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Former Google CEO Eric Schmidt on the challenges of regulating AI

by Dylan Walsh | Nov 7, 2022

Why It Matters

The former Alphabet chair talked about the challenge of defining what society wants from artificial intelligence, and called for a balance between regulation and investing in innovation.

Artificial intelligence was a thing, but not *the* thing, when Eric Schmidt became CEO of Google in 2001. Sixteen years later, when he stepped down from his post as executive chairman of Google's parent company, Alphabet, the world had changed. Speaking at Princeton University that year, Schmidt declared that we are in "the AI century."

Schmidt, who recently chaired the National Security Commission on Artificial Intelligence, and computer science professor Aleksander Madry discussed how AI's broader implications at the 2022 MIT AI Policy Forum Summit.

Their conversation came at a moment when AI is ascendant in the workplace.

Headlines are touting its accomplishments both small — winning the 2023 Turing Award — and large, such as predicting the shape of nearly every protein.

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just released a blueprint for an AI Bill of Rights to “protect the American public in the age of artificial intelligence.”

Companies are investing billions of dollars in the technology and the talent necessary for its development (this includes Schmidt, who attracted attention last month for not publicly disclosing his investments in several AI startups while chairing the NSC commission).

Schmidt talked about the core challenge of defining what our society wants to gain from AI, and called for a balance between regulating AI and investing in innovation.

A pragmatic approach to development

Schmidt said a naive utopianism often accompanies technological innovation. “This ... goes back to the way tech works: A bunch of people have similar backgrounds, build tools that make sense to them without understanding that these tools will be used for other people in other ways,” he said.

We should learn from these mistakes, Schmidt said. The tremendous potential of AI must not blind developers and regulators to the ways in which it can be abused. He cited the potential challenges of information manipulation, bioterrorism, and cyber threats, among many others. To the extent possible, guardrails must be in place from the beginning to prevent criminal or destructive applications, he said.

Schmidt also criticized the degree to which people working in AI have focused on the problem of bias. “We’ve all become obsessed with bias,” he said. It is an important challenge rooted in the data used to train AI systems, he acknowledged, but he said he was confident that AI could be trained to handle bias and zero-shot learning. “We’ll figure out a way to address bias,” he said. “We’re not going to stop talking about bias because that’s the thing that they could frame. But when you start to manipulate the information space, you manipulate the information space.”

Starting a productive discussion on regulation

One of the core challenges right now, according to Schmidt, is that we don’t know what we, as a society, want from AI. What role should it fill? What are the risks? When you define what you want, it’s very hard to say how you’d regulate it.

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To begin this process, one of Schmidt's suggestions was a relatively small working group of 10 to 20 people who build a list of proposed regulations. These might include: making certain content, like hate speech, illegal; rules should be in place to distinguish humans from bots; all algorithms must be openly published.

This list, of course, is only a starting point. "Let's assume that we got such a list — which we don't have right now ... How are you going to get the CEOs of the companies who are, independent of what they say, driven by revenue ... to agree on anything?" Schmidt asked.

Government should do more than regulate

The role of government is not simply to regulate AI, Schmidt said. It must simultaneously promote the technology. Alongside a regulatory plan, Schmidt suggested every country should have a "how-do-we-win-AI" plan.

Looking to Europe, he described the admirable model of deep and long-term investment in big physics challenges. [The CERN particle accelerator](#) is one of many examples. But Schmidt does not see commensurate levels of investment in AI. "That's a huge mistake, and it's going to hurt them," he said.

Investing productively in novel technologies while also devising regulation for those new technologies is difficult, Schmidt admitted, but he believes the tendency is to over-regulate and under-promote. As an example, he pointed to the European Union's stringent online data privacy aims, embodied in the [General Data Protection Regulation](#). While these efforts appear to do a good job protecting consumer data, high compliance costs have the unintended consequence of stifling innovation, Schmidt contended.

"You have to have an attitude of innovation and regulation at the same time. If you're just regulating both, you're not going to lead."

The particular case of social media

Social media presents specific challenges, Schmidt said. He pointed to the algorithms which often started as basic information feeds and developed into more complex systems by which these engines operate may not be the rules we care about.

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"I've been a CEO for more than 20 years. CEOs care a lot about revenue," Schmidt said. "And the revenue comes from engagement. Engagement comes from outrage."

To rein in this problem, Schmidt offered a suggestion rooted in his preferences for free speech: People should be permitted to say what they want, but algorithms should be more discerning in what they boost. "Everyone gets their opinion, but not everyone gets a megaphone," he said. The goal should be to encourage speech rather than shut it down — and poorly designed algorithms shut it down.

From this angle, companies actually benefit from better internal policing. Schmidt noted that TikTok found itself facing a problem of toxic content polluting its video streams and detracting from the platform's entertainment value. In response, the company developed an AI algorithm that finds and mutes toxic content. He suggested every social media company will need to do this going forward.

"And then once these things are in place, they have to become standard," Schmidt said. The stakes extend beyond entertainment problem, we're going to lose our democracies," he said.

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