Global Participatory Computing for Our Complex World



Dirk Helbing (ETH Zurich)

FuturleT

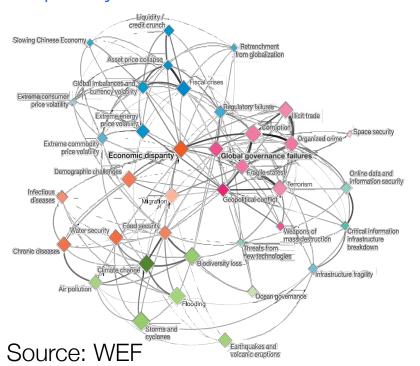
www.futurict.eu

New science and technology to understand and manage our complex world in a more sustainable and resilient way

What It Means to Live in an Information Age

Hyper-connected systems

These have created great opportunities, but also systemic risks and too much complexity





Big Data

Will produce more data in next 10 years than in previous 1000 years

ICT is part of the problem, but also key to the solution! Need to understand socially interacting systems!

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We Can't Anymore Do Business As Usual

"Our financial, transportation, health system are broken."

Sandy Pentland, MIT Media Lab



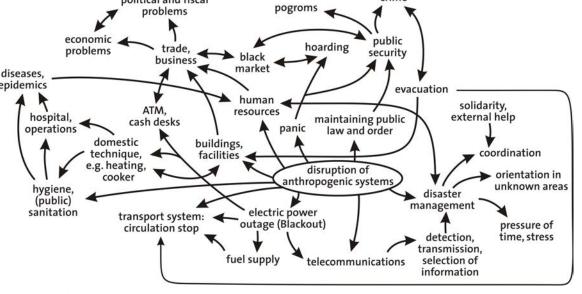


"We are seeing an extraordinary failure of our current political and economic system."

Geoffrey West, former president of the Santa Fe Institute

Networking is Good ... But Promotes Cascading Effects

- We now have a global exchange of people, money, goods, information, ideas...
- Globalization and technological change have created a strongly coupled and interdependent world



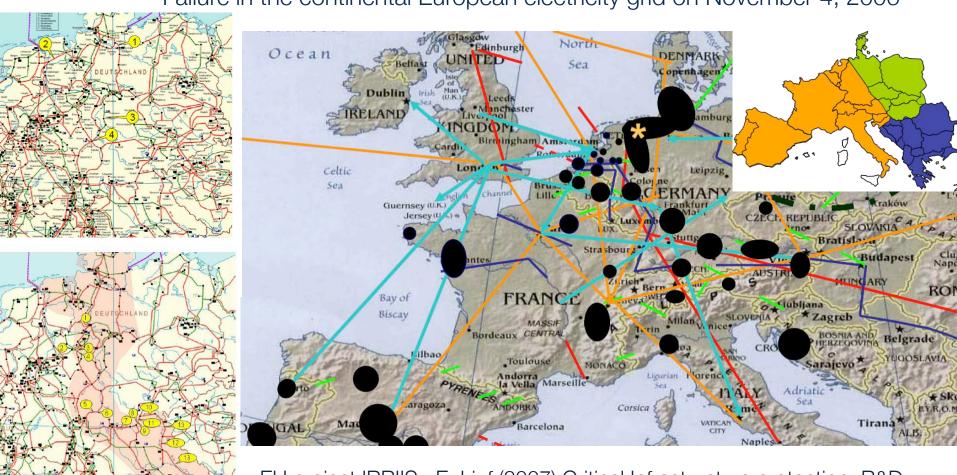
Network infrastructures create pathways for disaster spreading!
Need adaptive decoupling strategies.





Cascading Effect and Blackout in the European Power Grid

Failure in the continental European electricity grid on November 4, 2006



EU project IRRIIS: E. Liuf (2007) Critical Infrastructure protection, R&D view

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Are Derivatives Financial Weapons of Mass Destruction?

Buffett warns on investment 'time bomb'

Derivatives are financial weapons of mass destruction

Warren Buffett



The world's second-richest man made the comments in his famous and plain-spoken "annual letter to shareholders", excerpts of which have been published by Fortune magazine.

The derivatives market has exploded in recent years, with investment banks selling billions of dollars worth of these investments to clients as a way to off-load or manage market risk.

But Mr Buffett argues that such highly complex financial instruments are time bombs and "financial weapons of mass destruction" that could harm not only their buyers and sellers, but the whole economic system. (BBC, 4 March, 2003)

The Flash Crash on May 6, 2010



Sources: Bloomberg (Dow industrials); Securities and Exchange Commission

The flash crash turned solid assets into penny stocks within minutes. Was an interaction effect, no criminal act, 'fat finger', or error. Futuri CT

Cascading Effects During Financial Crises

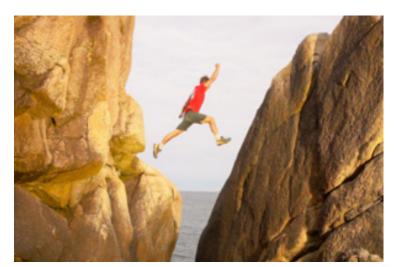
US banks failed during the crisis



Need New Science to Fill Knowledge Gaps

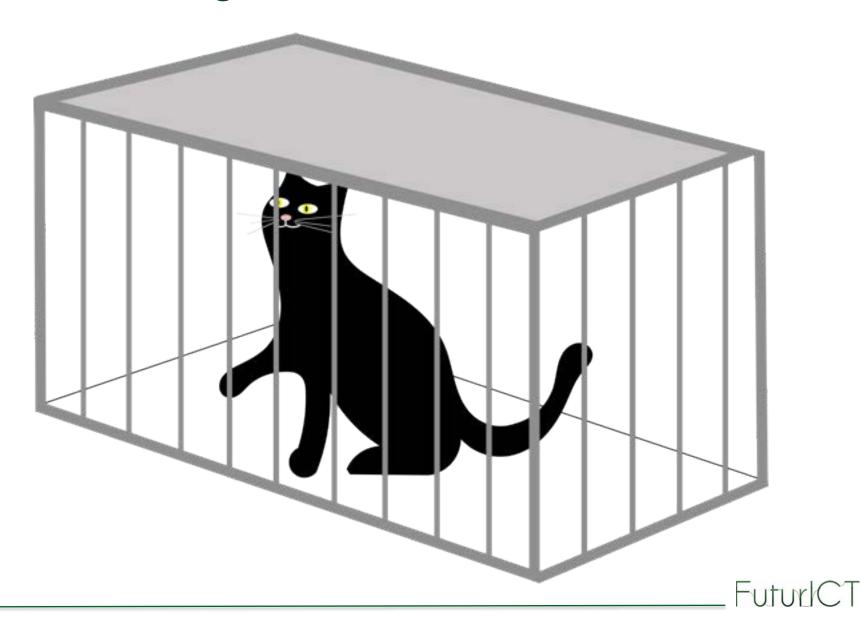
For 30 years or so have we globalized our world and pushed for technological revolutions, but the global systems science to understand the resulting complex systems is lacking.

