the tango lessons you've wanted to take
ever since you got married:
$45/hour

vintage bordeaux to talk him into it:
$64

shoes for Mr. Two Left Feet:
$138

being able to dance at your son's wedding:
priceless

MasterCard
*There are some things money can't buy,
for everything else there's MasterCard*

tango lessons you've wanted to take ever since you got married:

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What Does Priceless Mean?
IRRECONCILABLE INTERPRETATIONS

EXTREMELY EXPENSIVE: ESCALATING PRICES
Insufficient space on page for all the zeros

DIFFERENT LOGIC/REALITY: OFF THE SCALE
Dollar calculation = category mistake:
See a sound/Hear a shape…

WHAT IS PRICELESS AI/BIG DATA FINANCE?

pricing
loan targeting
risk estimation
and so on

OFF SCALE OF TRADITIONAL APPROACHES

NOT EXTREMELY FAST/POWERFUL VERSION, BUT *DIFFERENT LOGIC*

PETER A. LAWRENCE

The Making of a Fly
THE GENETICS OF ANIMAL DESIGN

All **New** **Used** (15 from $35.54)

Show ⦿ **New** ◯ ✔*Prime* offers only (0)

New 1-2 of 2 offers

Price + Shipping	Condition	Seller Information
$18,651,718.08 + $3.99 shipping	**New**	Seller: **profnath** Seller Rating: ★★★★½ **93% positive** (8,193 total ratings) In Stock. Ships from NJ, United States. Domestic shipping rates and return policy. Brand new, Perfect condition, Satisfaction Guaranteed.
$23,698,655.93 + $3.99 shipping	**New**	Seller: **bordeebook** Seller Rating: ★★★★½ **93% positive** (125,891 total ratings) In Stock. Ships from United States. Domestic shipping rates and return policy. New item in excellent condition. Not used. May be a publisher overstock or have slight shelf wear. Satisfaction guaranteed!

