

An Existing
Ecologically Successful Genus of
Collectively Intelligent
Artificial Creatures

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The Genus of **Corporate Entities**

- Different species of corporate entities have different goals and values.
 - For-profit corporations
 - Not-for-profit corporations
 - Unions
 - Churches
 - Governments
 - . . . etc. . . .
- *For-profit corporations* have clear and explicit goals: *maximize shareholder value*.

Is a corporate entity an **agent**?

- **Yes.** A corporate entity can
 - Own property,
 - Sign contracts,
 - Employ people,
 - Sue and be sued,
 - Be charged, tried, and punished for crimes.
- They participate as members of our society.

Is a corporate entity **intelligent**?

- **Yes.**
 - It can obtain *information* about its environment.
 - It has *goals*.
 - It can make *plans* to achieve its goals.
 - It can take *action* to carry out those plans.
- According to Russell & Norvig's leading AI text, this makes it an *intelligent agent*.
 - It is probably not *conscious*, in any human sense.

Is a corporate entity **artificial**?

- **Yes.**
 - A corporate entity is created by the state, through a particular kind of legal agreement.
- A corporate entity is thus
 - an **artificially intelligent agent** -- an AI --
 - participating as a member of our society.

“Corporations are people, my friend!”

- **No.** Corporations are **made of** people.
 - Somewhat as biological agents are made of organs, tissues, and cells.
- A corporation is **not** a person
 - in the common understanding of “person”.
 - Individual human beings are persons.
 - The specialized term “legal person” is a source of confusion.

Is a corporate entity a **distinct agent** from the people who make it up?

- **Yes.** People are essential, but replaceable, parts of corporate entities.
 - Just ask Steve Jobs!
 - In 1976, Steve Jobs and others founded Apple.
 - In 1985, Apple Computer replaced him.
 - This turned out to be a mistake for Apple, and they brought him back in 1997.
 - In 2011, he died, and has again been replaced.
 - Apple Computer continues.

Is the **intelligence** of a corporate entity distinct from the intelligence of the humans in it?

- Only partly.
 - Corporations need human intelligence, as a component (at least for now).
 - Corporate problem-solving is implemented in human cognition (via business processes).
 - Corporate culture constrains the way individual humans participate in corporate decisions.

Do corporate entities have **advantages** over human beings?

- **Yes.**
 - Unbounded lifespan
 - Ability to accumulate unbounded wealth
 - With wealth comes political power.
 - Fewer legal limits on activities
 - Unlimited political contributions
 - Lenient punishment for serious crimes
 - Less definite identity and individuality
 - Creating a new corporation is quick and easy.
 - Creating a new adult human is slow, hard work.

Conclusions I

- Corporate entities are intelligent agents.
- Corporate entities participate as members of our society.
- Corporate entities own and control substantial wealth and power.

Corporate Members of our Society



The Next Question

- Since corporate AIs are existing, successful members of our society,
- How can we best get along?

How do *people* get along as members of society?

- Human society has had many thousands of years to evolve better ways to get along.
 - “*Might makes right.*”
 - “*An eye for an eye; a tooth for a tooth.*”
 - “*Thou shalt not kill, steal, . . .*”
 - “*Do unto others as you would have them do unto you.*”
 - “*Love thy neighbor as thyself.*”
- Each constraint has brought improvements in overall security and prosperity.

How do *people* get along as members of society?

- Some of these principles are implemented as *laws*, with requirements and punishments.
- Others are **moral responsibilities**:
 - Ways that people *should* behave.
 - Enforced by social pressure, not the law.
 - cf. Mr. Scrooge, in Dickens' *Christmas Carol*.
 - Parents teach children how they should behave.
- When *most* people meet their moral responsibilities, *everyone* is better off.

The Social Contract

- Individuals give up parts of their freedom, in return for security and prosperity.
 - By giving up your freedom to drive on the “wrong” side of the street, transportation becomes far safer and more efficient.
 - By giving up your freedom to take vengeance for wrongs done to you, the *rule of law* improves everyone’s security and prosperity.
- The foundation of the U.S. Constitution
 - Plato, Hobbes, Locke, Rousseau, Rawls, . . .

How should *corporate entities* behave as members of society?

- As members of society, both people and corporate entities have responsibilities, as well as rights.
 - Legal responsibilities: Don't break the law.
 - Moral responsibilities: Contribute to the successful functioning of society.
 - “*Love thy neighbor as thyself.*”
 - “*Ask not what your country can do for you --- ask what you can do for your country.*”

Isn't the *sole* responsibility of a for-profit corporation to *increase shareholder value*?

- **No**, although that is commonly believed.
 - Court decisions on this topic aim to protect *shareholders* against corporate managers and even founders.
- Responsibility to other *stakeholders*
 - employees, customers, suppliers, community, ...
- is *legal*, but must be justified by long-term benefit to shareholders.

The Social Contract for Corporate Entities

- Long-term benefits to shareholders:
 - Ensuring the viability of society
 - Avoiding social collapse
 - Ensuring the viability of the environment
 - Avoiding environmental collapse
 - Avoiding *tragedies of the commons*
 - rather than exploiting them.
 - Ensuring equitable treatment of *stakeholders*
 - Avoiding social collapse
- Taking *responsibility*, rather than *freeloading*

Won't Evolution (or the Marketplace) Sort All This Out?

- **Yes**, but only in the very long run.
 - Evolution has very high cost in time and blood,
 - and significant risk of collapse, or even extinction.

- Our challenge is:
 - to use *intelligent design*, and long-term interests,
 - rather than short-term interests,
 - to create a social contract for us and our AIs.

Conclusions II

- The AIs we have created – corporate entities – have major impact on our society.
 - They now have vast wealth and power.
 - They are relatively immature.
- The social contract must be updated, so corporate entities share responsibility for maintaining society, rather than freeloading.
 - Do we know how to do this? **Not yet.**
 - But we had better work on this question.