- 1. Science of systemic risks
- 2. Practically relevant theory of complex systems
- 3. New data science
- Integrated systems design to manage complexity
- 5. Coevolution of ICT with society

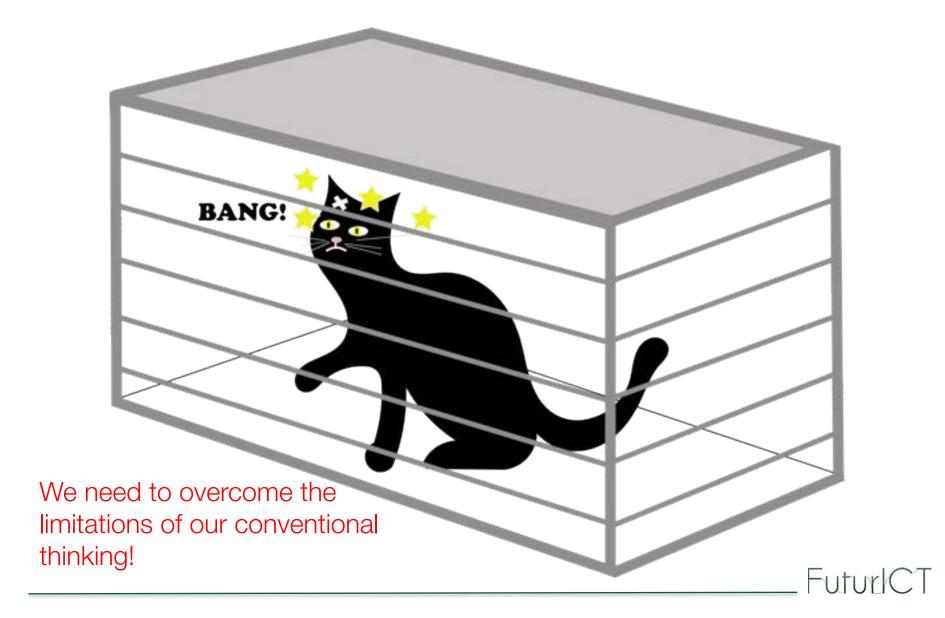




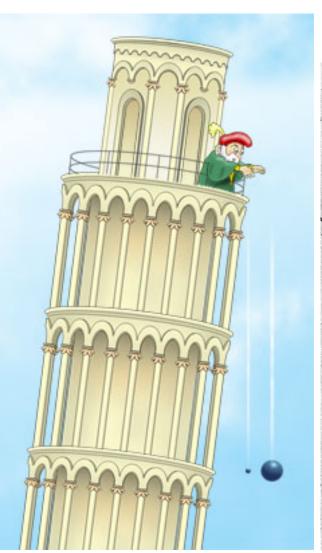
Our Thinking Determines What We See ...



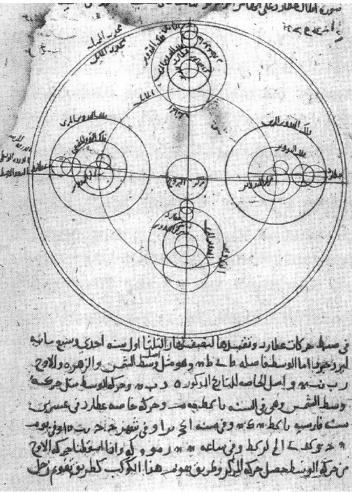
...And What We Can't See...!

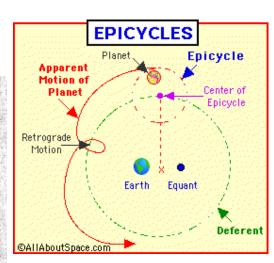


We Should Not Trust Our Intuition

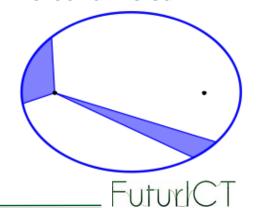


Geocentric Picture: Epicycles around the Earth





Heliocentric Picture: Elliptical paths around the sun



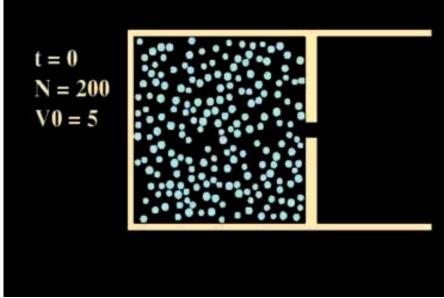
Emergent Phenomena in Pedestrian Crowds



At low densities:

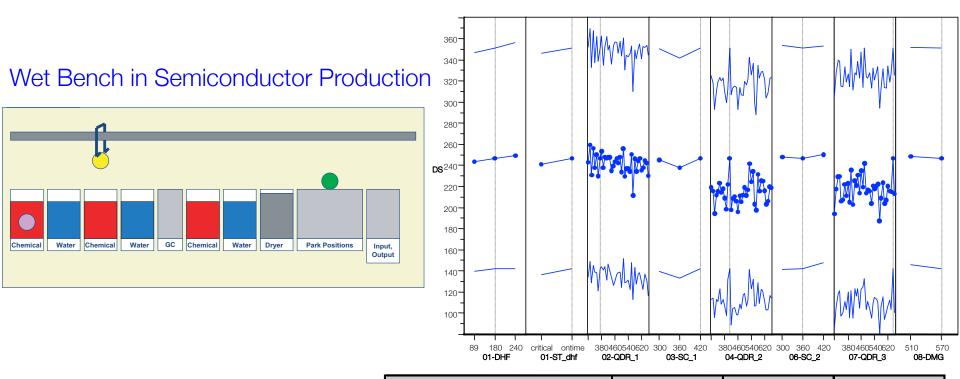
self-organized lane formation,
like Adam Smith's invisible hand coordination
breaks down

At high densities, several people may compete for the same gap and block each other. This constitutes a conflict and causes intermittent outflows and a faster-is-slower effect.



