

## **Broad Matters Season 8 Episode 1 "The Ethics and Regulation of AI" with Anjana Susarla**

Quinetta Roberson:

Welcome to season eight of Broad Matters.

Ken Szymusiak:

A podcast bringing you thought leadership, innovative perspectives, and real-world impact from Michigan State University's Eli Broad College of Business. I'm Ken Szymusiak, Managing Director for the Burgess Institute for Entrepreneurship & Innovation.

Quinetta Roberson:

And I'm Quinetta Roberson, the John A. Hannah Distinguished Professor of Management and Psychology. We are so excited to kick off season eight with our guest today, Professor Anjana Susarla. Anjana is the Omura-Saxena Professor of Responsible AI here at Broad and is an expert in information systems and artificial intelligence. Anjana, thanks so much for being here.

Anjana Susarla:

Thank you so much for having me. Great to be here today.

Ken Szymusiak:

Anjana, can we start by hearing a bit about your work and background?

Anjana Susarla:

I studied engineering and business management, and I worked in IT consulting, and so that sort of got me into thinking about all the bigger issues surrounding technology and organizations. So, I decided to get a PhD in information systems and then I sort of changed gears and started working on a lot of research on social media. And that's what I think got me into what I'm doing today, which is studying responsible uses of artificial intelligence. So, I was studying how people use social media for health-related conditions, and it occurred to me that there is a lot of questions about how platforms, whether you want to call it algorithmic biases or content moderation issues, make choices about what users see. And we as individuals are cognizant of the roles that technology and algorithmic recommendations play in our information ecosystem. So that's a little bit of my background.

Ken Szymusiak:

This is a huge topic. We're so excited to have you here today. You recently published an article in The Conversation that in part highlighted a lack of comprehensive federal data regarding privacy laws. Given the patchwork of state-level regulations, do you believe a unified national framework is likely to emerge?

Anjana Susarla:

Should say, if I were a betting person, I would not place a lot of money on that bet. And the reason is, I think any federal regulation, the question is how much appetite there is not just among the regulators, but among the public. Do people understand that the comprehensive privacy legislation is what we need and we in the United States, we are not like Europe. We don't like sort of government telling us that these are things we should be doing or shouldn't be doing. So, then the question really is what are some things that all of us can agree on, on a bipartisan consensus? I think that there is some awareness.

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People understand that things like deepfakes, there can be malicious uses. There are intellectual property issues with how generative AI models are trained, et cetera. So I think we're beginning to see some bipartisan consensus across the board. Individuals are understanding this, media understands it, our students understand these issues. Michigan recently has I think some legislation on the use of AI in elections as it intersects with so, but for us in a business school, what are things that businesses should be aware of and our students when they're graduating and entering the workforce and making business decisions?

Ken Szymusiak:

Right. And I think there's one thing when you see some of this AI fakes that are coming out and they're used for entertainment purposes, and no one seems to really bat an eye there because we all kind of know. It's really interesting just being on these platforms now and seeing the quality of some of the fakes that are coming out. Right? Even though most of them are for entertainment purposes, but you can see where it's going to be really hard to decipher what's real and not real soon.

Anjana Susarla:

We are already at that point where it's almost impossible to tell the difference between what's real and what is fake. And it's very entertaining when you see a fake Keanu Reeves or a fake Tom Cruise. But what does it mean when someone can impersonate a company or people post things on social media platforms? And I think it's happened. Someone impersonated a drug company and said that, "we are cutting prices for some essential drug." And then the stock price plunged.

Ken Szymusiak:

Right.

Anjana Susarla:

Not just for that company, but across the board for a lot of drug companies. And so, I think there is a question of brand building. There is trust, there is psychologically kind of implicit contracts or psychological contracts that companies have with customers, and will they be eroded if some malicious actors are going to use these AI generated fakes?

Ken Szymusiak:

Yeah.

Anjana Susarla:

So, I think that's a question that we all have to deal with at some point.

Ken Szymusiak:

Are you seeing any of the private technology companies trying to shape the narrative through the use of lobbying?

