

Chinese Venture Capitalist Says AI Could Displace 40% of World's Jobs Within 15 Years

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Venture capitalist, Kai Fu Lee, author of *AI Super Powers: China, Silicon Valley and the New World Order*, and former head of Google's China operations, predicts that 15 years from now, 40% of the world's jobs may be overtaken by machines. Repetitive jobs are at risk in both the blue collar and white collar job pool. All driving jobs are targeted. [We are not convinced. This mantra has been prevalent ever since the dawn of the industrial revolution. True the automobile did put thousands of men out of work who made carriages and buggy whips, but the new technology – including the assembly line, created many times more jobs than it destroyed. The carriage and buggy-whip makers had to learn new skills, to be sure, but most of them did quite readily and, soon were making more money than before – and their standard of living was improved by the dropping prices of cars. AI may replace drivers but what new jobs will it create? Those auto-pilot systems will have to be developed and manufactured, new computer systems will be developed and manufactured, the cost of shipping goods will drop, thus improving life style for the middle class. More leisure time will be a boost to the entertainment industry, sports, and the arts. The lower cost of delivery of food to the market will lower food prices, thus releasing more spending for travel, study, philanthropy. I do not see any reason that AI should be any different from these traditional patterns. It may be true that job displacement is happening faster than a century ago, but it also is true that adaptation also is happening more quickly. Technology is the driving force in this and it works equally on both sides of the equation.] -GEG

Despite what you hear about artificial intelligence, machines still can't think like a human, but in the last few years they have become capable of learning. And suddenly, our devices have opened their eyes and ears and cars have taken the wheel. Today, artificial intelligence is not as good as you hope and not as bad as you fear, but humanity is accelerating into a future that few can predict. That's why so many people are desperate to meet Kai-Fu Lee, the oracle of AI.

Kai-Fu Lee is in there, somewhere, in a selfie scrum at a Beijing Internet Conference. His 50 million social media followers want to be seen in the same frame because of his talent for engineering and genius for wealth.

Scott Pelley: I wonder, do you think people around the world have any idea what's coming in artificial intelligence?

Kai-Fu Lee: I think most people have no idea, and many people have the wrong idea.

Scott Pelley: But you do believe it's going to change the world?

Kai-Fu Lee: I believe it's going to change the world more than anything in the history of mankind. More than electricity.

Lee believes the best place to be an AI capitalist is communist China. His Beijing venture capital firm manufactures billionaires.

Kai-Fu Lee: These are the entrepreneurs that we have funded.

He's funded 140 AI start-ups.

Kai-Fu Lee: We have about ten billion-dollar-companies here.

Scott Pelley: Ten, \$1 billion-companies that you funded?

Kai-Fu Lee: Yes, including a few \$10 billion-companies.

In 2017, China attracted half of all AI capital in the world. One of Lee's investments is Face++, not affiliated with Facebook. Its visual recognition system smothered me to guess my age. It settled on 61 which was wrong. I wouldn't be 61 for days. On the street, Face++ nailed everything that moved. It's a kind of artificial intelligence that has been made possible by three innovations: super fast computer chips, all the world's data now available online, and a revolution in programming called "deep learning." Computers used to be given rigid instructions. Now they're programmed to learn on their own.

Kai-Fu Lee: In early days of AI, people try to program the AI with how people think. So, I would write a program to say, "Measure the size of the eyes and their distance. Measure the size of the nose. Measure the shape of the face. And then, if these things match, then this is Larry and that's John." But today, you just take all the pictures of Larry and John and you tell the system, "Go at it. You figure out what separates Larry from John."

Let's say you want the computer to be able to pick men out of a crowd and describe their

clothing? Well, you simply show the computer ten million pictures of men in various kinds of dress. That's what they mean by deep learning. It's not intelligence so much. It's just the brute force of data having ten million examples to choose from.

So, Face++ tagged me as male, short hair, black long sleeves, black long pants. It's wrong about my gray suit and this is exactly how it learns. When engineers discover that error, they'll show the computer a million gray suits and it won't make that mistake again.

Another recognition system we saw, or saw us, is learning not just who you are but how you feel.

Scott Pelley: Now what are all the dots on the screen? The dots over our eyes and our mouths?

Songfan Yang: The computer keeps track of all the feature points on the face.

Songfan Yang developed this for TAL Education Group, which tutors 5 million Chinese students.

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