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Low Predictability Due to the Sensitivity to Varying Model Parameters

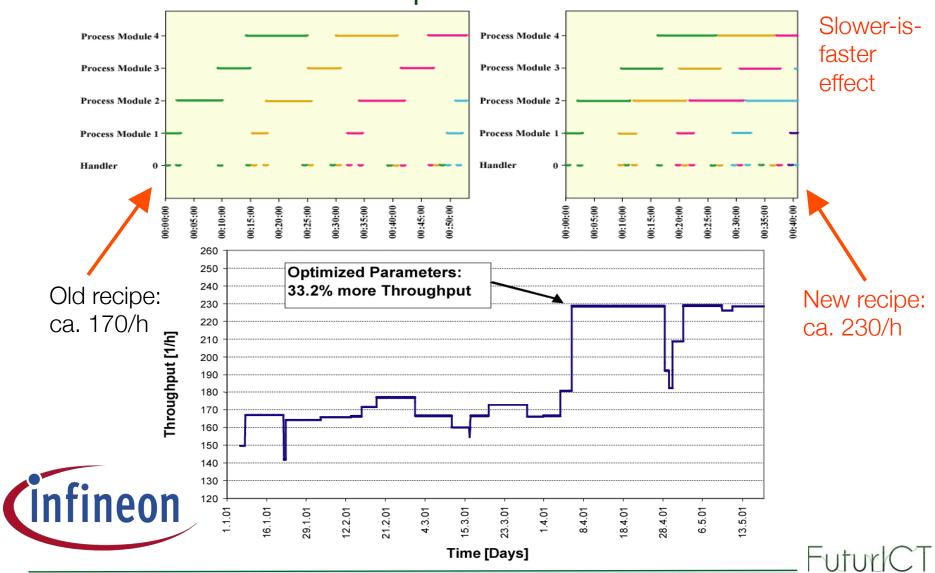




Throughput	TEST_1	TEST_2	TEST_3
Analyse software	266,8	255,9	246,1
Production machine	150,9	155,5	178,4
Difference in w/h	115,9	100,4	67,7

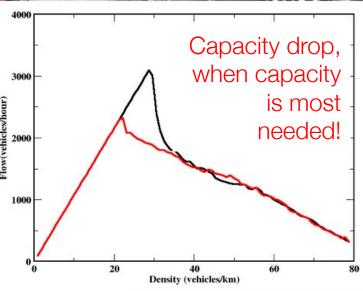
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Paradoxical Slower-Is-Faster Effect in Chip Production



As Coupling Gets Stronger, System Behavior Can Change Completely: Traffic Breakdowns





Thanks to Yuki Sugiyama



At high densities, free traffic flow is unstable: Despite best efforts, drivers fail to maintain speed

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As Coupling Gets Stronger, System Behavior Can Change Completely: Crowd Disasters



Love Parade Disaster in Duisburg, 2010

At low densities: self-organized lane formation, like Adam Smith's invisible hand

At large densities: coordination breaks down



Too Much Networking Can Cause Self-Destabilization: Breakdown of Cooperation

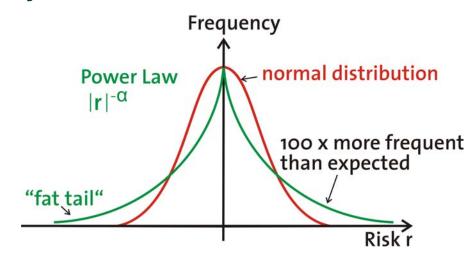
Imitation of best neighbor

- All defectors
- Small probability for strategy mutation

Different recipes, new solutions, and a paradigm shift in our understanding of the world are needed.

Strongly Coupled and Complex System Behave Fundamentally Different

- 1. Faster dynamics
- Increased frequency of extreme events can have any size
- 3. Self-organization dominates system dynamics
- Emergent and counterintuitive system behavior, unwanted feedback, cascade and side effects
- 5. Predictability goes down
- 6. External control is difficult
- 7. Larger vulnerability



Change of perspective (from a component- to an interaction-oriented view) will reveal new solutions!

Need a science of multi-level complex systems!



Instruments to Explore the World



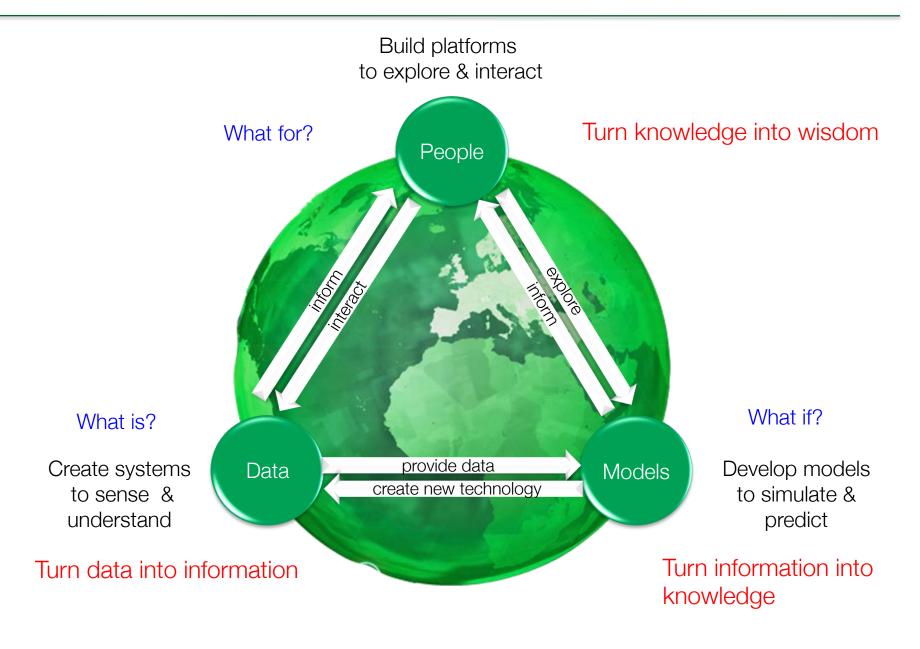
Connect web experiments with data mining and modelling tools to reach an acceleration of knowledge generation as in the Human Genome Project



