

MIT Industrial Liaison Program Faculty Knowledgebase Report

Innovations in Management (Session 1 of 4)

May 22, 2020 11:00 am - 1:00 pm

11:00am - 12:00pm

Why Companies Should Care About New AI Policies and Regulations
Luis Videgaray
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Director, MIT Artificial Intelligence Policy for the World Project



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Luis Videgaray is Director of MIT AI Policy for the World Project and a Senior Lecturer at the MIT Sloan School of Management. Prior to coming to MIT, he served as the Foreign Minister and Finance Minister of Mexico. As Foreign Minister (2017-18) he led Mexico's relationship with the Trump White House, including the successful renegotiation of the NAFTA (now USMCA). He is one of the founders of the Lima Group, created to promote regional diplomatic efforts towards restoring democracy in Venezuela, and conducted Mexico's leading role in the UN towards an inclusive debate on AI and other exponential technologies. He was named Finance Minister of the Year by both The Banker Magazine and Euromoney Magazine, and a Leading Global Thinker by Foreign Policy Magazine. Before government, Mr. Videgaray had a career in investment banking, advising M&A and private equity transactions. He holds a Ph.D. in Economics from MIT and a BA in Economics from Mexico's ITAM.

This talk will share some of the work at the MIT Artificial Intelligence Policy for the World Project, a joint effort by the MIT Sloan School of Management and the MIT Schwarzman College of Computing. Artificial intelligence (AI) is already having a large impact in the economy, and AI should be part of any forward-looking business strategy. However, AI comes with real risks for individuals and society – including potential loss of privacy, unfair or hard to understand automated decisions, jobs lost to machines, or even digital threats to democracy. To address these challenges, new policies and regulations are emerging all around the world. What will these new policies and regulations look like? What do they mean for business strategies? Is it possible to turn them into a source of competitive advantage?

12:00pm - 1:00pm

The Business of Platforms: Strategy in the Age of Digital Competition, Innovation, and Power

Michael Cusumano

SMR Distinguished Professor of Management

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Cusumano specializes in strategy, product development, and entrepreneurship in software, automobiles, and consumer electronics. He is a graduate of Princeton (A.B.) and Harvard (Ph.D.) as well as completed two Fulbright Fellowships and a Japan Foundation Fellowship for research in Japan and a two-year postdoctoral fellowship in Production and Operations Management at Harvard Business School. He has been a Special Vice President and Dean at Tokyo University of Science, where he founded the Tokyo Entrepreneurship & Innovation Center. At MIT Sloan, he has recently taught classes on Platform Strategy & Entrepreneurship as well as Strategy and the CEO. He has published 14 books and more than 120 articles. His latest books are *The Business of Platforms: Strategy in the Age of Digital Competition, Innovation, and Power* (2019, with A. Gawer and D. Yoffie) and *Strategy Rules: Five Timeless Lessons from Bill Gates, Andy Grove, and Steve Jobs* (2015, with D. Yoffie, translated into 18 languages).

This talk will summarize some key findings from a new book by Michael A. Cusumano, Annabelle Gawer, and David B. Yoffie. We will focus on the key features associated with digital platforms – businesses that connect two or more market sides, with supply or demand driven at least in part by network effects. Platform companies are now the most valuable companies in the world and the first trillion-dollar businesses. The talk will explain how digital platforms differ from conventional product or service businesses, and why some markets produce spectacular winner-take-all-or-most outcomes while others result in spectacular financial losses.