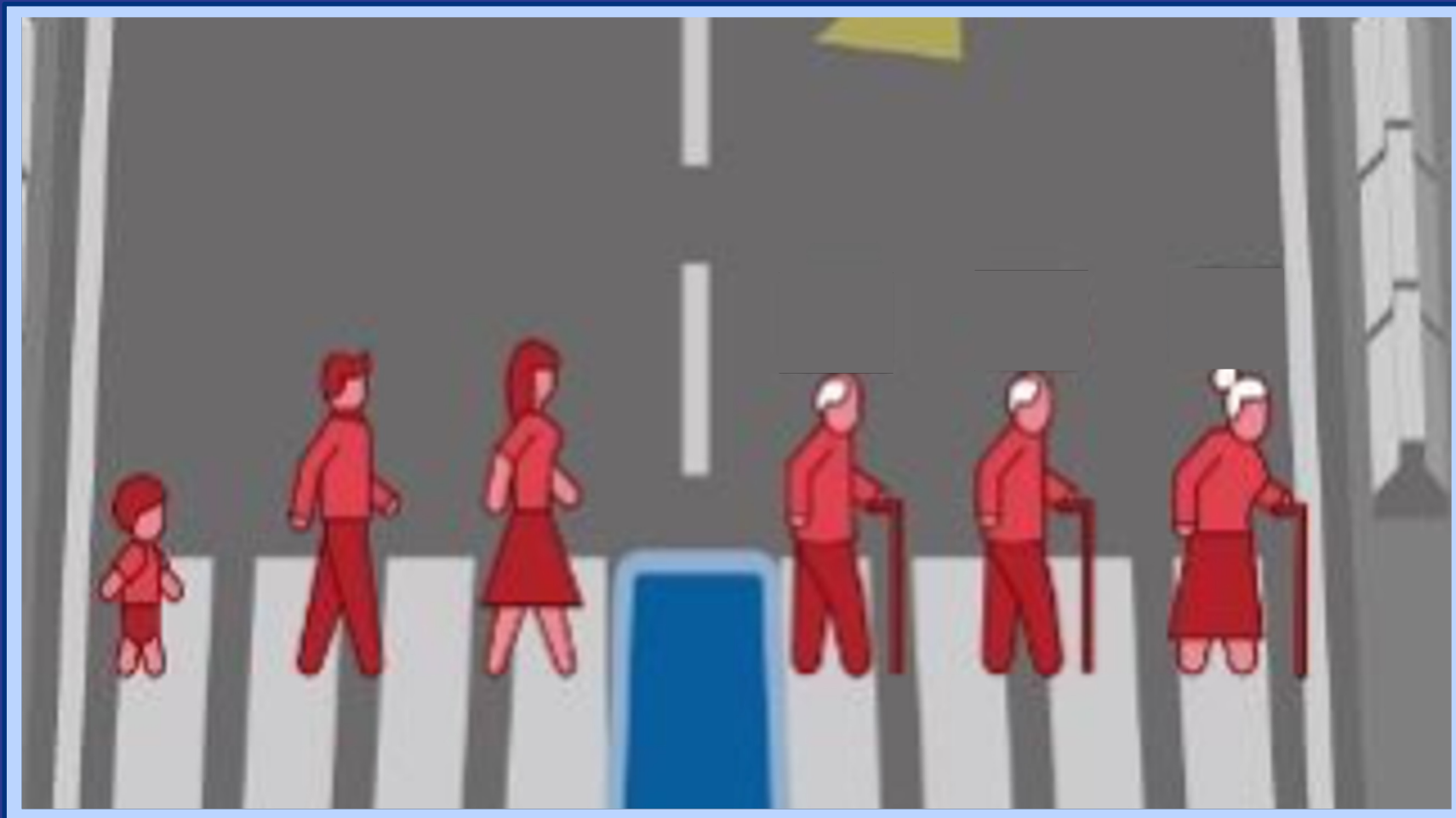
Pregnant woman...