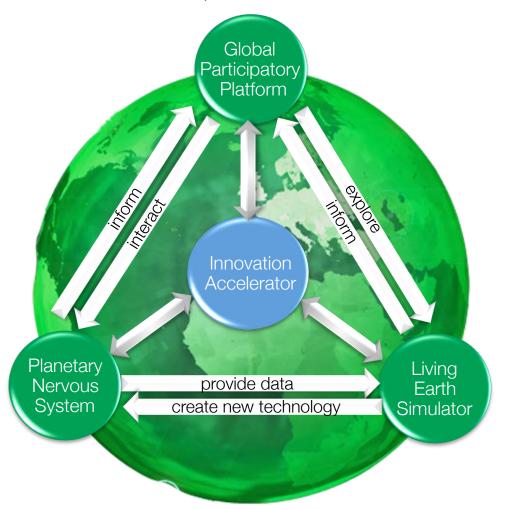


Hubble, Nasa

Futur/CT



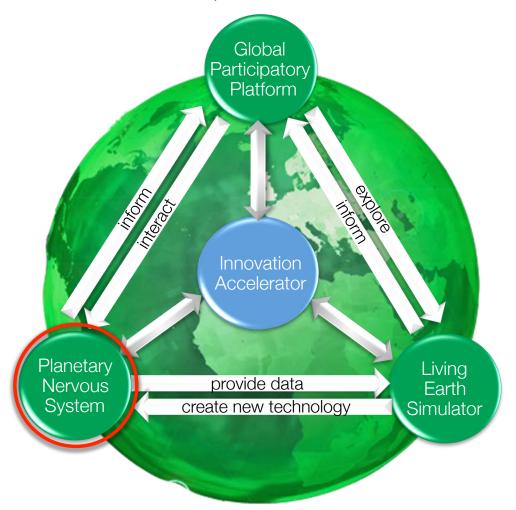
Platforms to explore & interact



Systems to sense & understand

Models to simulate & predict

Platforms to explore & interact



Systems

to sense &

understand

Models to simulate & predict

Crowd-Sourcing 3D Environments

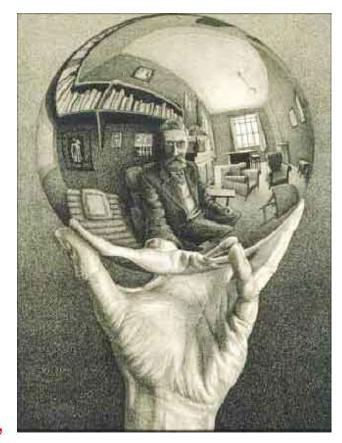


See also Open Streetmap - the free Wiki world map

More Sustainability and Resilience through Collective, ICT-Enabled (Self-)Awareness

- Goal: Measure the world's state and 'social footprint' in real time, detect possible threats and opportunities
- 2. Use smartphones, social media, digital news sources, sensors...
- 3. Incentives to provide data
- 4. Control over own data
- 5. Privacy-respecting data mining

Requires a 'Planetary Nervous System' to answer 'what is' questions and a 'Living Earth Simulator' to answer 'what if' questions.

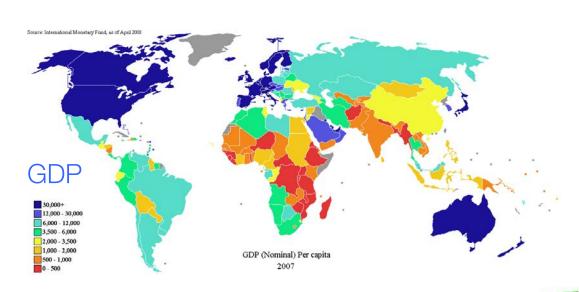


Painting by Maurits Cornelis Escher

Examples: Open streetmap,
earthquake sensing and warning



New Compasses for Decision-Makers

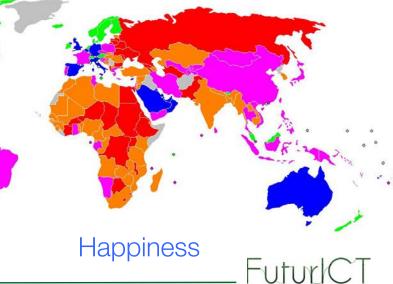


Goal: Create indices better than GDP/capita, considering health, environment, social well-being, ... to promote sustainability

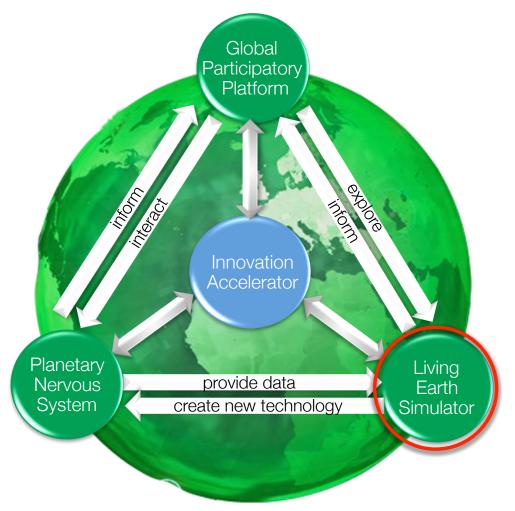
Green = Happiest
Blue
Purple
Orange
Red = Least Happy
Grey = Data not available

Consider social capital:

- Solidarity, cooperativeness,
- compliance,
- reputation, trust,
- attention, curiosity,
- happiness, health,
- environmental care...



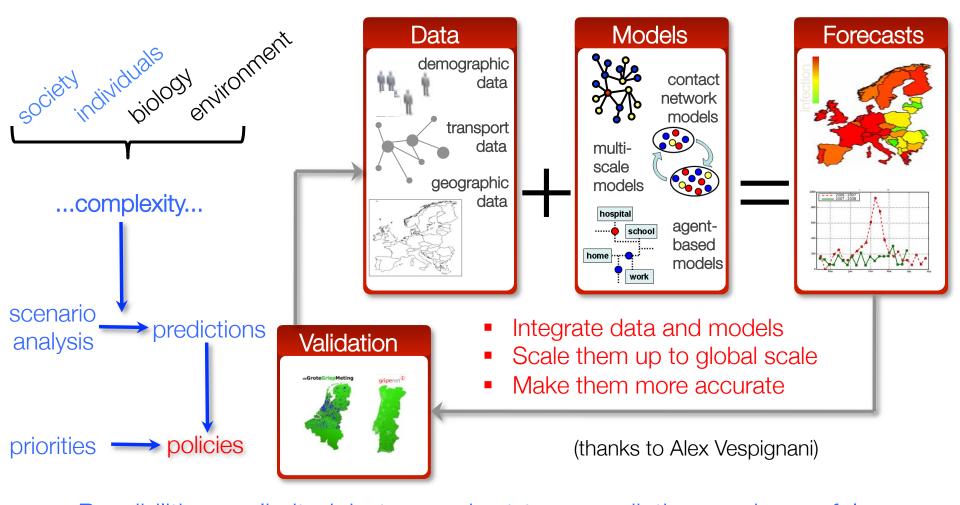
Platforms to explore & interact



Models to simulate & predict

Systems to sense & understand

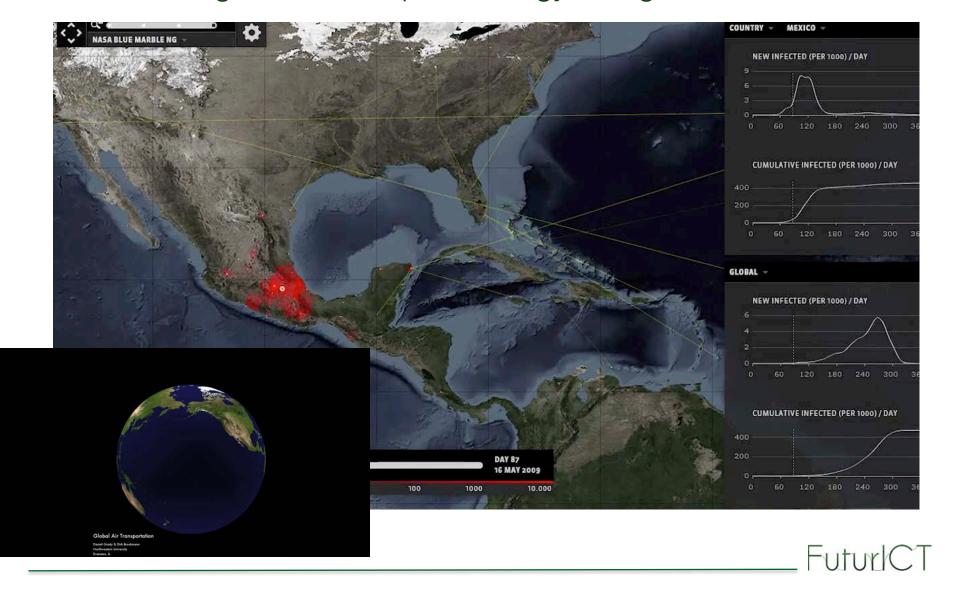
Building FuturICT's Living Earth Simulator Analysis of "What if ..." Scenarios



Possibilities are limited, but even short-term prediction can be useful, as weather forecasts or new traffic light controls show.

