Augmented Intelligence vs. Artificial Intelligence

Augmented Intelligence (AIg) and Artificial Intelligence (AI)both involve advanced computing systems, but they differ in purpose and functionality.

Augmented Intelligence is designed to enhance human decision-making rather than replace it. It acts as a supportive tool, providing insights, pattern recognition, and predictive analytics while leaving final decisions to humans. This approach is widely used in fields like trading, healthcare, and cybersecurity, where human expertise is still crucial. For example, in trading, an augmented intelligence system can analyze market trends, highlight potential breakouts, and suggest entry points, but the trader makes the final decision.

On the other hand, Artificial Intelligence aims to automate processes and operate independently, often replacing human decision-making. AI systems use machine learning, deep learning, and robotics to perform complex tasks without human intervention. Examples include fully autonomous trading bots, self-driving cars, and AI-driven customer service agents. These systems analyze vast amounts of data and make decisions in real time, sometimes without human oversight.

A key difference is control—augmented intelligence keeps humans in charge, while artificial intelligence operates autonomously. This makes augmented intelligence safer for decision-critical industries, as it reduces risks associated with AI making errors without human intervention. However, artificial intelligence is more efficient for tasks that require speed and scale, such as high-frequency trading or automated manufacturing.

In short, augmented intelligence empowers humans, while artificial intelligence seeks to replace them. If you’re looking to integrate AI into trading, augmented intelligence would be ideal for real-time market analysis, SNR identification, and order block detection, while full AI automation would be better for executing trades without manual input.

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History of Artificial Intelligence (1940 – Present)

The development of Artificial Intelligence (AI) has gone through multiple phases, from early theoretical foundations to today’s advanced deep learning and automation systems. Here’s a breakdown of AI’s history from the 1940s to today:

1. The Foundations (1940s – 1950s): Birth of AI Concepts

1943: Warren McCulloch & Walter Pitts created the first computational model of a neural network, laying the groundwork for AI.

1950: Alan Turing proposed the Turing Test to determine if a machine can exhibit human-like intelligence.

1956: The term Artificial Intelligence” was coined by John McCarthy during the Dartmouth Conference, marking the official birth of AI as a field of study.

1. The Early AI Boom (1950s – 1970s): Rule-Based Systems & First AI Programs

1958: McCarthy developed LISP, the first AI programming language.

-1966: The ELIZA chatbot, an early natural language processing (NLP) program, was created.

1970s: AI research shifted towards expert systems, rule-based programs designed to mimic human decision-making (e.g., MYCIN for medical diagnosis).

However, AI faced challenges due to limited computing power, leading to the first AI winter(1974-1980), where funding and interest in AI research declined.

1. Expert Systems & Resurgence (1980s – 1990s): AI Gains Practical Use

1980 : Expert systems became popular in industries like finance and medicine. Japan’s Fifth Generation Project invested heavily in AI research.

1986: Geoffrey Hinton and others improved neural networksthrough backpropagation, making them more effective for learning patterns.

1997: IBM’s Deep Blue defeated chess grandmaster \*\*Garry Kasparov\*\*, proving AI’s ability to outperform humans in specific tasks.

1. AI Winter & Rise of Machine Learning (2000s – 2010s)

After another AI winterin the late 1990s, AI saw a major resurgence in the 2000s with machine learning (ML) and big data.

2006: Deep learning became practical, thanks to advancements by Geoffrey Hinton.

2011: IBM Watson defeated humans in Jeopardy!, showcasing NLP and AI’s ability to process vast amounts of data.

2012: The AlexNet neural network won the ImageNet competition, proving deep learning’s power in computer vision.

2014: Google’s DeepMind created AlphaGo, which later defeated top human Go players, demonstrating AI’s strategic capabilities.

1. Modern AI (2015 – Present): The Era of Deep Learning & Automation

AI has rapidly evolved due to GPU advancements, cloud computing, and vast data availability. Key milestones include:

2017: Google introduced the Transformer model, leading to breakthroughs in NLP (e.g., GPT, BERT).

2020: OpenAI released GPT-3, one of the most powerful language models for text generation.

2023: The AI race accelerated with GPT-4, Bard, Claude, and other AI systems improving chatbots, coding, trading, and automation.

2024: AI is now used in autonomous trading, real-time financial analysis, robotics, and even creative fields like art and music generation.

AI from Theory to Everyday Life

AI has transformed from a theoretical concept in the 1940s to a real-world tool in finance, healthcare, trading, automation, and more. Today’s AI systems, powered by deep learning, neural networks, and reinforcement learning, are capable of handling complex tasks faster and more accurately than humans.