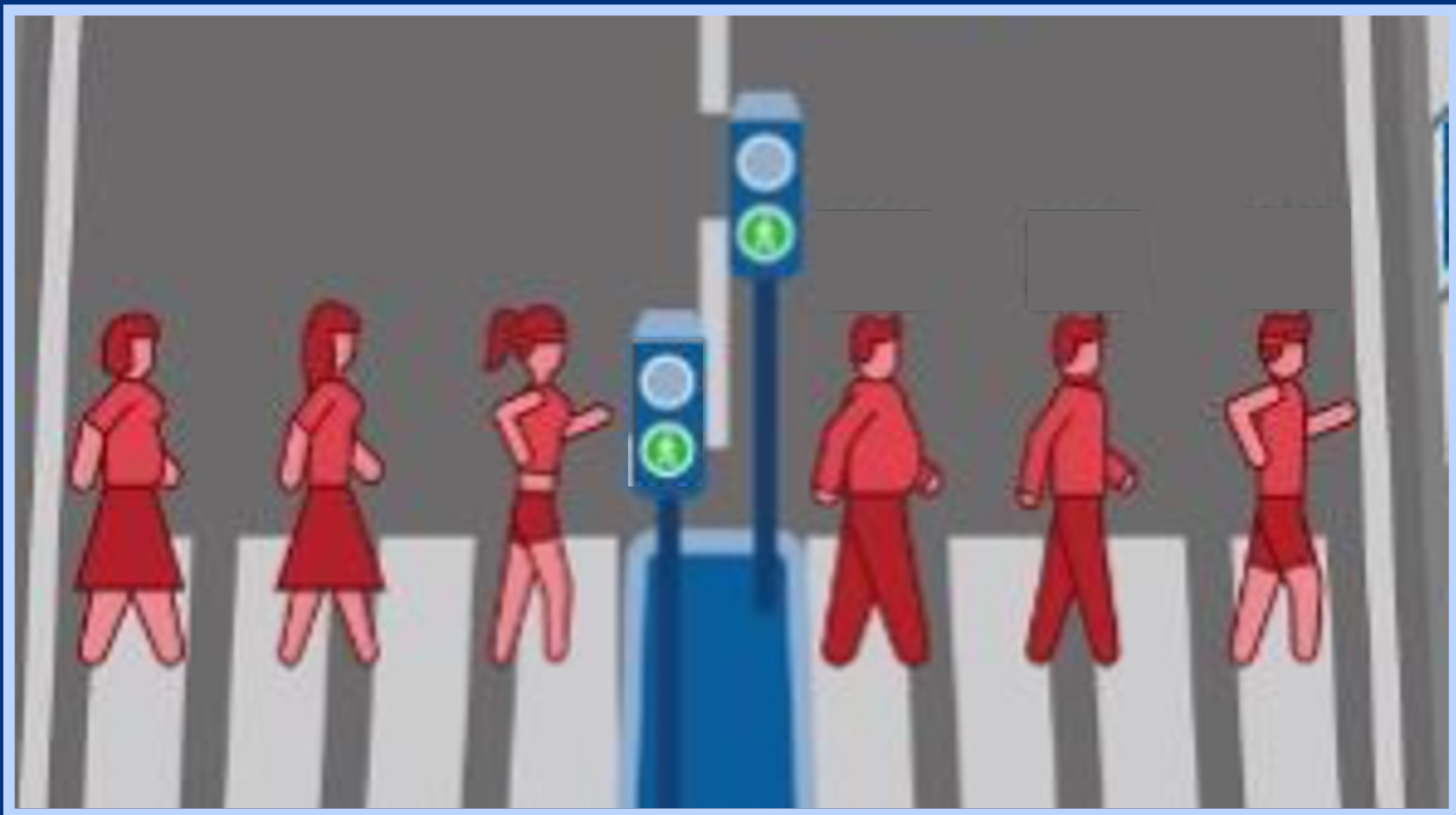


or dog?