EXAMPLE:
PRICELESS BOOK
OFF THE SCALE

Unexceptional book appears *extremely* expensive in conventional marketplace

Actually different reality: Internal algorithmic logic

$23,698,655.93

+ $3.99 shipping

Example: Priceless Finance
Risk Management in Micro Lending & Credit Cards

FLOOR SCRATCH PROTECTOR PURCHASE
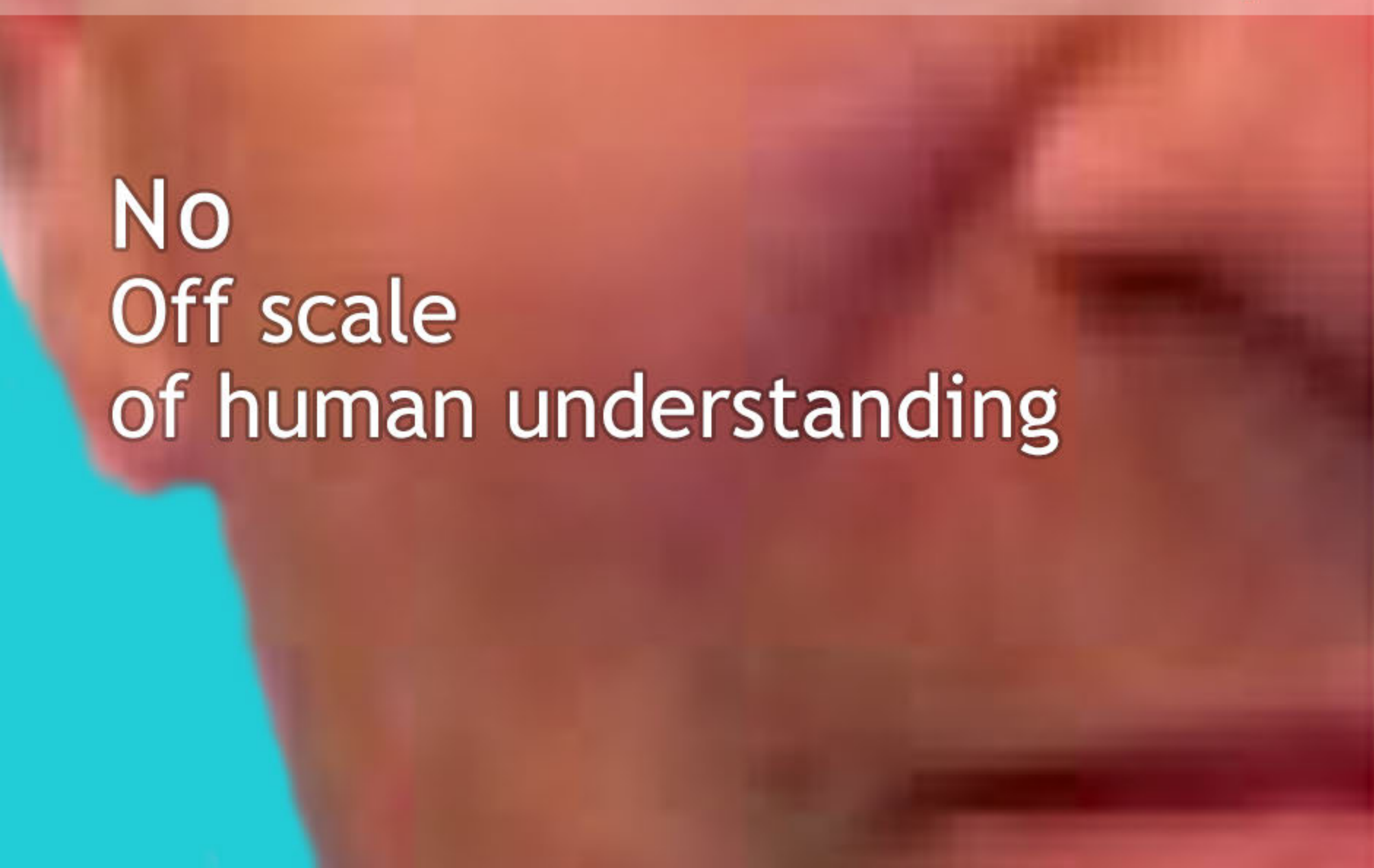CORRELATES WITH RELIABLE DEBT REPAYMENT

Tight through economic cycle

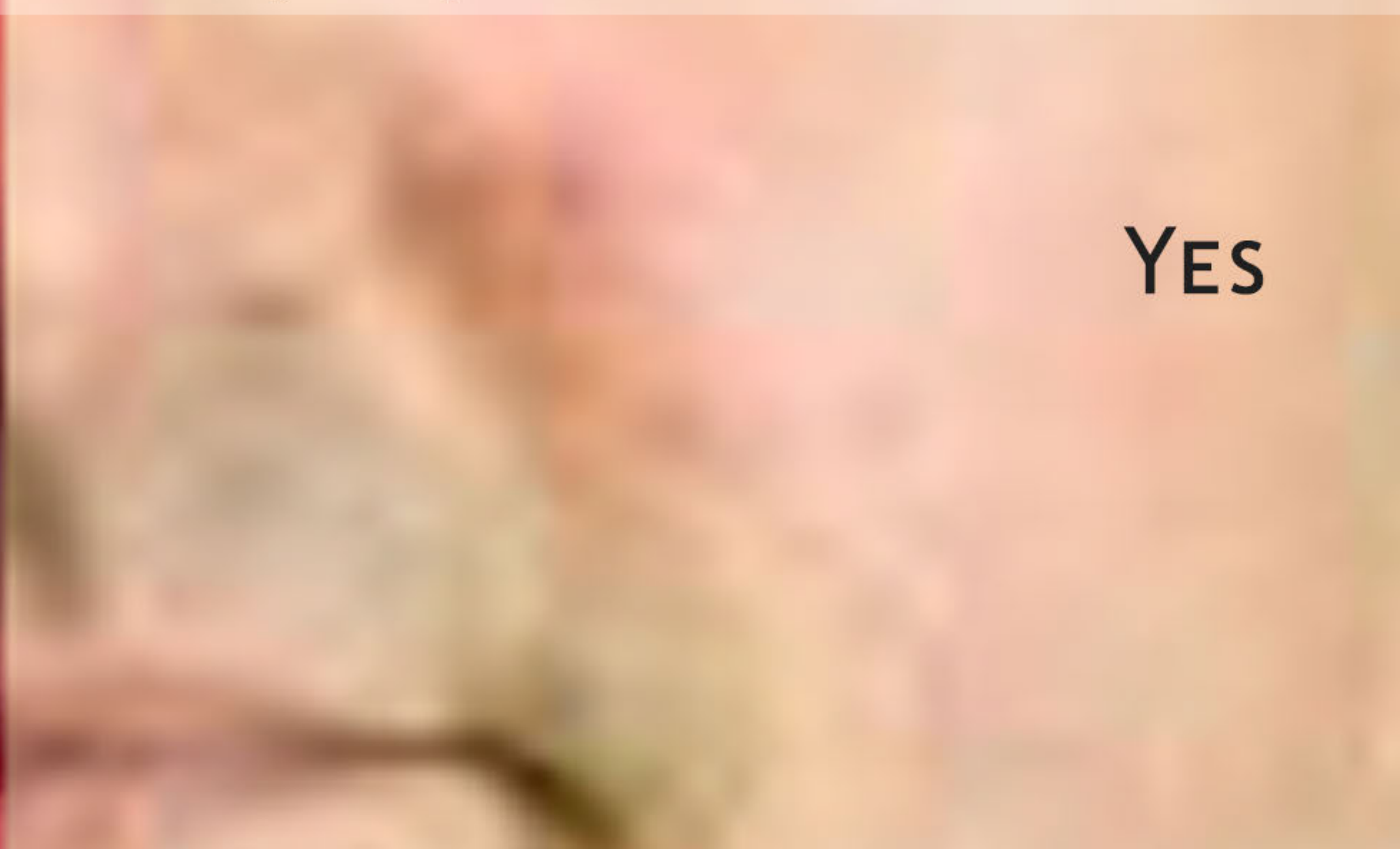Higher accuracy than
orthodox risk measure tools

