

*Complexity in  
Computer Systems:  
a Risky Business*

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*Why do we need Technology at all?*

*Technology transforms uncertainty into risk.*

*We ‘explain’, and thereby swap hopelessness,*

*for the optimism in a plan of action.*

*In other words we impose structure in order*

*to gain a tenuous handle on uncertainty.*

(numerical) Algorithms + People

= (systemic) *Risk*

= Hazard + Opportunity

Managing Uncertainty?

# Managing Uncertainty?

"Though this be madness,  
yet there is method in 't"

(Hamlet, Act II Scene 2)

Method is the first, the last,  
the only resort of the mediocre

## Definition of a Singularity:

"they had to be lucky all the time,  
we had to be lucky just once"

(RA spokesman after the Brighton bombing,  
when they almost killed Margaret Thatcher)

## Goodhart's Law

“any observed

statistical regularity

will tend to collapse

once pressure is placed on it

for control purposes”

## Beyond Good and e-Ville

Look toward the observable consequential risks  
that occur when computers are integrated  
into Human Activity Systems

Computers deal with objective  
well-structured problems,  
with details.

They cannot cope with  
subjective subtlety,  
ambiguity and complexity

*A good technology platform,  
although necessary,  
is not sufficient for success.*

*Success or failure with a technology  
will be determined by  
unique social, political, organizational,  
and particularly personal factors.*

*Pablo Picasso*

*"Computers are useless,  
they only give you  
Answers!!!!"*

## BEST-OFF

*"you are at the top of  
6 mission parts,  
all made by the lowest bidder!"*

*Michael Co Sins*

*The Price:*

*is here and now*

*The Cost:*

*accrues from here to eternity*

A System

or

an Installation?

*A System is what it becomes,  
what it will become,  
NOT what it is intended to be.*

## Systems misbehave!

Installations are linear,  
systems are intrinsically non-linear

In a linear world,  
the consequences of an Action

stop with a Reaction;

in the non-linear world of practice,  
unforeseen consequences feedback  
as a result of the inevitable complexity

# Systemic Risk

## Hazard or Opportunity?

Negative Feedback: reinforces stability  
or Positive Feedback: the seed of Chaos

the Butterfly Effect

*Complexity increases to a point*

*where utility becomes resistance,*

*resistance becomes dependence,*

*and the Law of Diminishing Returns*

*precipitates a galloping descent*

*into Nightmare*

## The first step fallacy

“they think they are reaching for the moon,  
but all they've done is climb the nearest tree ”

Herbert Dreyfus

*President Pompidou:*

*There are three Roads to Ruin,*

*Women, Gambling and Technology!*

*Women are the most Deceivable,*

*Gambling is the Quickest,*

*but Technology is the most Certain!*

Priest:

*"do you renounce the devil  
and all his works?"*

Niccolo Machiavelli:

*"This is no time  
to be making enemies"*

*The Buck stops There*  
*Defensive use of e-mail*

*Responsibility*

*versus*

*Authority*

*The Shell reserves scandal*

*The van de Vijver e-mail:*

*"I am becoming sick and tired*

*about lying about the*

*extent of our reserves"*

*Shell fined \$120 million by the SEC,*

*and £17 million by the FSA*

*“Every revolution evaporates  
and leaves behind only the  
shame of a new bureaucracy”*

Franz Kafka

## the 'Glass-Cockpit Syndrome'

*omnipresent computer screens distract,  
causing confusion and errors of judgement*

- 1) end users rely entirely on the system  
*without exercising any judgement.*
- 2) ensuing information overloads results  
*in users ignoring many pieces of  
(sometimes very important) information.*

*Bureaucracy*

*'normas' versus 'singular'*

*Discretion or*

*self-referential certainty?*

*Dennis Healey:*

*"When you're in a hole,  
STOP DIGGING!!!!"*

*Optimistic rationality*

No dog:

*What I say, I say now,  
I say without  
condition,*

*that science is but  
the latest, greatest  
superstition*

*Alan M. Eddison:*

*"New Technology  
owes Ecology*

*an Apology!"*

*Friedrich Nietzsche:*

*"Madness is something rare in individuals,  
but in groups, parties, peoples, ages  
it is the rule."*

## The Madness of Control Freaks

Human thought is mere calculation;  
we are biological analogue computers.

### Their Hidden Agenda:

- 1) a number can be a meaningful representation of human experience; and
- 2) arithmetic operations on such representations, implemented on a computer, can produce 'rational decisions' about, and can control the human condition.

## The Uncertainty Principle

*There's no point in measuring something  
if it changes the moment it is measured,  
as a direct result of being measured.*

*Profiling?*

## Peter Principle of Computerization

Individuals and Computers are

promoted to the levels of their

INCOMPETENCE

But worse .....

computers magnify and amplify

the incompetence of all those around

*The figures don't lie?*

*"It's not the figures lying,  
it's the liars figuring"*

*Mark Twain*

## Atomism

*Similarity = Simeness*

## False Opposites:

*Pretend to be serious then*

*Pretend to be funny*

Friedrich Nietzsche:

"capricious division and fragmentation"

Shakespeare

"The fault, dear Brutus, lies not  
in our stars, but in ourselves..."