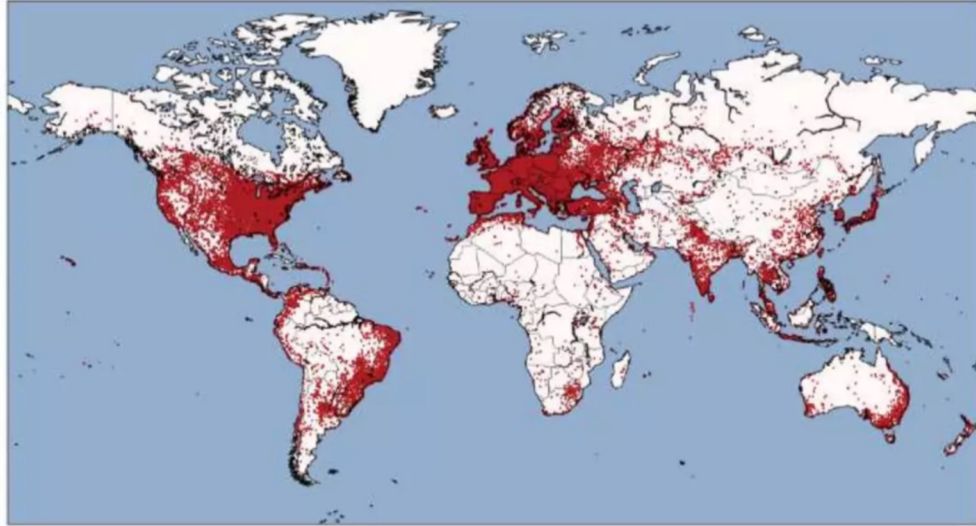








Who decides? - We all do



The Moral Machine Experiment platform gathered 39.61 million decisions in ten languages from millions of people in 233 countries

Global consensus on just three points:

- People want to save lives.
They prefer to kill fewer people.
- Most people favor saving humans over pets.
- Most people favor saving children over adults.

How long will it take for your community to follow San Francisco's example and approve self-driving cabs (robotaxis)?

- 2024-2025
- 2025-2027
- 2028-2030
- After 2030



What is AI?

We use the term “**artificial intelligence**” because that is the term generally used by the public.

We also call it **machine learning**.

In The AI Dilemma we use **Triple-A systems**:

Autonomous: Acting without real-time guidance

Adaptive: Learn from experience.

Algorithmic: Models, data and software code.

1. Be Intentional About Risk to Humans



Stanislav Petrov during USSR military service

“There is a continuing push for increased automation in nuclear weapons. In a changing, chaotic, and globally competitive world, AI automated weapons of mass destruction are a terribly scary eventuality.”

– **Marka Szabolcs**
Professor of Physics
Columbia University

European Union AI Act

**Introduced
April 2021**

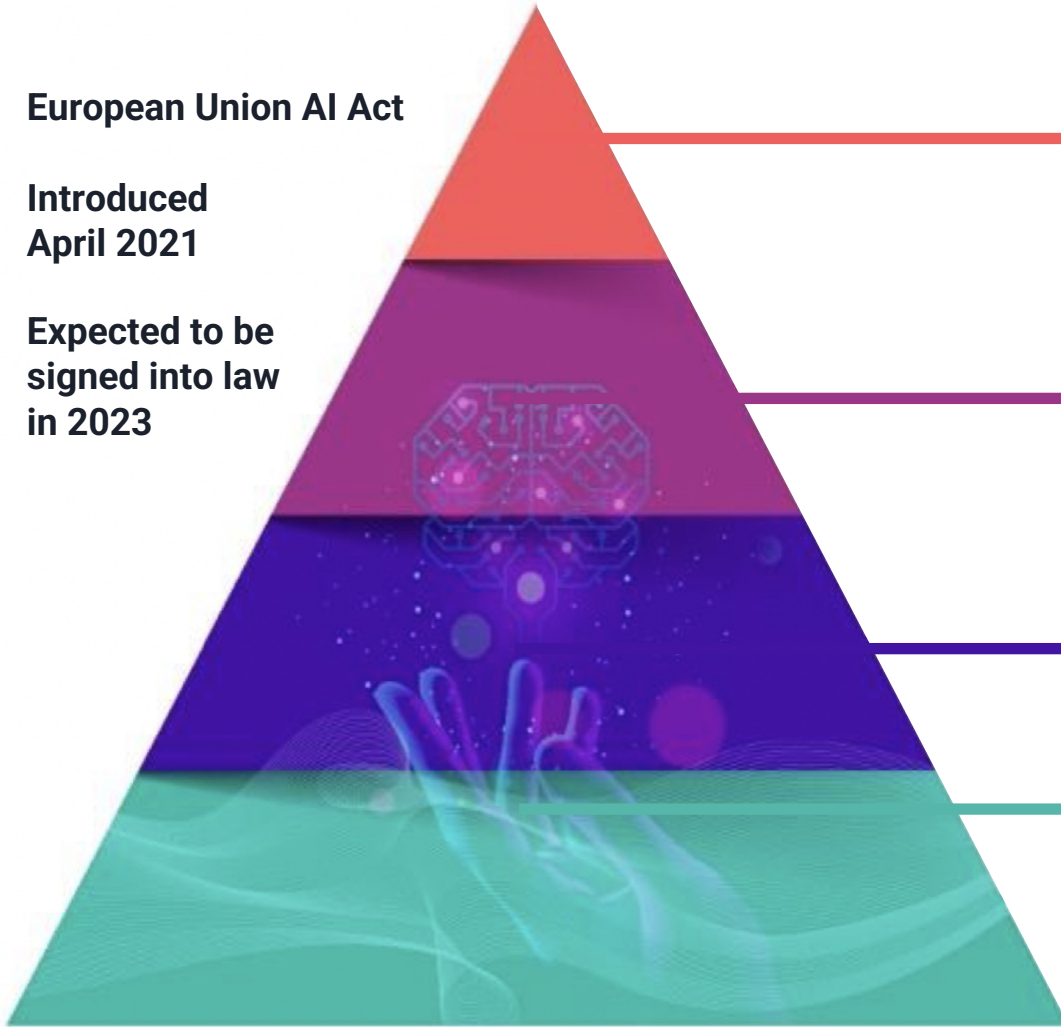
**Expected to be
signed into law
in 2023**