Modelling the global spread of H1N1,

combining models of epidemiology and global travel data



Building FuturICT's Living Earth Simulator

- Integrate existing models (traffic, production, economic system, crowd behavior, social cooperation, social norms, social conflict, crime, war...)
- Scale them up to global scale
- Increase degree of detail, accuracy (statistical and sensitivity analysis, calibration, validation, identification of crucial and questionable modeling assumptions,...)





Interactive Virtual Worlds for Exploration



Multi-player serious online games across diverse platforms

Interactive Virtual Worlds as Experimental Testbed



For example different financial architectures, voting rules, transparency and privacy settings, etc.

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Managing Complexity: Is It a Lost Battle?

 In a strongly varying world, strict stability and control is not possible anymore or excessively expensive

- Example: Public spending deficits
- Hierarchically organized structures have a critical size, beyond which they become unstable
- Examples: Decay of Soviet Union; many failed mergers in the last decade (Daimler-Chrysler, BMW-Rover, Allianz-Dresdner Bank, ...)
- A paradigm shift towards flexible, agile, adaptive systems is needed, possible - and overdue!



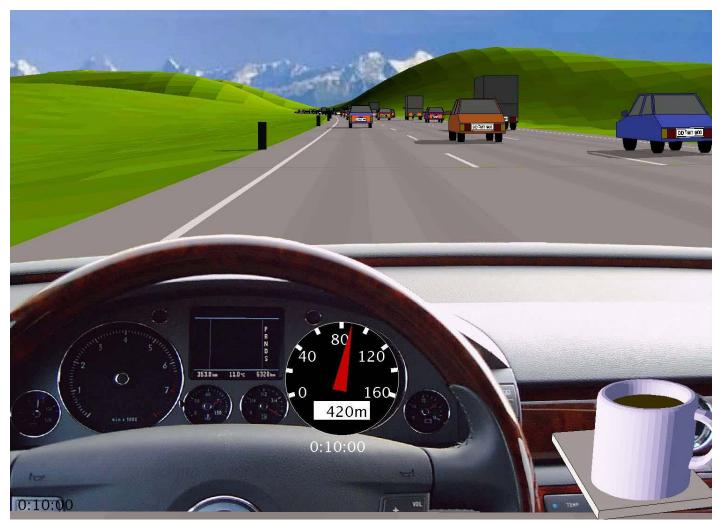


How to Utilize Properties of Complex Systems? Don't Fight the System, Go With the Flow!





Managing Complexity: Modifying Interactions Allows to Promote Favorable Self-Organization

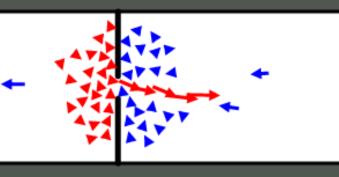


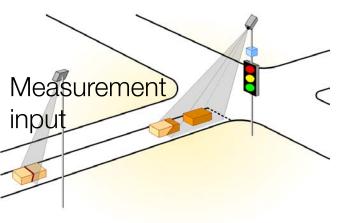


Self-Control of Traffic Lights: Making More Out of Scarce Resources

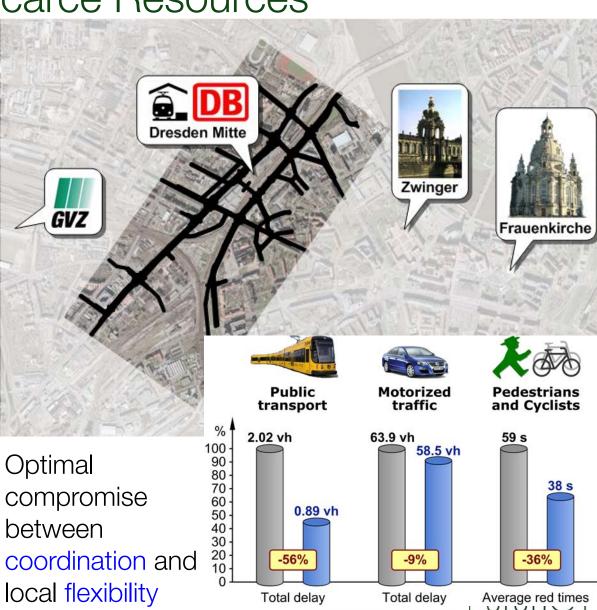
Smarter Cities

Inspiration: Self-organized oscillations at bottlenecks





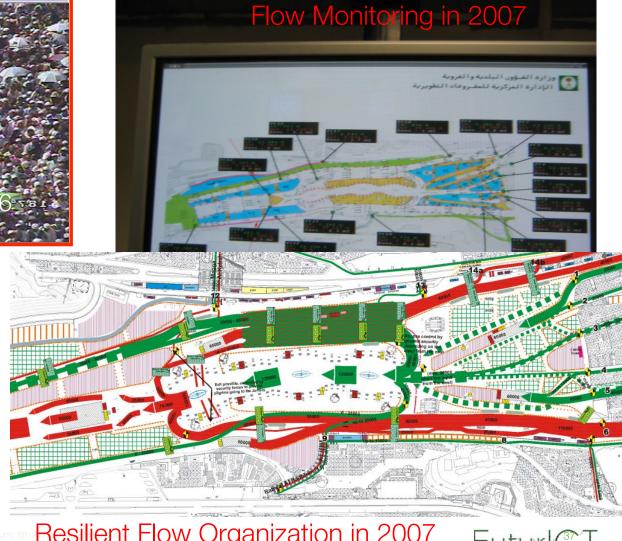
Licensing Opportunity



Avoiding Crowd Disasters



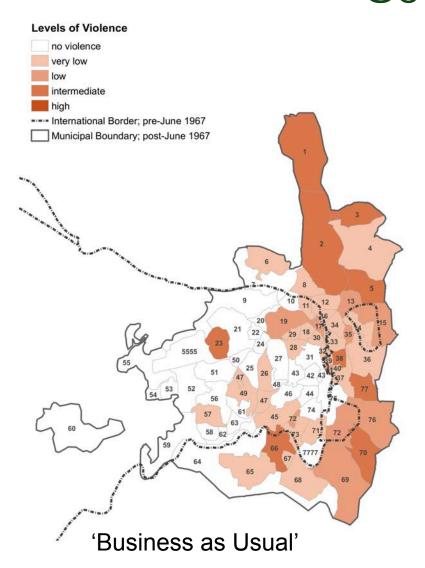
- Avoiding crossing and counter-flows
- Real-time flow monitoring
- Adaptive rerouting
- Contingency plans

