

## Course Organization Spirit of the Undertaking

6.871: Knowledge-Based Systems

Randall Davis

## Logistics

- Info sheet, syllabus
- Personnel:
  - Lecturers: Davis (and friends)
  - TA: TBD
  - Class Secretary: Manokharan
- Course notes:
  - 11-004, ~12.50
  - 1st installment ready now
- Web page: [courses.csail.mit.edu/6.871](http://courses.csail.mit.edu/6.871)
- You are responsible for what happens in lecture.
- You are responsible for what happens in lecture.
- *No open laptops.*

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## Course Character

- Learning how to do it
  - Largely engineering examples
  - The need to see beneath the surface
- Background
  - 6.034 (or equivalent)
  - Considerable high level language experience

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## Course Character

- Course continually being improved
  - Feedback of all sorts is enormously helpful
  - Question, suggestions encouraged

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## Course Organization

- Lectures: slide copies (typically)
- Extensive reading assignments: read them (really)
- Ask questions
- Homework

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## Course Organization

- Term project: alone or in pairs (not triples)
  - Tools: Joshua, KAPPA-PC, M4, GRASS
  - The N<sup>th</sup> International Workshop on KBS
  - Oral report and individual term paper
  - Clear, concise, 20-30 pp.
  - What did you learn?
- Course grade based on term project, homework, lecture participation

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## Course Outline

- Intro & Background
- The Spirit and Pragmatics of KBS
- Knowledge Representations and Reasoning
- Problem Solving Paradigms
- Research Issues
- Project Presentations

## (Why) is this interesting?

- Knowledge-Based Systems work
  - DENDRAL, MYCIN, INTERNIST-I: comparable to human experts
  - PROSPECTOR: \$100m worth of molybdenum
  - R1/XCON: from 85% to 97.5% performance
  - American Express: 20% operational savings, \$10M's in added revenue
  - DuPont
  - Manufacturer's Hanover: Inspector

## In 1995, in Singapore...

**Crime Case Closed** INFAMOUS CRIMES

**Nick Leeson and Barings Bank**

The week before Nick Leeson disappeared he had kept throwing up at work.

Colleagues did not know why but were soon to find out.

The ego of a 28-year-old trader on the Singapore Monetary Exchange and the greed and stupidity of a 233-year-old bank had combined to destroy an investment empire and in the process stunned the world.



**In this section**

- > Brinks Mat
- > Dome Hijack
- > Grand bombing
- > Train Robbery
- > Hungerford
- > Lockerbie
- > Nick Leeson
- > Profumo Affair
- > Rillington Place
- > OJ Trial
- > Watergate

February 6, 2002

### Trader Is Said to Have Defrauded Irish Bank of \$750 Million

By BRIAN LAVRY

**D**UBLIN, Feb. 6 — A trader for the Baltimore-based treasury arm of Allfirst, an American retail subsidiary of Allied Irish Banks P.L.C. ([news/alert](#)), defrauded Ireland's largest financial institution of \$750 million over the last year through bogus foreign exchange trading, and he has since disappeared, the bank said today.

The 40-year-old trader, John Bunnak, failed to show up for work on Monday morning and has not been seen since he was interviewed about the matter at Allfirst's offices on Friday. The Federal Bureau of Investigation interviewed his wife over the weekend, and the bank believes he is still in the Baltimore area.

The suspected theft would be the largest international fraud case since 1995, when Nick Leeson gambled \$1.17 billion on foreign exchange trades at Singapore and set off the collapse of England's historic Barings Bank. Allied Irish is unlikely to suffer the same fate, instead the bank will see profits after taxes for 2001 shrink to 401 million euros from 597 million euros in the previous year.



Michael Buckley, chief executive of Allied Irish Banks, announced the suspected fraud at a news conference in Dublin today.