UNACCEPTABLE RISK

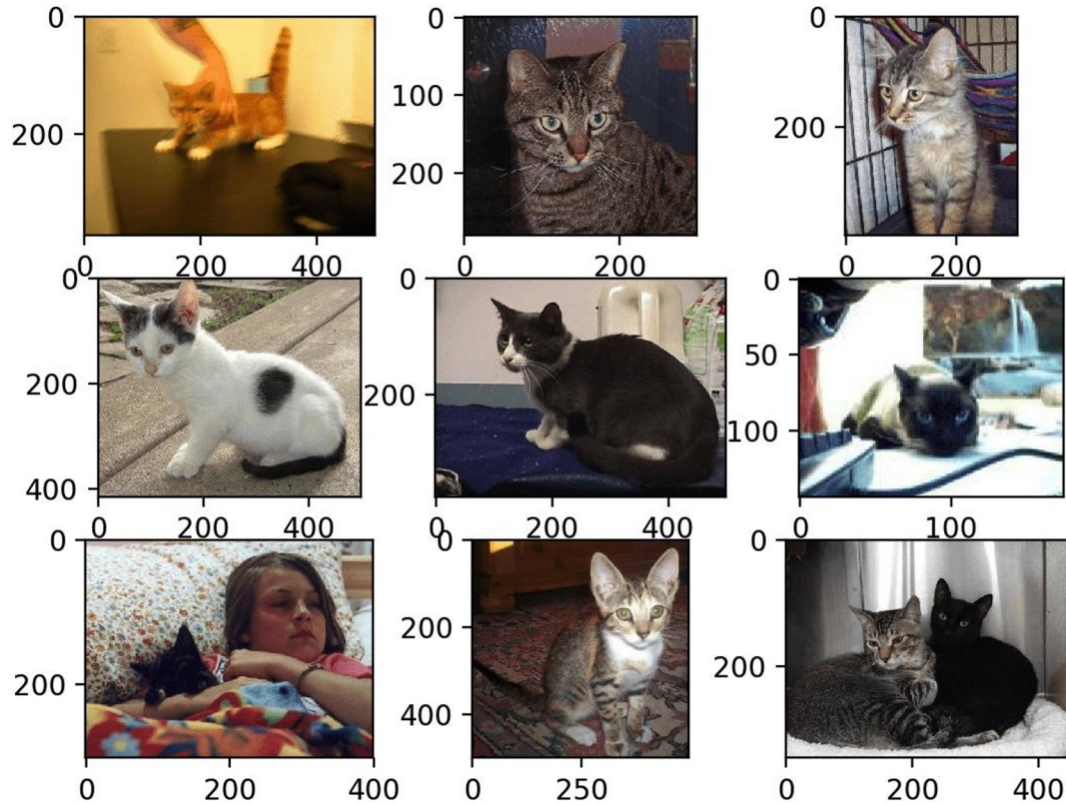
HIGH RISK

LIMITED RISK

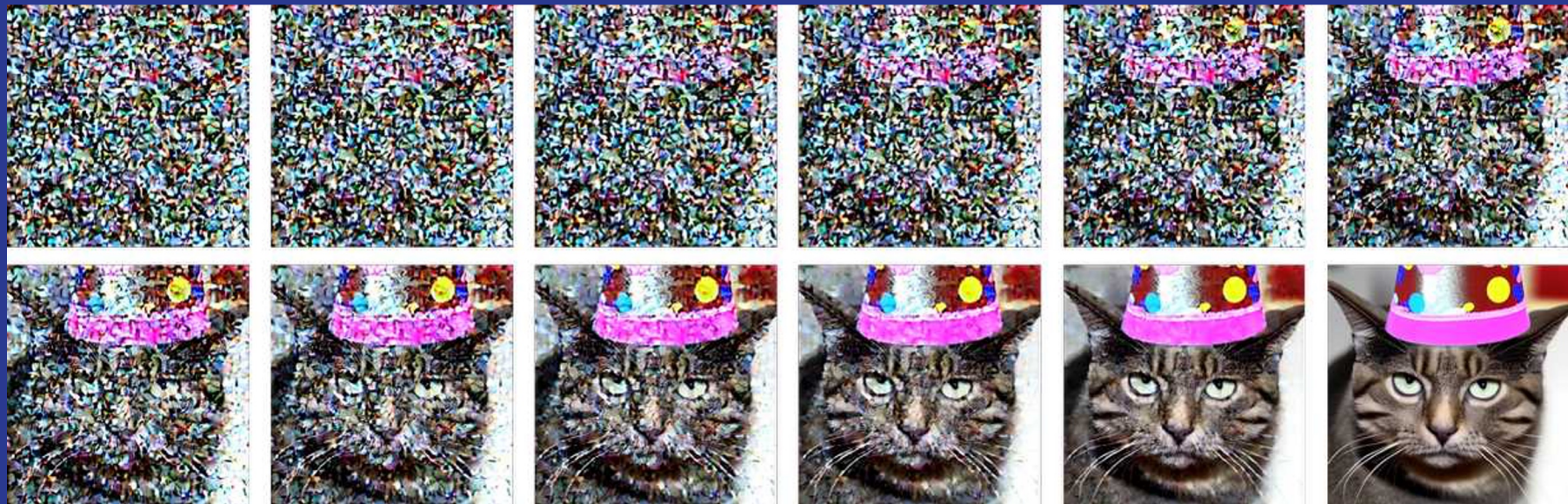
MINIMAL RISK



2. Open the Closed Box








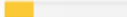





