How do we govern AI and machine learning?

1. Incentives
2. Different Data Companies
3. What could a Large Data company do to limit negative impact on humans?
4. Altneratives

Goverence Models

An Eternal Issue of Aligning Incentives

- Goverance structures exist to coordinate the work of individuals, with aligned incentives for an explicit goal.

- A private company exists with the explicit goal to as much money by providing value or saving time for consumers. Data is an important new commodity which most large businesses now "mine", to help the company make better and more informed decisions.

- The incentive on the sides of companies, is to monetize this new commodity as best they can.

- You can think of the internet as the Wild West and data as the 21st century oil.

- Like the Wild West, everyone is still trying to find a happy medium

"*Show me the incentive and I'll show you the outcome*"

Charlie Munger,
Vice-Chairman at Berkshire Hathaway
$600 B Asset Manager

Different Data Companies

GRAIL

Explicit, Contained, Privacy Focused → **Implicit, Leaky, Not Privacy focused**

illumina®

Google

- These companies deal with very sensitive information. This data is very tightly controlled and consumers are very aware of how their data is used.

- Good match of company and consumer expectation

- Consumers are mostly unaware of what data is being collected. Controls on the data and how it is used are basically unregulated.

- Shock news stories expose how much data is being collected and how it is being used and sold to third parties.

- Bad match between company and consumer expectation.

- **Customers are paying huge amounts for the service.**

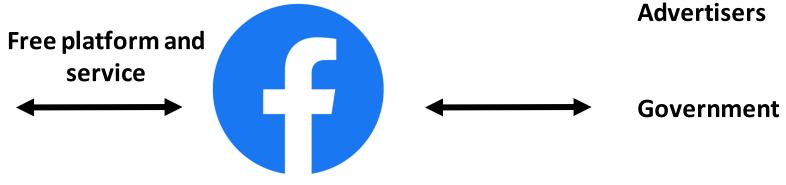- **Very explicit about your genome data. (How its stored, who has access)**

- **There is no need to monetize the data (genome) further through third parties.**

- **Close ended company. Customer <> Company relationship**

What makes a company like Facebook so different?

Its an intermediary !

Free platform and service

Advertisers

Government

Political Interest Groups

Unsuspecting consumer who didn't read the T's and C's

Facebook is a dealer/broker of your data and attention.

Buyers of data and attention.

What could a company like Facebook in terms of goverance to avoid hurting its users?

- CEO's can't be responsible for everything. Decentralise the responsibility solely with the Data Scientists is probably the way forward.

- Doctors must swear to do no harm (Hypocratic Oath), Scientists must submit experiments to ethics comittees, Data Scientists do not have much explicit responsibility to their data and the humans it relates to, even though its having a greater and greater impact.

- (Chain of Custody with digital signatures?)

Crypto Applications

Visa/MasterCard Alternative

Google Chrome Alternative

- Brave Browser
- Earn 70% of what the advertisers pays

- Bitcoin Lightning Network
- Visa/Mastercard currently take ~ 2% charge on transactions (passed through to the business)
- Lightning takes < 0.1%
- Instantaneous settlement