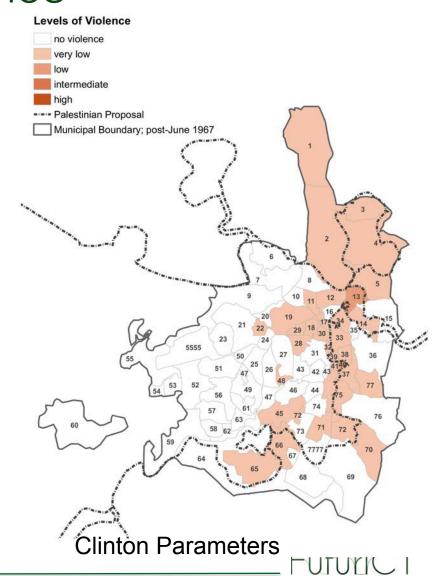


Resilient Flow Organization in 2007

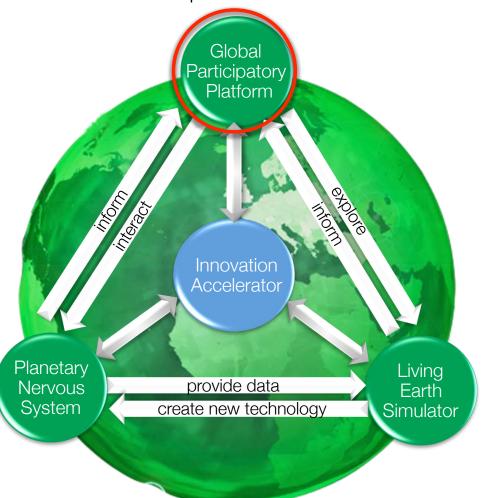
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Conflict in the Middle East: Possible Future Scenarios





Platforms to explore & interact



Systems to sense & understand

Models to simulate & predict

An Open, Transparent Platform for Everyone

- Goal: A 'data and model commons', an open platform for everyone
- Potentials: New services and jobs, less barriers for social, economic and political participation
- Problem: A new public good, requiring mechanisms to avoid data pollution, manipulation, misuse, privacy intrusion, cybercrime
- How to promote responsible use?
- Need to develop a Trustable Web, a self-regulating information ecosystem





Socio-Inspired ICT

Understanding the hidden laws and processes of society

Development a new wave of robust, trustworthy and adaptive information systems based on socially inspired paradigms.

Fundamental transformational effect on ICT and Computer Science



2. Social adaptiveness



Facebook is by now one of the most valuable companies in the world

3. Socio-inspired, bottom-up self-organization



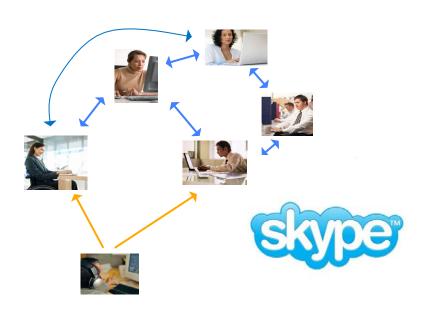
Coming Era of Socio-Inspired Innovations

Understanding socially interactive systems facilitates socio-inspired ICT

- Cooperation,
- adaptability and self-regulation,
- conflict resolution,
- resilience,
- trust,
- reputation,
- social norms,
- values, ethics, and
- culture

Economic benefits! **facebook**New solutions to societal problems!

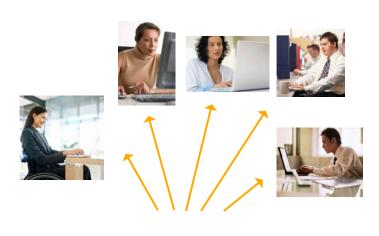
Example: A 'Trustable Web', reputation-based and self-regulating, to keep cybercrime low





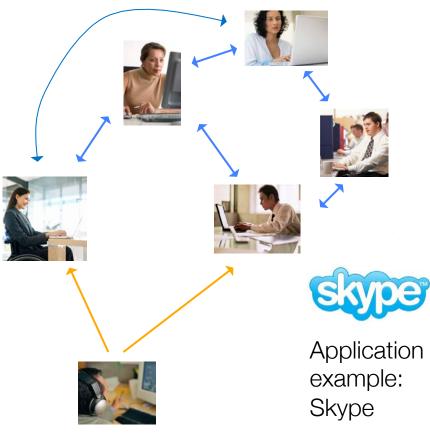
Client Server Systems vs. Peer to Peer Systems

Client-Server Systems





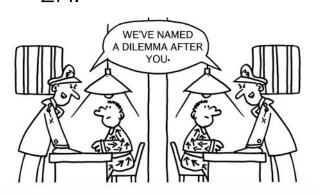
Peer-to-Peer Systems





The Dilemma of Social Cooperation

The prisoner's dilemma game has served as prime example of strategic conflict among individuals. It assumes that, when two individuals cooperate, both get the "reward" R, while both receive the "punishment" P< R, if they defect. If one of them cooperates ("C") and the other one defects ("D"), the cooperator suffers the "sucker's payoff" S < P, while the payoff T > R for the second individual reflects the "tempation" to defect. Additionally, one typically assumes S+T < 2R.



Cooperate
Defect

Player 2 Cooperate Defect

$R_1 R_2$	$S_1 T_2$
T_1 S_2	P ₁ P ₂

For example:

$$S_1 = S_2 = S = -5$$

 $P_1 = P_2 = P = -2$
 $R_1 = R_2 = R = -1$
 $T_1 = T_2 = T = 0$

Many "social dilemmas" are of a similar kind (see public goods game)

Emergence of Cooperation in Social Dilemma Situations

Overfishing, global warming, misuse of social benefit systems, tax evasion, free-riding

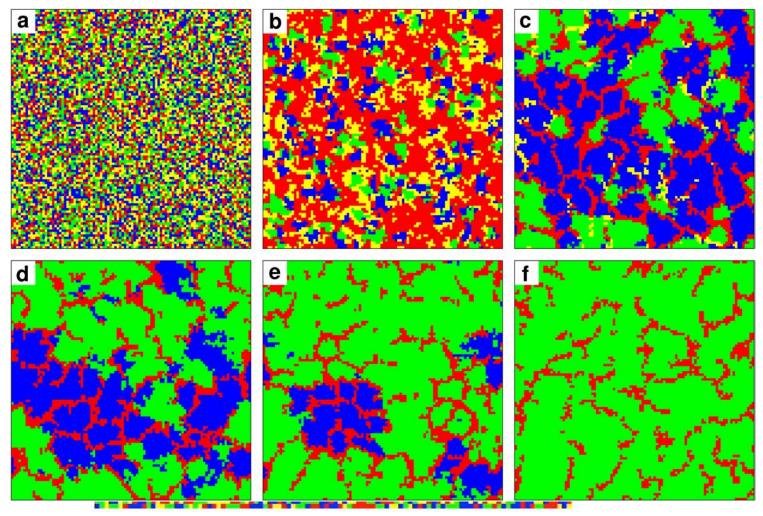
Red, yellow: defectors (cheaters) Blue, green: cooperators