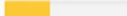





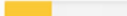
Images of cats
used to train AI
systems

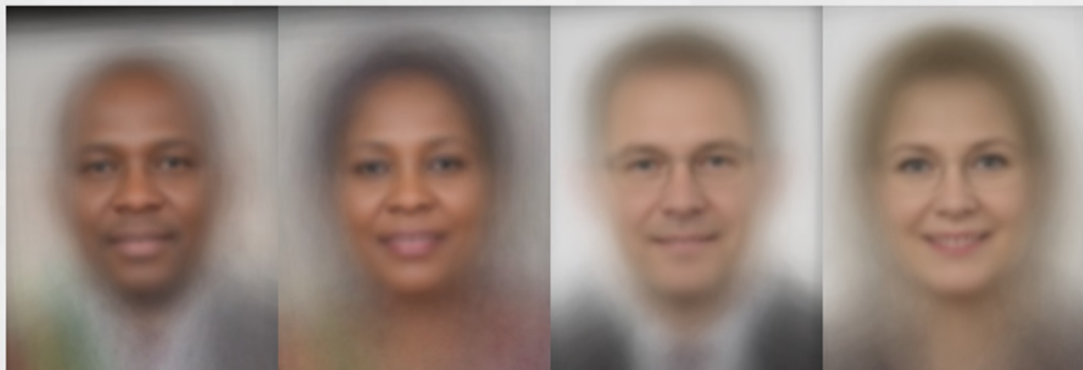


Images produced by a generative AI system on the way to “cat in a party hat.”