FUNCTIONS, BUT ABSURD/ILLOGICAL FROM CONVENTIONAL PERSPECTIVE:
NO ANSWER TO: *WHY?*

Anderson Kitchin Debate
AI/big data in finance works (frequently),
but can we hope to fully explain how?

No
Off scale
of human understanding

Yes

To understand, humans need cause + effect, hypotheses + deductions. We need *reasons* that *frame* experience. Otherwise, things don't make sense.
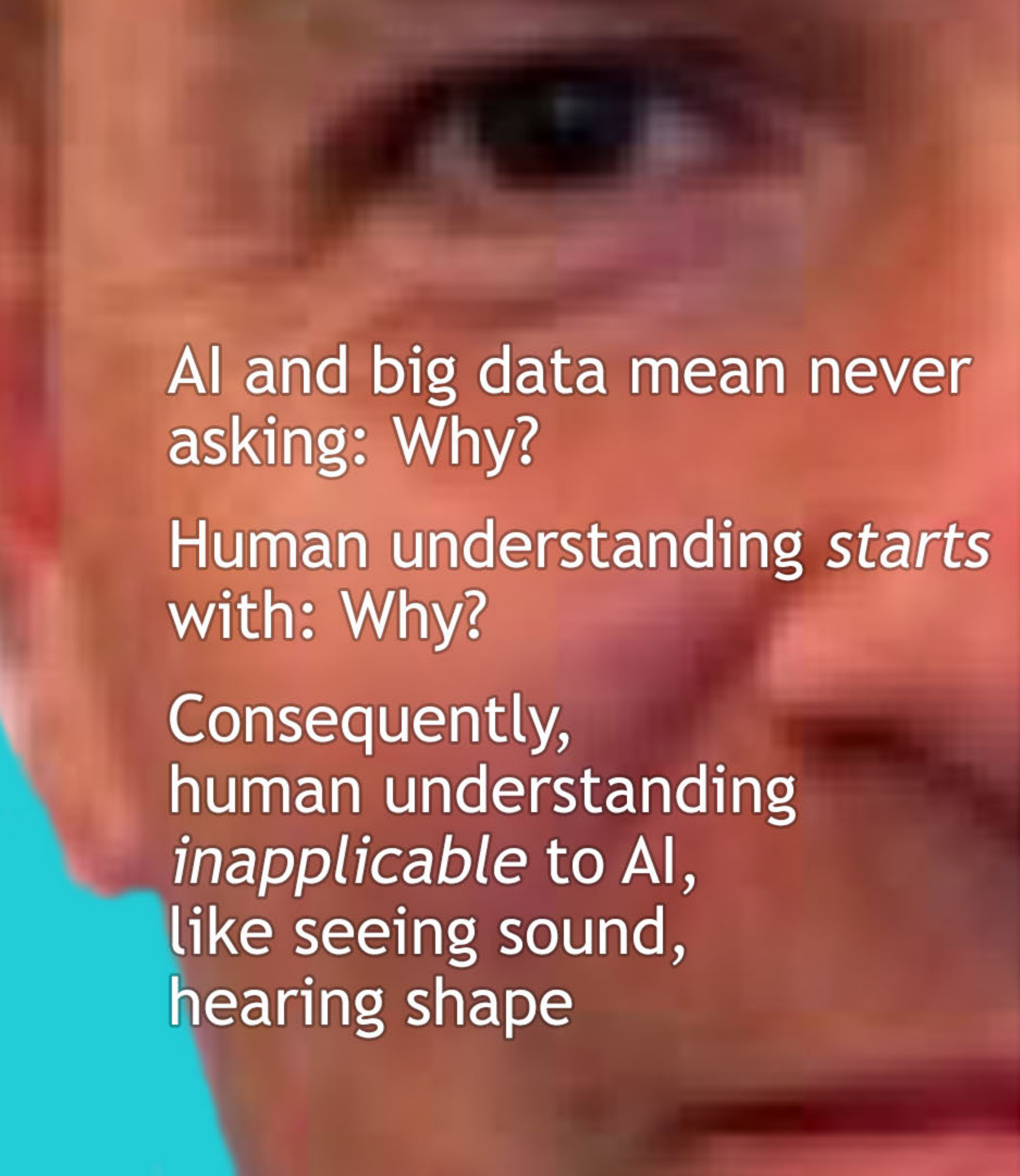
AI and big data renounce reasons