#### MULTIMEDIA

[Video: Bank Says Trader Stole \\$750 Million](#)

#### OTHER RESOURCES

[Allied Irish Banks P.L.C. \(news/alert\)](#)

[Get Stock Quotes](#)

[Look Up Symbols](#)

[Earnings & Company Research](#)

[U.S. Market & News](#)

[Market Watch & Stock Data](#)

## (Why) is this interesting?

- Applied AI leads to advances in basic science
  - Rule-based systems
  - Causal reasoning
  - Reasoning at multiple levels: Reasoning under uncertainty
  - Case-based reasoning

## (Why) is this interesting?

- Applied AI leads to advances in basic science
  - Knowledge acquisition/learning
  - Explanation
  - Knowledge sharing

## Character of the problems attacked

- Balancing your checkbook vs. Getting out of the supermarket
- Telling it what to *do* vs. Telling it what to *know*
  - Write down some relevant knowledge
  - Advice, not a procedure
- Knowledge leads to action, But knowledge is more fundamental
  - The barge story



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## What are knowledge-based systems

- Knowledge based vs.?
- Wherein arises intelligence?
  - GPS and the lessons of the 60's
  - Improvements more often involve bringing to bear specific knowledge on selected subproblems of an application than developing a new complete theory for it.

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## What are knowledge-based systems

- Wherein arises expertise?
- KEY IDEA:  
|| EXPERT – AVERAGE PERSON || = KNOWLEDGE
- KEY IDEA:  
explicit representation of that knowledge
  - (The barge story again)

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## Intellectual Origins

- What makes for expertise?
- Can human thought be formalized?
- (How) Can we get a machine to be smart?
- And what is AI, anyway?

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## Intellectual Origins

- AI is a great intellectual adventure
  - Cf cosmology, physics, biology
- AI is the exploration of the design space of intelligences
- AI is making machines that solve problems requiring intelligence
- AI is applied epistemology

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## Intellectual Origins


- 2000 years ago
  - Aristotle and the art of rhetoric
  - The syllogisms
- 17th century: Leibniz and the “algebra of thought”

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## Intellectual Origins

- 19th century: Boole's logic and The Laws of Thought




1815-1864


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## Intellectual Origins

- 19th century: Babbage and the Analytical Engine. Lady Lovelace conjectured that it "would weave algebraic patterns the way the Jacquard loom weaved patterns in textiles."

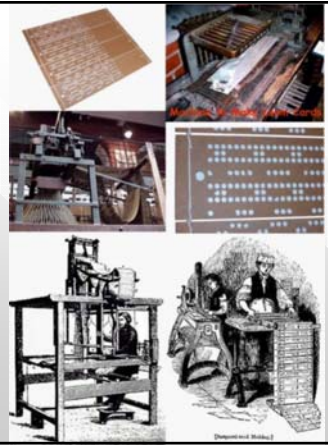


1791-1871



1815-1852

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## Intellectual Origins

- 2000 years ago
  - Aristotle and the art of rhetoric
  - The syllogisms
- 17th century: Leibniz and the "algebra of thought"
- 19th century: Boole's logic and The Laws of Thought
- 19th century: Babbage and the Analytical Engine
- 20th century: Shannon's insight about switching circuits
- 20th century: Turing's ideas about thought and computation

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## Intellectual Origins

- What is it we seek to embody in the machine?
  - Mind?
  - Thought?
  - Intelligence?
  - Rationality?
  - Neuroanatomy?

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## Intellectual Origins

- And how do we know whether we got there?
- Can a machine think?
- Can the person next to you think?

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## What is

- Thought?
- Intelligence?
- Rationality?
- Knowledge?

## The Physical Symbol System Hypothesis

- *A physical symbol system has the necessary and sufficient means for general intelligent action*

Physical Symbol System consists of:

- A set of symbols
- A set of expressions (symbol structures)
- A set of procedures that operate on expressions to produce other expressions: *Create, Modify, Reproduce and Destroy*

## The Physical Symbol System Hypothesis

*The Knowledge Level Hypothesis:* There exists a distinct computer systems level which is characterized by knowledge as the medium and the principle of rationality as the law of behavior.

*Principle of rationality:* if an agent has knowledge that one of its actions will lead to one of its goals, then the agent will select that action.

(Roughly: content independent of form)

## The Knowledge Level Hypothesis

*Knowledge:* Whatever can be ascribed to an agent, such that its behavior can be computed according to the principle of rationality.

- Knowledge is closely linked to rationality.
- Knowledge is competence-like notion.

## Character of Knowledge

- Most of what we know knowledge is non-numeric.
- Most of what we know is heuristic.
  - What's certain?
  - What's the alternative?

## Character of Knowledge

- Empirical, experiential knowledge: rules of thumb, heuristics
- Design knowledge: theory, model, causal understanding
- Common-sense knowledge

## Current State

KBS = || Expert Knowledge – Common Sense ||