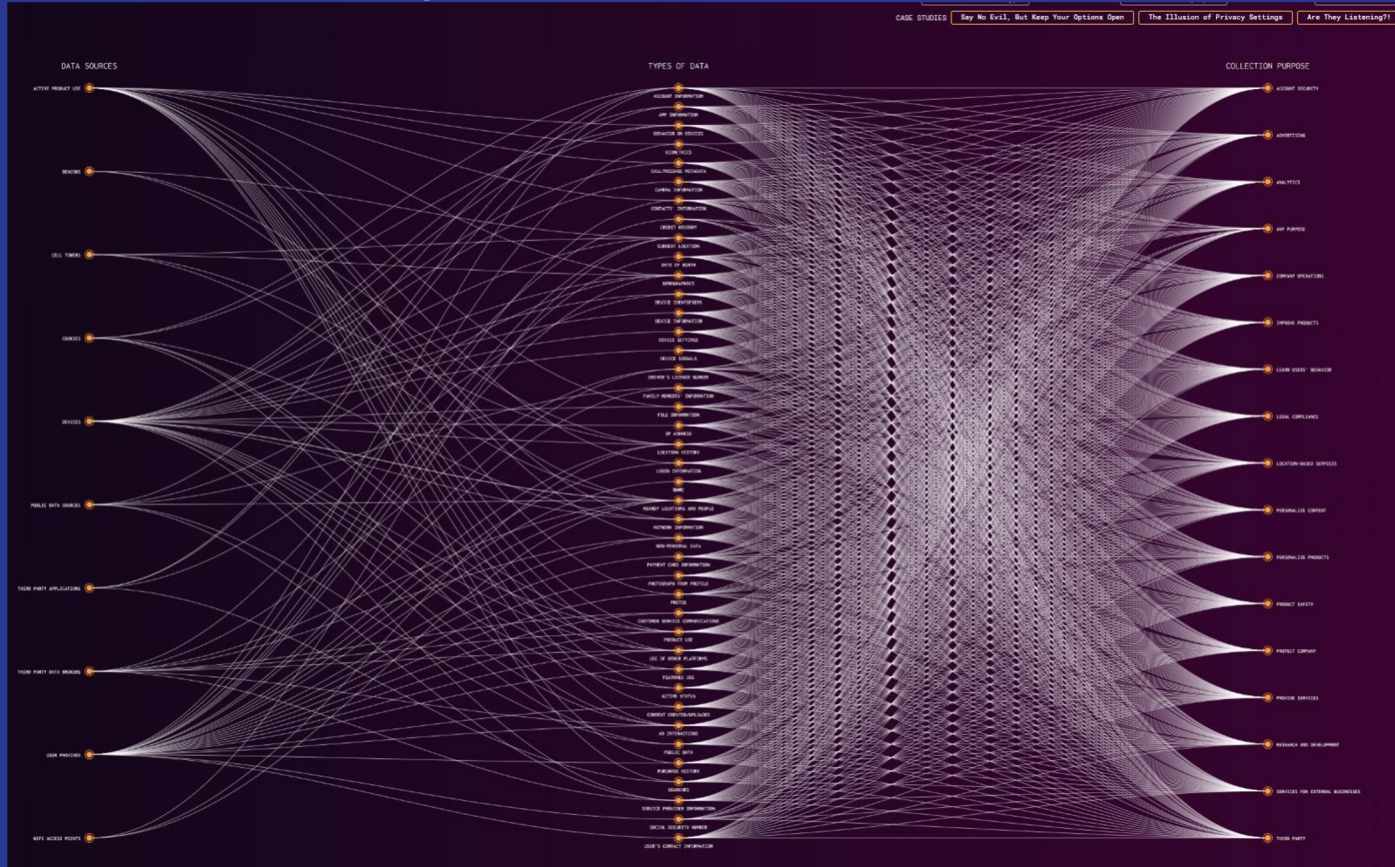
(Stephen Wolfram)

3. Confront and Question Bias

Gender Classifier	Darker Male	Darker Female	Lighter Male	Lighter Female	Largest Gap
 Microsoft	94.0% 	79.2% 	100% 	98.3% 	20.8% 
 FACE++	99.3% 	65.5% 	99.2% 	94.0% 	33.8% 
 IBM	88.0% 	65.3% 	99.7% 	92.9% 	34.4% 



4. Reclaim Data Rights for People



Mapping Data Flows project, Columbia University

5. Hold Stakeholders Accountable



The government of the Netherlands was not fully held accountable for their anti-fraud system's false positives.

Foreword by Esther Dyson, Founder of Wellville

THE AI DILEMMA

7 Principles for
Responsible Technology

JULIETTE POWELL
AND ART KLEINER

10TH
EDITION

FULLY REVISED *and*
EXPANDED *with* NEW MATERIAL

DR. SPOCK'S BABY AND CHILD CARE

Dr. Benjamin Spock, M.D.