Anjana Susarla:

Yes and no. I mean, in the sense that, I think that there is consensus among at least some Silicon Valley companies that there needs to be some sort of maybe digital watermarking or some mechanisms that will establish the provenance of content. Maybe they're doing it through lobbying or maybe they're

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trying to provide more awareness to the public, whichever term you want to use. But Adobe and others, there is a coalition of content providers, have actually addressed some of these issues. And I think the administrations, I don't expect that the new administration will be that different when it comes to what Biden administration did.

Tech company executives will at least converge towards let's adopt some sort of standards on our results. And when it comes to legislation, I think California has taken lead in some of these. So, one recent piece of legislation in California, the AB-2013 Bill, it's a generative AI law that requires the developers to post information regarding what data is used to train the AI systems. So, does this address the deepfake problem? No. But at least it gives us more transparency into what data is being used to train.

Ken Szymusiak:

Yeah, absolutely.

Quinetta Roberson:

Anjana, you mentioned that in the US, we don't want people telling us what to do, but the issue of emergence and the dangers of AI are not only a US issue. Have you seen other countries address the ethics around AI and regulation, if at all?

Anjana Susarla:

Yes, and I think we are at a very interesting point where internationally, everyone has kind of realized that unchecked use of AI without any guardrails can pose some problems. There's all these issues like deepfakes, privacy issues, and there's also what is called algorithmic harms. You are using AI systems without kind of any oversight. So, the European Union has unveiled, I would say, the most comprehensive legislations in this regard. At multiple levels, it specifies a lot of guardrails. I know that China has a lot of protections. Countries like India have unveiled standards. So, I would say 2024 is a very interesting year in that so many parts of the world had elections and deepfakes played a big role in elections, whether people realize it or not. In the country of Pakistan, apparently there was a video of one of the major candidates making a speech and then turned out it was deepfake. I would say even two years ago, we didn't have to worry so much, but now anyone can create deepfake anything. I'm just here with you in person. Otherwise, if I was doing this over Zoom, it could be my deepfake. Right.

Quinetta Roberson:

If you can tell me how to do that- You mentioned that you didn't think that the upcoming administration in the US wouldn't necessarily do anything differently.

Anjana Susarla:

I cannot really predict what the next three, four years will be like, but there is, I would say a bipartisan consensus on certain aspects of technology. Cyber security is one, things like deepfakes is another. Now when it comes to privacy, that's one thing where I wrote this article, I don't see actually both parties coming up with any comprehensive solutions. So that may be a statewide subject, like we've seen California actually pass Consumer Privacy Act, CCPA and the Delete Act. So, it gives you some sort of right to opt out. Four states in the United States- Colorado, Connecticut, Utah, Virginia, they will also enforce some new standards. Texas, they've been looking carefully at social media companies, and do

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we regulate their algorithms? Do we not regulate their algorithms and those kinds of issues? And of course, these things won't take into effect immediately.

Quinetta Roberson:

I wanted to just say, I'm glad that you said you can't predict the future because I like to ask gotcha questions and I was going to ask you to do that, but it sounds like it's being pushed more down to the localized level rather than being taken up at a federal level.

Anjana Susarla:

Yes. I would say that.

Ken Szymusiak:

I mean really the last 30 years of innovation in the United States, maybe 40 years even, has essentially been a product of our willingness to let the internet run wild. And we've seen economic growth that has surpassed everyone in the world. And you know for sure that from a regulatory perspective, they're not regulating their use of AI in terms of advancing the state cause, even though they might be helping to protect private sector. It's kind of this debate, like do you continue to let it run wild for the sake of economic growth and prosperity or is this something that if you start to put the hammer down on from a government perspective, do we really put ourselves in a position where we're behind the rest of the world?

Anjana Susarla:

I think I would offer a third perspective here.

Ken Szymusiak:

Perfect.

Anjana Susarla:

Which is that if we look at maybe from last seven years or so, a lot of the advances in AI have been really on understanding of language, vision, multimodal AI, and those have been very concentrated by only a handful of people, and it's very capital-intensive. The amount of training data that OpenAI needs and the amount of money and resources.