Initial configuration

Imitation of the best-performing neighbor, success-driven mobility, and trial-and-error together can cause an outbreak of cooperation, but no subset of these social mechanisms FuturiCT

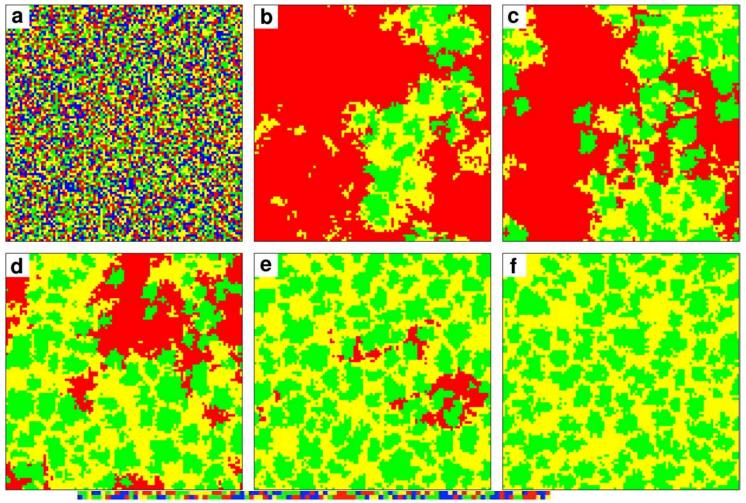
How the Costly Sanctioning of Free-Riders Can Survive and Moral Behavior Spreads



D = Defectors (Free-Riders), M = Moralists, I=Immoralists

C = Non-punishing Cooperators (Second-Order Free-Riders) turi CT

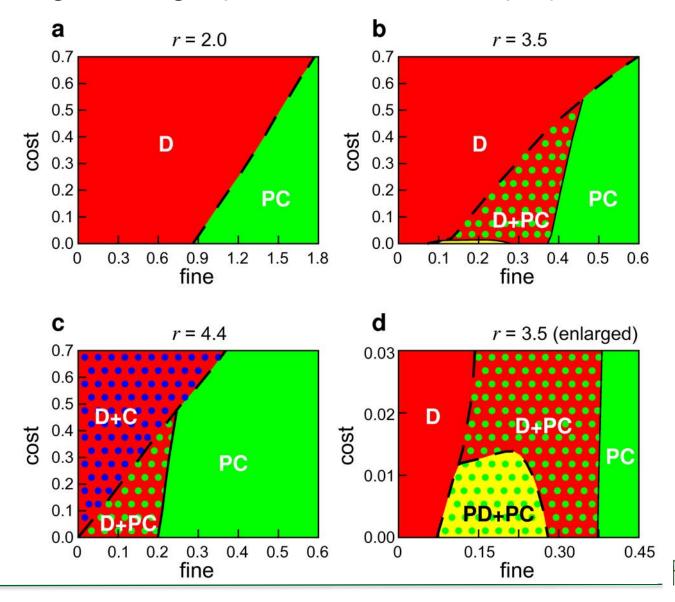
The "Unholy" Alliance of Moralists and Immoralists



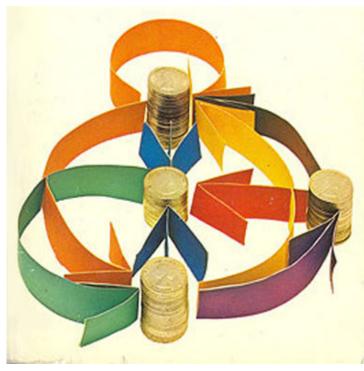
D = Defectors (Free-Riders), M = Moralists, I=Immoralists

C = Non-punishing Cooperators (Second-Order Free-Riders)

Overcoming the Tragedy of the Commons by Spatial Interactions



Social Money



Thanks to Frank Schweitzer and Dirk Brockmann **FuturIC** I

Treat money as nodes in a money flow network rather than as a one-dimensional entity (scalar), give it multi-dimensionality.

give it multi-dimensionality, memory, history, reputation.

Stop Searching Where the Light Is!



Big Data = Big Opportunities, also for Science

McKinsey Global Institute









Personal Data:

The Emergence of a New Asset Class



Obama the warrior

Misgoverning Argentina

The economic shift from West to E

Genetically modified crops blosso

The right to eat cats and dogs

The data deluge

AND HOW TO HANDLE IT: A 14-PAGE SPECIAL REPORT

How to turn data

o knowledge?

theoretically

informed

data-mining models to

understand



Big data—capturing its value

\$300 billion

and productivity

potential annual value to US health care - more than double the total annual health care spending in Spain

Big data: The next frontier

for innovation, competition,

€250 billion

potential annual value to Europe's public sector administration -- more than GDP of Greece

\$600 billion

using personal location data globally

60% potential increase in retailers' operating margins possible with big data

140,000-190,000

more data-savvy managers needed to take full advantage of big data in the United States

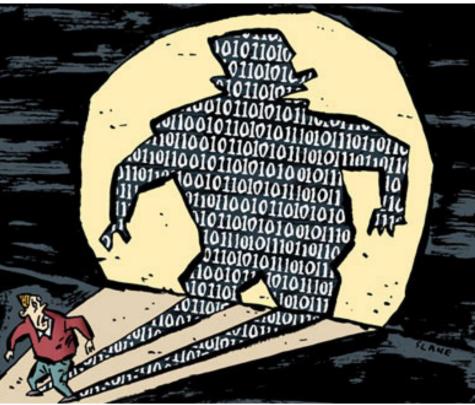
BIG DATA=BIG GAINS



BIG DATA OFFERS BANKS NEW OPPORTUNITIES TO BOOST REVENUES THROUGH BETTER CUSTOMER INSIGHT, P.12

Big Data = Big Challenges







Cybercrime

- Privacy
- Data security

3 workshops on ethics, own research focus.

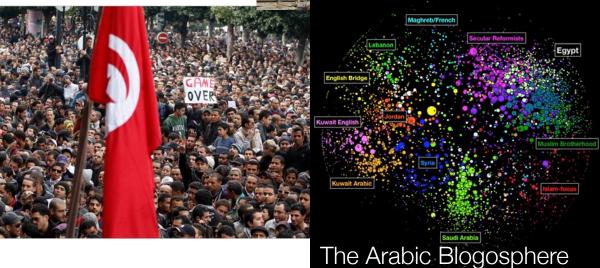
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Are These Really Twitter Revolutions?