UPDATED *and* REVISED *by*
ROBERT NEEDLMAN, M.D.

Among the issues that may be familiar to
the accounting professions:

Hallucinations

Fabricated legal case

Catastrophic forgetting

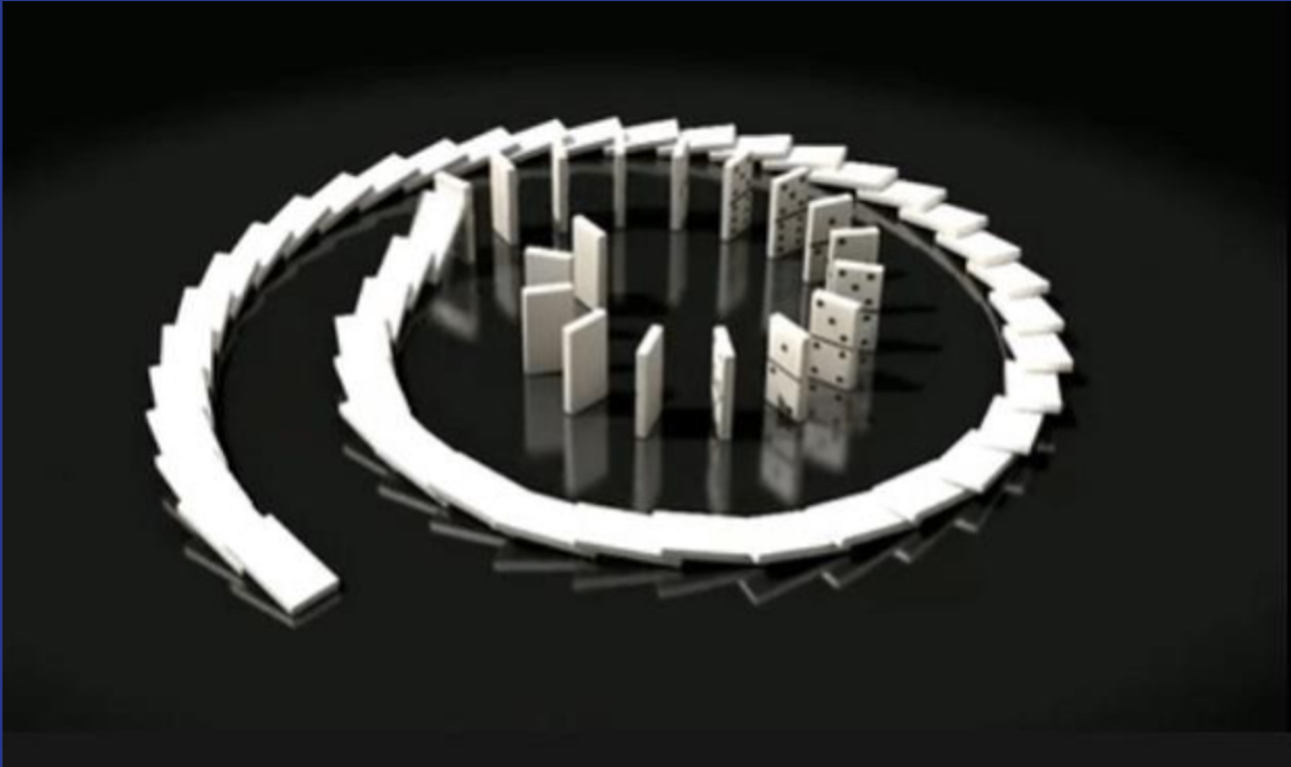
Allocation of outcomes

6. Favor Loosely Coupled Systems

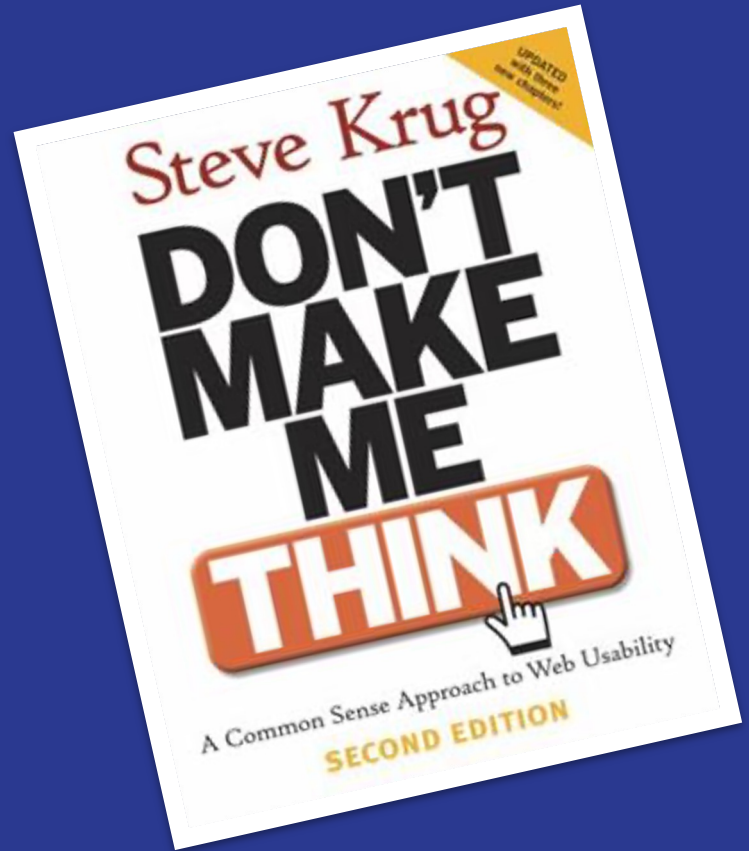


Charles Perrow,
author of *Normal Accidents*

6. Favor Loosely Coupled Systems



7. Embrace Creative Friction



David Stark: Diverse Teams Deliver



The 4 Logics of Power

	Private	Public
Individual	Engineering logic Technology	Social justice logic Humanity
Institutional	Business logic Ownership, markets, and growth	Government logic Authority and security

