## IBM - Watson - Jeopardy!

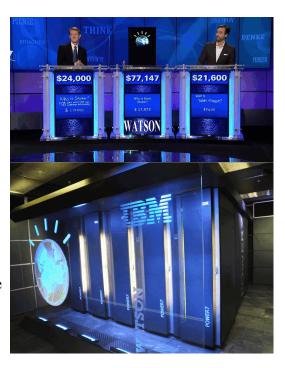
Go Google these three words- <u>IBM</u>, <u>Watson</u> and <u>Jeopardy</u> and you'll find a revolution in artificial intelligence which is completely changing the future for Millennials and Generation-Z.

James Lyman BSAE, BSEE, MSSM

## www.economicandfinancereport.com

In 2011, an earth shaking, Richter scale 10 event occurred, that few millennials or generation-Z Americans noticed, let alone took note of. Googling the three underlined words will tell you of an advancement in artificial intelligence created by the computer giant <u>IBM</u>, which they named <u>Watson</u>, that went on the TV game show <u>Jeopardy</u> to play against Jeopardy's two highest winning champions . . . and beat the pants off of them.

Right now, Watson is at the apex of artificial intelligence systems pushing its way into the world of humans, fundamentally changing the world the millennials and generation-Z live in, remaking a whole different future from what their parents had. So people are left to ask themselves the questions, 'Could I even qualify as a contestant on Jeopardy . . . and if not, then why couldn't this machine do my job?' This is far from being a trivial question, because already 20 to



25% of new college graduates are unemployed or underemployed while 32% of young Americans still live at home, unable to sustain themselves in society. This is a growing trend that new technologies such as AI (Artificial Intelligence) will only further aggravate as time goes on.

Those Jeopardy matches were only a demonstration of Watson's capabilities, an announcement to the world of a new era in AI. IBM intended this new technology for commercial applications, not as a toy for entertainment. Watson's first target market was healthcare, and in February of 2013 the first Watson was commercialized with healthcare provider WellPoint for oncology medicine. Watson continues to grow and now encompasses 17 different industries which IBM is working with more than 500 partners to build cognitive applications. From cooking, to retail, music, hotels and image recognition, Watson applications have been developed. IBM's declared target markets is medicine and the law. In medicine, renown medical giants such as Johnson & Johnson, Mayo Clinic, MD Anderson Cancer Center and Bumrungrad Hospital have acquired Watson systems with more to follow. In short- the Watson technology isn't just going to fade away, it's here to stay and will continue to grow in capabilities. No doubt, in the near future,

Watson will spawn additional new leaps in AI technology.

But IBM is just one of the players in the AI game, that include corporate giants such as Google, Microsoft and Apple who are also actively developing AI technologies. China and North Korea have both declared their intentions to dominate the future of AI. What you must understand is Watson isn't the end, it's just the start, so you can only expect AI technology to advance in complexity and ability. Before our eyes, we see major technology displacing workers with new machines. I had one lady tell of an incident where she and her husband was checking out at a major retailer. The cashier kept insisting they should really use the automated cashier system. Finally her husband said, 'You know, they put those machines in here to do away with your job!', which surprised the young cashier. It had never occurred to her that she was being displaced with technology right before her eyes, and what's more she was helping the company do that by directing customers to the robot cashiers. And that's how it always is, people look directly at a new technology but never realizing they are looking at the demise of their jobs.

We are now looking at two major emerging technologies that will ultimately make millions of obsolete people excess to the needs of society. The first is the robot self driving cars we see daily on news stories. The developers of these technologies have openly stated their target market isn't the morning commuter driving the freeways, it's the truck drivers, both delivery and long haul. The US postal service just successfully concluded a test using robot trucks to haul the mail from Arizona across Texas to Houston. UPS is experimenting with robot trucks and even a local supermarket chain has purchased a robot delivery truck to experiment with their home delivery service. The public school teachers are another example of emerging displacement by machines. The technology to do ATS (Automated Teaching Systems) is already here, and when a company adopts the marketing model of cable and satellite television, so a sales representative can say, 'Clear everything out of your classrooms and we will install our own ATS equipment with furniture. It won't cost you one red cent, and your teaching cost will be half what it is now.' The technology will sweep across American schools like wildfire!

But AI is just half the equation, the other half is the growing cost and difficulty of keeping individuals in a high tech society. People are failing to advance at a time when technology is able to do their jobs and replace them. More importantly, the resources needed to keep people in a high technology society are diminishing. Things like fresh water, energy, wood, minerals and natural resources, and negative resources of pollution and global warming . . . and most of all the oil . . . things needed for individuals to be in a high tech society. In the next 15 to 25 years it's estimated that as much as 40% of the jobs will disappear to machines, while by 2040 the available oil will be as much as half of what it is today. Go to my website www.peopleobsolete.com and click on '|Links|' which takes you to a list of different websites having reports of the expected oil shortages including one from BP (British Petroleum).

## Not enough oil means not enough places in a high technology society for everyone.

Where will it end? It wont! There's no end in sight, the problem of technology displacement has been going on before the start of the nineteenth century and is increasing at an increasing rate because of the exponential growth of technology. Artificial Intelligence is just the next chapter in a book without a start or an end. The only solution is people must continually advance.