### Can AI Help Humans Make Better Decisions?

Kosuke Imai

Professor of Government and of Statistics, Harvard University

The Future of DX and AI: Opportunities and Challenges for Japanese Firms and the World Economy

July 11, 2024

# Al-Assisted Human Decision Making

- Al and algorithms are everywhere in our society
- But, humans still make many decisions
- We have not yet outsourced consequential decisions to AI





- Most prevalent system is Al-assisted human decision making
- Humans make decisions with the aid of AI recommendations
- Question: Can AI help humans make better decisions?

# Al Recommendation in the US Criminal Justice System



DANE COUNTY CLERK OF COURTS Public Safety Assessment – Report 215 S Hamilton St #1000 Madison, WI 53703 Phone: (608) 266-4311

Name: Spillman Name N	lumber:			
DOB: Gender: Male	Gender: Male			
Arrest Date: 03/25/2017 PSA Completion	PSA Completion Date: 03/27/2017			
New Violent Criminal Activity Flag				
No				
New Criminal Activity Scale				
1 2 3 4	5	6		
Failure to Appear Scale				
1 2 3 4	5	6		
Charge(s):				
961.41(1)(D)(1) MFC DELIVER HEROIN <3 GMS F 3				
Risk Factors:	Responses:			
1. Age at Current Arrest	23 or Older			
2. Current Violent Offense	No			
a. Current Violent Offense & 20 Years Old or Younger	No			
3. Pending Charge at the Time of the Offense	No			
4. Prior Misdemeanor Conviction	Yes			

з.	Pending Charge at the Time of the Offense	No	
4.	Prior Misdemeanor Conviction	Yes	
5.	Prior Felony Conviction	Yes	
	a. Prior Conviction	Yes	
6.	Prior Violent Conviction	2	
7.	Prior Failure to Appear Pretrial in Past 2 Years	0	
8.	Prior Failure to Appear Pretrial Older than 2 Years	Yes	
9.	Prior Sentence to Incarceration	Yes	

**Recommendations:** 

Release Recommendation - Signature bond

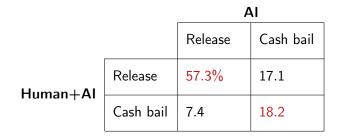
Conditions - Report to and comply with pretrial supervision

- How does the PSA affect a judge's decisions?
- Does the PSA help a judge make more accurate decision?

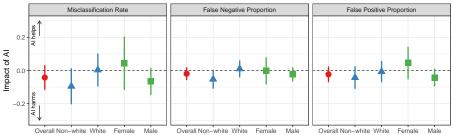
- Randomized controlled trial (RCT; also known as "AB test")
  - Human+Al group: provision of the PSA scores to judges
  - Human-alone group: no provision of the PSA scores to judges

#### Does the Judge Agree with AI?

		AI	
		Release	Cash bail
Human	Release	54.1%	20.7
Tuman	Cash bail	9.4	15.8



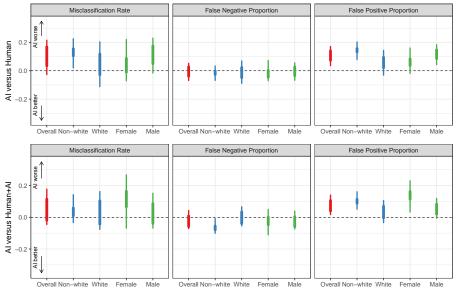
## AI Recommendations Do Not Improve Human Decisions



New Criminal Activity (NCA)

- False Negative (FN): release followed by new criminal activity
- False Positive (FP): unnecessary cash bail
- Misclassification = False Positive + False Negative

### AI-Alone Decisions Perform Worse than Human Decisions



#### New Criminal Activity (NCA)

# AI Can Help Humans Make Better Decisions

• Gerrymander = (Elsbridge) Gerry + Salamander





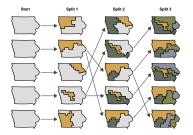
• Infamous example:



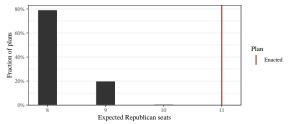
Congressional District 4

# Detecting Gerrymandering Using Al

• Compare the enacted plan against simulated nonpartisan maps



• Analysis of Ohio Congressional redistricting



 $\{\P 124\}$  Dr. Imai's work also supports the conclusion that the adopted plan's partisan skew is not due to Ohio's political geography. Using Article XI's map-drawing criteria, Dr. Imai generated 5,000 possible district plans. Of those simulated plans, *none* was as favorable to Republicans as the adopted plan. The fact that the adopted plan is an outlier among 5,000 simulated plans is strong evidence that the plan's result was by design.

- Al is a powerful tool that can help humans make better decisions
- Al's potential in business decision-making
- But, like humans, not all AI tools are helpful
- We must evaluate the performance of AI and continue to improve it
- AI development is moving at an astonishing speed
- How can Japan compete on the global stage?
- Importance of AI training at all levels
  - university education
  - collaboration between academia, industry, non-profit, and government