Ken Szymusiak:

Power.

Anjana Susarla:

Computing power. So, there's all these questions of sustainability and so forth, but sometimes I do wonder, there's emerging criticism that this kind of what is called scaling hypothesis, will the power of these models keep growing? Will they hit a wall? And we're seeing some even very prominent AI researchers saying that this will not continue indefinitely. So that's one issue to contend. The other is if you and I, as individuals, we can benefit a lot from users of AI, but does it have to be the cutting edge, what the OpenAI has to offer or is it maybe a little more mundane uses of AI, but taking some, like a smaller AI rather than a large AI model.

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Ken Szymusiak:

Right.

Anjana Susarla:

And so I think that's the critique I would offer. And I would say that there will still be a lot of innovation, but will this be innovation that OpenAI thinks is innovation or is this where 1000 people or hundreds of thousands of people just take all these tools and then,-

Ken Szymusiak:

These little bots that do work for them. Are you seeing any public-private partnerships playing a role in this in the future or potentially having some stake there in terms of seeing governments working hand-in-hand with technology companies?

Anjana Susarla:

I haven't seen very good governmental collaborations, but there are definitely some universities are partnering with OpenAI, for instance. That's an interesting model. And the other thing that seems really interesting to me is that this is unleashed a wave of, I would say entrepreneurial innovation. So, the number of new product ideas and new companies that are being started, it's like the dotcom. It's almost that level or even higher.

Ken Szymusiak:

Oh, yeah. We see it just in our student entrepreneurs every week.

Anjana Susarla:

So you see that more than I do, and that's interesting and that's wonderful. I think it's that creativity that's been sort of unpacked by these models.

Ken Szymusiak:

It's such a jumpstart. It's such an accelerant to structure and understanding how models can be built for an entrepreneur starting from just an idea, it just unpacks everything so instantly. I heard someone say in another podcast, it's magic duct tape-

Anjana Susarla:

Yeah.

Ken Szymusiak:

It's a way to look at it. You're building this thing and you can use it to patch all the holes that you're finding. It's not going to get you 100% there, but it's going to get you 80% there, and it's just an accelerant.

Anjana Susarla:

It's a duct tape, it's a catalyst, it's an accelerant. It's all those, and what it's helping a lot of people do is, that inertia where you're sitting and scribbling some ideas on notepad somewhere maybe in your garage, but then the next step, how do you actually make something tangible out of it? I'm on two

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minds. One hand, I do worry about the negative consequences, but I also see this tremendous potential. How we could have so many wonderful, creative ideas and in so many different aspects of the economy, in so many sectors.

Quinetta Roberson:

Well, we were just talking about creativity and innovation within the scope of entrepreneurship, but I'd like to talk about it relative to art. You were recently featured in a PBS documentary titled Binary Minds A.I. in Art, which discussed the implications of using artificial intelligence in art. What are your thoughts on the use of AI in the creation of art, and are there ethical concerns about art created by AI versus by artists themselves?

Anjana Susarla:

Yes. This is one of those things where there's a lot of open questions for the legal system, and I know that there are so many lawsuits now against companies like OpenAI. Some things that legal scholars as well as judges have interpreted from manner which to simplify, it seems favorable to OpenAI's cause, others we don't know. There are some challenges. One is there are cases where OpenAI generates a likeness of something that appears to violate copyright. Then in the court, the question is, is this intentional? Of course, OpenAI will say, this is not intentional because what they're doing is really taking huge amounts of data and creating sort of a very complex predictive engine and then generate some output from that. The way that they're training, that's a fairly complex- it's a neural network of sorts as you can call it. So, what are challenges from the legal system perspective?

