

# Will artificial intelligence turn the economy, industry and society upside down?

## How top executives in major corporations should tackle AI

### Basic stance of the Committee

- ◆ Issue messages to managers
- ◆ Clarify the scope of artificial intelligence
- ◆ Turn society upside down with “data x AI”
- ◆ Aim at forming gradual consensus
- ◆ Place importance on the formation of values based on Japanese mentality

### Recommendation 1: Managers themselves study to improve their “data x AI” literacy

- ✓ Managers themselves should actively study to raise their “data x AI” literacy.
- ✓ Managers should reject emotional arguments based on superficial rumors, and seek to gain a deep and accurate understanding about real science and technology.
- ✓ Managers should always have an overview of global business and national policy trends, and strive their utmost to make the appropriate business decisions amid the significant changes taking place in society.

#### The mind-set required by managers in the AI era...

- (1) All domains are converted to “data x AI”
- (2) Technological innovation with effective network effects
- (3) The impossible for humans becomes possible
- (4) Wealth-creating equations change
- (5) Data value is determined by “freshness”, “volume”, and “usage (purpose)”
- (6) Pursue values that become the source of humanity
- (7) Have a mind-set for life-long learning
- (8) Study the genuine article
- (9) Concentrate on narrow AI

### Recommendation 2: Aim at a universal goal of humanity

- ✓ It is important that company managers adhere to the fundamental and universal morals of humanity and act accordingly, and that they are able to explain the various obligations arising from the outcomes of new undertakings in line with a code of conduct grounded in those morals.
- ✓ There should be greater awareness and emphasis on the attitude of aiming at universal goals of humanity amid the current growing debate on AI risk.

### Recommendation 3: Aggressive organizations and defensive organizations should be clearly separated

- ✓ Disruptive innovation is, essentially, to sweep away existing forces, and it is possible that in major companies with large existing business operations that need defending, there may be forces working to suppress disruptive innovation generated from within the company.
- ✓ It is recommended that aggressive organizations be clearly separated from defensive organizations. This is to form a separate organization rather than merely a partial transfer of authority.

### Recommendation 4: Have a proper understand of and confidence in Japan’s position

- ✓ In Japan there are many innovative and excellent technologies and products. To strive for a world where “to look at Japan is to see the future”, Japan must become a country where all data are accessible, and the unique Japanese “capacity for awareness” must be valued.
- ✓ Japan’s strengths are in its morality, diligence and teamwork, and these strengths should also be utilized in “data x AI”.