

Data and Artificial Intelligence: Empowering The Future

Sanjay Sarma, Asia School of Business & MIT



Capabilities of Gen Al

- **1. Generative:** Create new text, videos, audio
- 2. Interaction: LLM's are the future of interfaces
- 3. Knowledge: Terabytes of notes, manuals weaponized
- 4. **Reasoning:** Just getting started; GPT 5 will stun you



Impact is evolving...rapidly



Transform your content into engaging Al-

History of Al

= Big Data + Big Stats + Big Vectors

A Historical Confluence



Where does the word "data: come from?

- Data: 1640s, "a fact given or granted," classical plural of datum.
- From Latin datum. Proto-Indo-European (Sanskrit: Data, Dana)
- 1897 as "numerical facts collected for future reference."
- Transmission: 1946.
- Data-processing 1954;
- database 1962;
- *data-entry* is by 1970.

History of "Statistics"

- Comes from ancient civilizations such as Babylon
 - Counting was the beginning: hexagesimal, decimal
- The term comes from the word for "state" (like statecraft)
 - Counts of goods, estimation of taxes
 - Census taking, mortality (John Graunt1662)
- Probability Theory
 - Pascal, Fermat, Bernoulli, de Moivre
- Pre-modern stats: 1850-1945
 - Gauss, Nightingale, Pearson, Fisher, (Egon) Pearson, Bayes, von Neumann, Tukey
- Modern stats
 - Pearson, Bayesian, Ulam, Bradley, Efrom

Modern statistics

- Basic statistics (descriptive, exploratory)
- Data pre-processing and cleaning
- Unsupervised learning and clustering
- Supervised learning:
 - Regression, linear and logistic
 - Decision trees
 - Random forests
 - Support vector machines
 - K-Nearest Neighbors
 - *etc.*



Enter Big Data

Volume of data created and replicated worldwide (source: IDC)



https://www.red-gate.com/blog/database-development/whats-the-real-story-behind-the-explosive-growth-of-data

Data outcompetes processing



https://medium.com/grovf/embracing-the-exponential-growth-of-data-towards-the-breakthrough-of-memory-scaling-d29a94f2e45c

Data Engineering

New distributed data architectures





https://www.zdnet.com/article/cloud-computing-will-virtually-replace-traditional-data-centers-within-three-years/

https://www.infocepts.ai/blog/dont-decide-on-a-data-architecture-until-you-read-this/

New Distributed Computation: Hadoop



https://www.glennklockwood.com/data-intensive/hadoop/overview.html



And that is Data Science

C. F. Jeff Wu suggested rebranding statistics as data science. *"Statistics = Data Science?"*

Back to our map



Machine Learning

Start with the data Labeled (supervised) Unlabeled (unsupervised)

3 Waves of AI

Wave 1: Neural Networks 1940s -1990s

- Neural Networks
- Expert Systems

Deep Blue



Neural Networks are not Regression

- 1. Non-Linearity and Complexity
 - Non-linear activation functions: ReLU, sigmoid, or tanh
- 2. Representation Learning
 - No need to handcraft features
- 3. Universal Approximation
 - Hornik, K., Stinchcombe, M., & White, H. (1989). Multilayer feedforward networks are universal approximators. Neural Networks, 2(5), 359-366.
- 4. Architecture Variability
 - CNN, RNN's, Transformers
- 5. Scalability through parallelization, big data
 - Cloud, Hadoop, GPU's, TPU's, transfer earning,



https://towardsdatascience.com/simple-introduction-toconvolutional-neural-networks-cdf8d3077bac

More Engineering How GPU's parallelize AI



https://www.linkedin.com/pulse/accelerating-ai-art-parallelization-model-training-kirubasagar-v-ase5c/

Large Language Models are based on Word Embeddings

Reducing words to numbers

Words as Vectors

- Tomas Mikolov, Kai Chen, Greg Corrado, and Jeffrey Dean. 2013a. Efficient estimation of word representations in vector space. *Proceedings of International Conference on Learning Representations* (ICLR).
- Tomas Mikolov, Wen tau Yih, and Geoffrey Zweig. 2013b. Linguistic regularities in continuous space word representations. In Proceedings of the 2013 Conference of the North American Chapter of the Association for Computational Linguistics: Human Language Technologies (NAACL-HLT-2013). Association for Computa- tional Linguistics.



Analogical Reasoning

https://towardsdatascience.com/word2vec-research-paperexplained-205cb7eecc30 Liang, Wentao, Lu Wang, Jialuo She, and Yuqing Liu. "Detecting Resource Release Bugs with Analogical Reasoning." *Scientific Programming* 2022, no. 1 (2022): 3518673.

Words become numbers

https://medium.com/nlplanet/twominutes-nlp-11-word-embeddingsmodels-you-should-know-a0581763b9a9



Massive Multitask Language Understanding MMLU tests models on 57 different subjects



*Exact model size is unknown. | Data from InstructEval GitHub.

https://newsletter.victordibia.com/p/understanding-size-tradeoffs-with

Conclusion

Barriers Being Breached by Gen Al

ContentStructured vs Unstructured80% of data is unstructuredOld AISupervised vs UnsupervisedPassive information unleashed

Robots learn to perform chores by watching YouTube

Brian Heater / 9:09 AM PDT • June 22, 2023

Comment



Impact on jobs, economy

Al's impact on jobs

Most jobs are exposed to AI in advanced economies, with smaller shares in emerging markets and low-income countries.

Employment shares by AI exposure and complementarity

High exposure, high complementarityHigh exposure, low complementarityLow exposure



Source: International Labour Organization (ILO) and IMF staff calculations Note: Share of employment within each country group is calculated as the working-agepopulation-weighted average.