One thing I've written about is what is called the Snoopy Problem. The more a copyrighted work is protecting a likeness, like for example, Snoopy, the more generative AI tool is likely to copy Snoopy, and so there are some edge cases like that, right, which can challenge existing copyright law. We don't know how this will be interpreted in court because we know that Betamax case long time ago and more recently, there was a Google Books case where maybe the courts can say that this intent will still benefit the public. But the other question is some AI companies like Anthropic, they've announced pledges where they will not use data produced by customers to train advanced models. Then of course, there are methods for AI safety, which is I think what OpenAI is trying to do. If we can adopt standards for authenticity of content, there are some, content creators can sort of,-

Ken Szymusiak:

Some are embracing it.

Anjana Susarla:

Yes.

Ken Szymusiak:

Which is very cool to see.

Anjana Susarla:

Yes.

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Ken Szymusiak:

I don't know if you're familiar with Grimes. There's new music on Apple that is literally credited to Grimes AI. So, other collaborators hire her AI model to sing over their tracks, and it's not her, but she actually encouraged people to create an AI model of her that has its own artist stamp on Apple now, which is just kind of wild to think, but someone who's really pushing the boundaries in terms of what you can do.

Quinetta Roberson:

You mentioned that some companies are making pledges. Do you see those as authentic or performative?

Anjana Susarla:

That's a great question, and it's a question for researchers because we've seen greenwashing. There's also AI washing incidentally, and all these papers are waiting to be written, maybe with ChatGPT if we can.

Quinetta Roberson:

Oh, no.

Anjana Susarla:

Yeah.

Quinetta Roberson:

That's an issue from the academic journal space and writing spaces, the role of AI.

Anjana Susarla:

Yes.

Quinetta Roberson:

But we digress. In your view, how can creatives ensure that AI tools are used responsibly, particularly when it comes to issues of plagiarism or copyright infringement?

Anjana Susarla:

Yeah, this is, I think, very important for federal regulations and so forth. Actually, Glenn Omura gave me this example. If you're a voice artist and you're doing all these commercials, now suddenly companies using AI to automate or you don't have to pay a voice artist, you can use AI-generated art, and what is this voice trained on? There are some disturbing examples. Scarlett Johansson. Sam Altman asked her if he can use her voice and she said no, and they still had something that sounded like her voice.

Ken Szymusiak:

Right. I've messed around with some of the AI music like Boomy and there's a couple other ones. You can make music from scratch. Essentially just putting in what do you want it to sound like, how much bass? You can tweak everything. I mean, down to professional level musician management, and then you have it play the track and it sounds so familiar, but yet you Shazam or whatever, and you're like,

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what is this? And it can't be identified. It's all new music, and then you can post it to their site for royalties. If someone likes it, they can use it, and you can just make infinite copies of any type of music you want.

Quinetta Roberson:

Wait, so are you entering your producer era? Did you just, -

Ken Szymusiak:

No, I wish.

Quinetta Roberson:

Come out as a producer?

Ken Szymusiak:

I wish. Check me out on SoundCloud.

Quinetta Roberson:

Right. Shmoosh. DJ Shmoosh.

Ken Szymusiak:

DJ Smooth.

Anjana Susarla:

But this is very interesting because I think the way our intellectual property laws work are not designed for the AI era. It's like a whack-a-mole. If you're using technology to detect plagiarism or copyright violations, then we are kind of chasing, a shape-shifting kind of a target. So instead at least two sets of things would be helpful. One is if you're a content creator, the AI platforms, if they allow you to opt out or giving more transparency about how the models are being trained, I think those two are linked. The second thing, which would be important, is also to have more safeguards into authenticity of content or some digital watermarking, content provenance, and that's sort of broadly helpful for any creative professions.

Ken Szymusiak:

Well, thank you so much for joining us today on the podcast, Anjana. It's been great talking to you today. How can we keep up with your work going forward?

Anjana Susarla:

On my website or on LinkedIn or follow me on social media platforms, Blue Sky, etc.

Quinetta Roberson:

Thank you so much for your insights.

Anjana Susarla:

Thank you for having me. It was great pleasure.



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Quinetta Roberson:

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Ken Szymusiak:

And I'm Ken Szymusiak. Join us next time to hear faculty and staff weighing in on relevant issues and discussing how their work makes an impact, illuminating how and why- Broad Matters.