Example: Every Car Veers Left, Do I?

To respond, we need a reason why - a destination. Veering *because* of constant correlation (cars there always veer left) is dumb/senseless/*irrational* for humans

But, is *definition* of AI intelligence, and source of its efficiency/power. No explanations, just recognized patterns: Correlation *is* conclusion

AI and big data mean never asking: Why?

Human understanding *starts* with: Why?

Consequently, human understanding *inapplicable* to AI, like seeing sound, hearing shape

The Black Box Question is not the question

Not *how* AI/big data decisions are reached within a contained if complex environment (Extremely Expensive)

But whether it is humanly *possible* to reach understanding at all (Priceless)

THE WALL STREET JOURNAL.

Capital One Pursues 'Explainable AI' to Guard Against Bias in Models

1 RESPONSES

The AI Summit
NEW YORK

The AI industry urgently needs accountability and transparency: companies need to ensure that their AI infrastructures can be fully understood.
Kate Crawford, *AI Now Institute*

explainable AI researchers will be part of its new Machine Learning Center of Excellence, details of which will be announced next year.
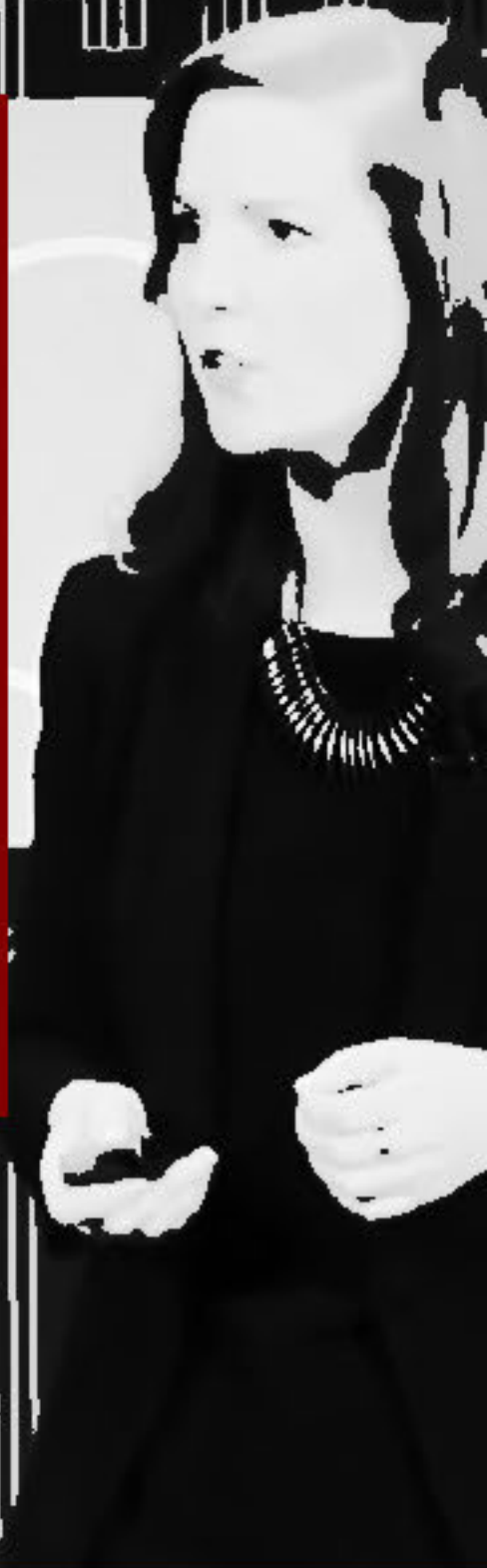
Black Hole AI and the Demand for Accountability
ACCOUNTABILITY REQUIRES EXPLAINABILITY:
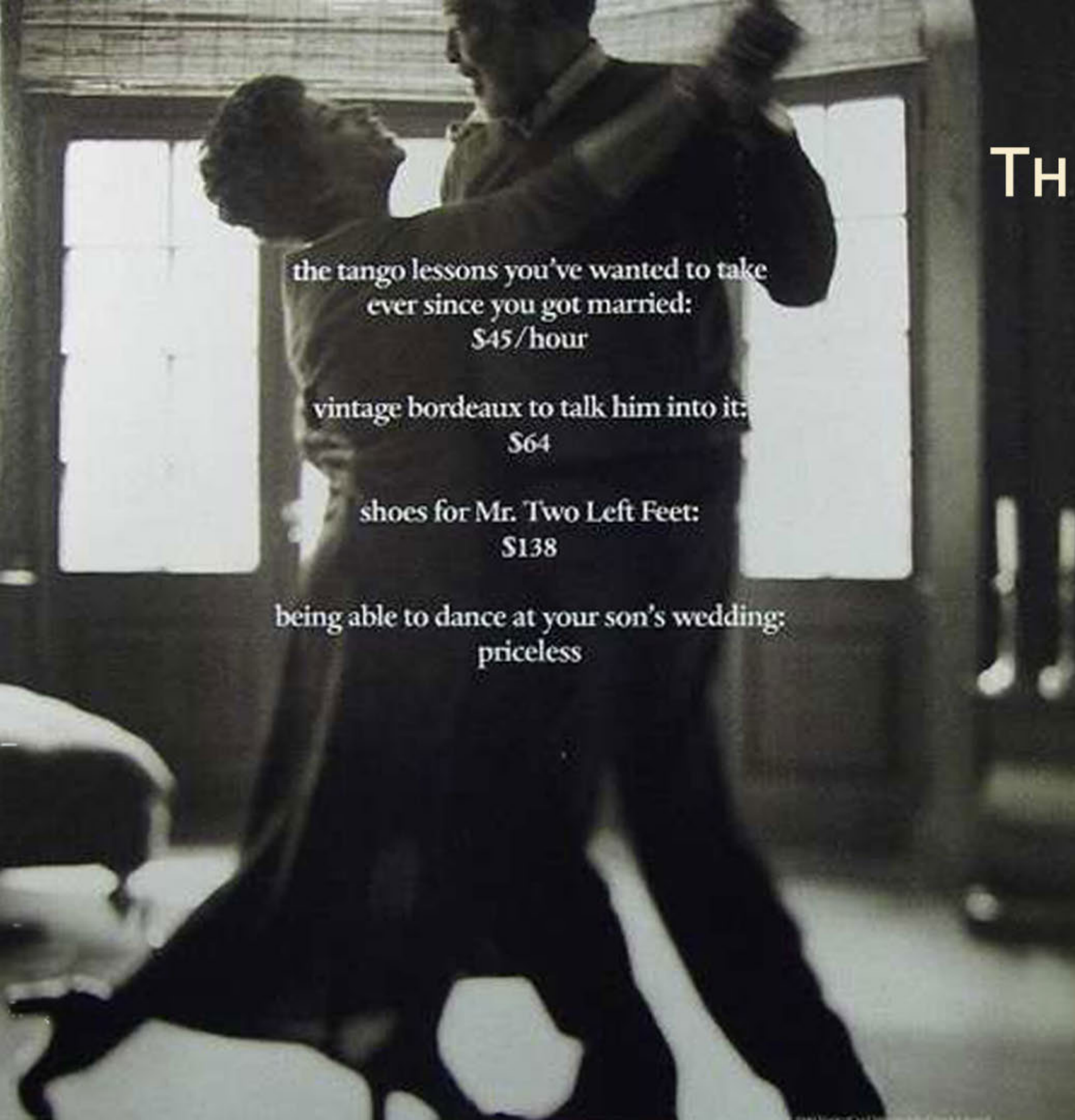### IF YOU DON'T KNOW HOW SOMETHING HAPPENED, IT CAN'T BE ANYONE'S FAULT

But what if we *can't* understand?

What if the ethical demand for transparency and accountability in AI cannot be met as a condition of the possibility of the technology?

What if it's like trying to see sound?

Conclusion
There is a Looming Dilemma in AI/Big Data finance

If we can't capture ai/big data and make it accountable to our particular rules of reason - if it's priceless in the sense that it escapes our logic - should we do it anyway?

One of the newer human dilemmas - also one of the oldest

PRICELESS FINANCE:
THE AI TRANSPARENCY
& ACCOUNTABILITY DILEMMA

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PRICELESS FINANCE:
THE AI TRANSPARENCY
& ACCOUNTABILITY DILEMMA

Credits
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Rob Kitchin image: Publicity, PD
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