

Center for Digital Transformation

Managing the Risks of AI

Experts provided business leaders with guidance on how to limit the potential risks of artificial intelligence.

While the use of artificial intelligence can lead to improved efficiency and productivity, it may also cause societal harm if business leaders aren't careful with the implementation of the promising technology.

With the rise of AI, some fear job displacement or the rapid spread of disinformation. Many experts agree that it's important for leaders to carefully consider the value of AI and its risk potential before integrating it into their companies.

"We will not realize the benefits of this technology if we don't also manage the risks," said Vijay Gurbaxani, Director of the Center for Digital Transformation. "All of us have a role to play in making sure the destructive effects of these new technologies do not come to pass."

UC experts offered rich perspectives on this issue during the 2023 Center for Digital Transformation conference, providing their ideas on how to mitigate the risks of AI.

Mitigating Risks

Professor David Danks believes AI is subject to the "shiny new toy" phenomenon, where individuals and companies are racing to deploy the new technology in every imaginable way.

"But I think we need to take a moment and consider where we are going with this technology," said Danks, Professor of Data Science and Philosophy at UC San Diego. "Are we just jumping into a car that's hurtling toward a cliff?"

Danks believes that AI carries great opportunity for companies but it also poses a risk to society due to potential misuse of the technology. As an example, AI has the ability to very quickly produce a lot of disinformation that can benefit certain political groups.

These societal harms will be duplicated as AI is trusted with more functions throughout our world. But you can't just press "go," Danks said. The ethical ramifications of AI need to be considered before it's deployed in order to mitigate societal harm.

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Managing the Risks of AI (cont.)

“You’re creating more opportunities for these failures to occur,” Danks said. “Of course, there are benefits as well. These systems are double-edged swords. So, we simply have to rethink our ability to predict ahead of time exactly what the technology might be good or bad for. We shouldn’t be asking what can we do, but rather, what should we do. What are the things where we say, ‘this is a bridge too far?’”

Pierre Baldi, Distinguished Professor of AI and Director of the Institute for Genomics and Bioinformatics at UCI, similarly believes businesses need to allocate resources towards gaining a better understanding of AI’s potential challenges.

Baldi recently signed a letter with AI scholars and tech experts to slow down AI experiments. High-profile names like Tesla’s Elon Musk and Apple’s Steve Wozniak also signed the letter.

“The technology is evolving very fast, and we really don’t understand all the consequences,” Baldi said.

He went on to say that “we’re trying to put sandboxes around AI, but the nature of intelligence is to get out of the sandbox. That’s the definition of intelligence. Get out of the box you are in. Right? So it’s a fundamental paradox. Of trying to, you know, putting a box around AI and AI trying to get out of it in some way. It’s a race.”

Baldi and Danks would like to see government regulatory measures at both the international and national levels. While there are currently some AI regulations, nothing is universal and it’s unlikely that there will be any strong policy soon, Danks said.

That makes it critically important in the meantime for AI developers and company leaders considering adoption to encourage a culture of responsible innovation.

“They need to be asking themselves whether they are sure,” Danks said. “It’s a very powerful and simple question. This is crucial rather than having the mindset of move fast and break things. Some things can’t be glued back together. But this question shouldn’t impede innovation, it can be a powerful tool to get us towards responsible innovation.”