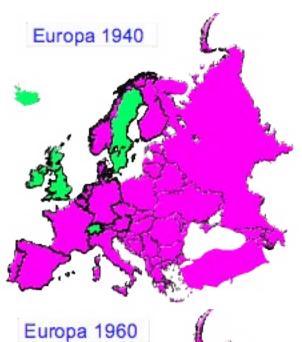








Political Cascading Effects



Transition from hierarchies to democracies (source: Jürgen Mimkes)



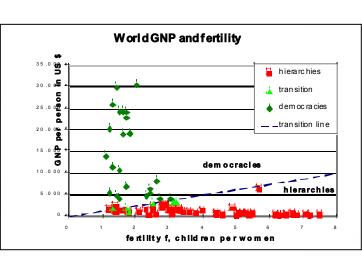
hierarchy

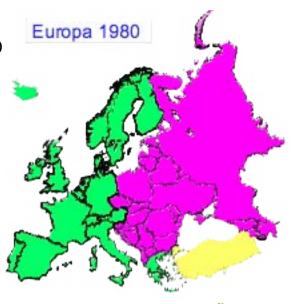


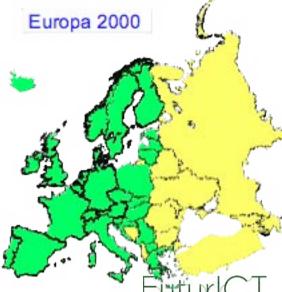
transition



democracy

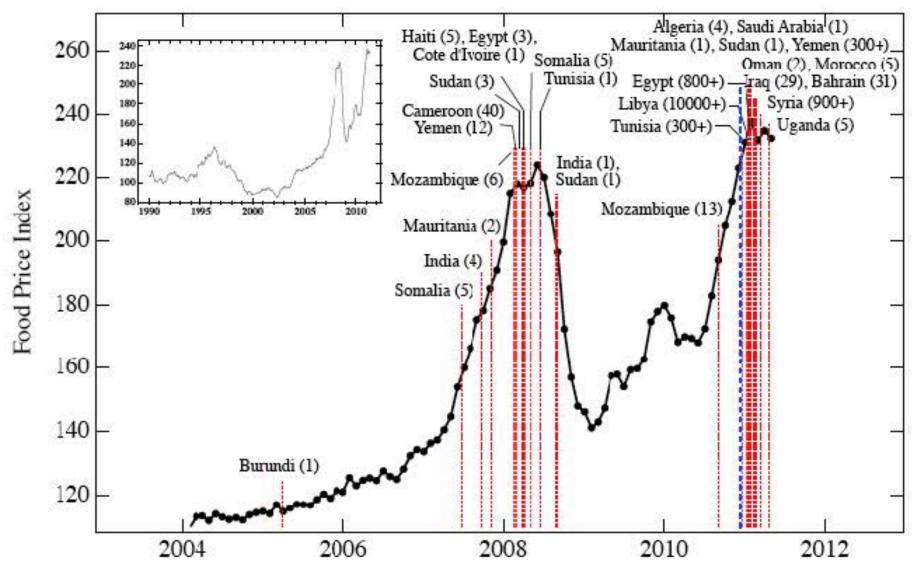






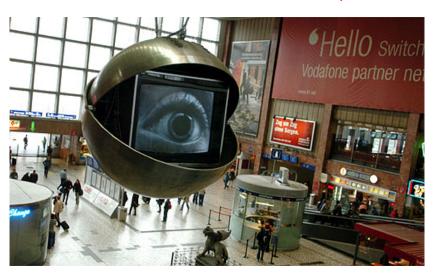


Food Prices as Triggers of Social Unrests



Is Surveillance A Good Solution?

"The internet has totalitarian potential."







- The Internet cannot be controlled top down (we cannot even control the financial system)
- Rather apply principles of decentralized self-regulation (as in our immune system)
- Build on transparency, reputation systems

Why Privacy Is Important

Example: My diary and trust

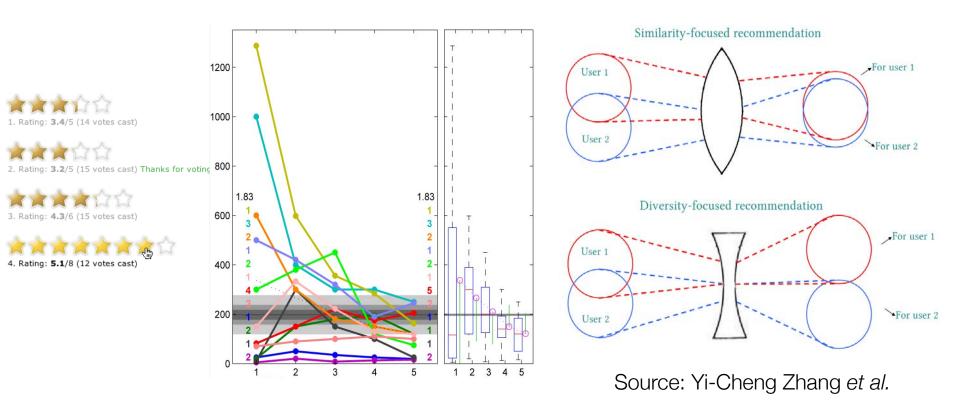


Free space is needed for individuals to recover and for society to innovate and evolve.

- Public and private are two sides of the same medal
- Privacy is a pressure relief system that allows people to adapt to expectation of others during public exposure
- Protection of minorities, protection of socio-diversity
- Reduction of conflict
- If there is no protected private space, people will stop thinking independently, which undermines the wisdom of crowds
- If there is no privacy, there is no intimacy, i.e. partnerships and friendships as we know them

The Crucial Question Is, How One Can Get Ethical Dimensions into our Systems

Value sensitive design!



Avoid conformity and herding effects, protect socio-diversity

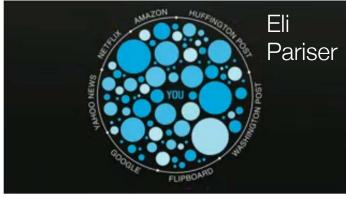
Computers Think for Us: The Filter Bubble

Google Search for Egypt





Risk of manipulation and over-confidence.
Supporting egocentric consensus may promote segregation and conflict between groups with different preferences.

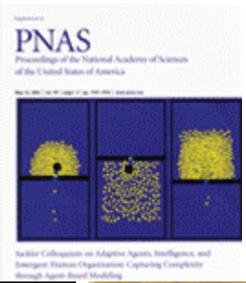


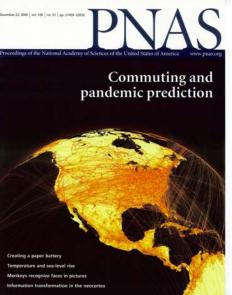
These questions may have fundamental societal implications. They deserve and require scientific study!

FuturICT Is Big Science

















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