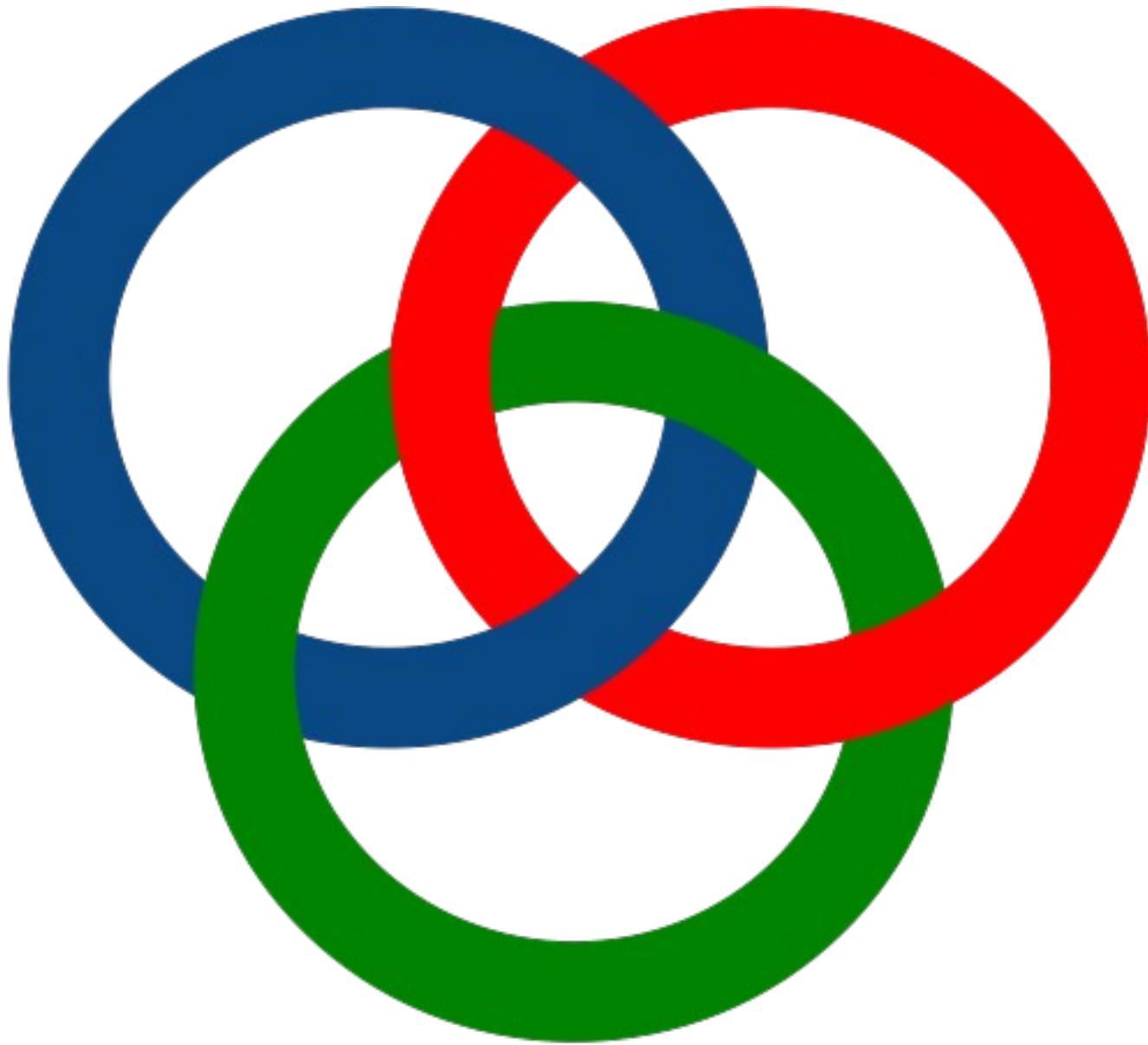
Niklas Luhmann

The Fallacy of the Residual Category

*Niklas Luhmann:*

*"The concept of the environment should not be misunderstood as a kind of residual category. Instead, relationship to the environment is constitutive in system formation."*

*Structural Coupling*



*The Borromean Rings*

the two artificially separated parts  
continue to operate (and interrelate)  
as the unobservable whole.  
Because of this asymmetry  
(between the world as it is,  
and as it is observed),  
all observation is conditional,  
but those conditions are necessarily  
unobservable, unappreciable, uncertain.

Those truncated structural couplings,  
so casually discarded by observation,  
stay on as **uncertainties**  
and thus, as **risks** to the observer  
in any further observations,  
and they can reassert themselves  
in the most inconvenient ways.

*The nine most terrifying words*

*in the English language:*

*"I'm from the government.*

*I'm here to help you"*

*President Ronald Reagan*

*"Our society is run by insane people  
for insane objectives.*

*I think we're being run by maniacs  
for maniacal ends ..."*

*John Lennon*