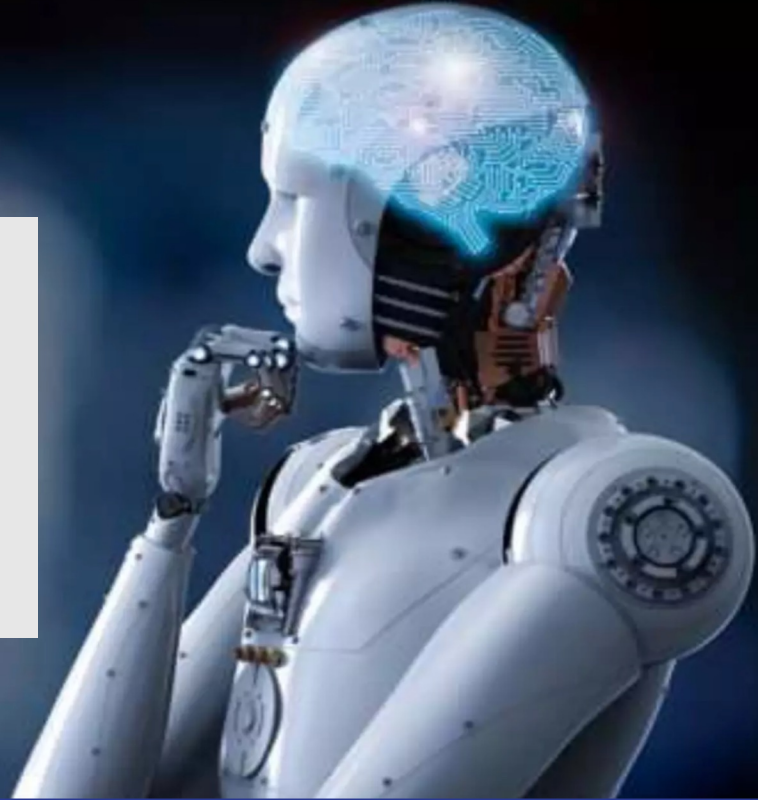
The 4 Logics of Power (Accounting)

	Private	Public
Individual	Engineering logic Technology AI audits	Social justice logic Humanity Forensics
Institutional	Business logic Ownership, markets, and growth Assurance	Government logic Authority and security Tax

ETHICAL USE OF DATA + TECHNOLOGY

“THE PRICE OF
GREATNESS
IS RESPONSIBILITY.”

- Winston Churchill



Foreword by Esther Dyson, Founder of Wellville

THE AI DILEMMA

7 Principles for
Responsible Technology

JULIETTE POWELL
AND ART KLEINER



Thank You! Any Questions?

Find more on our work, our
research, and *The AI Dilemma*
at KleinerPowell.com

