

# Three Phases of Artificial Intelligence

Sepp Hochreiter



# Artificial Intelligence

Artificial Intelligence (AI) will contribute to overcome crucial challenges concerning

- **Energy**
- **Climate**
- **Food**
- **Healthcare**
- **Mobility**

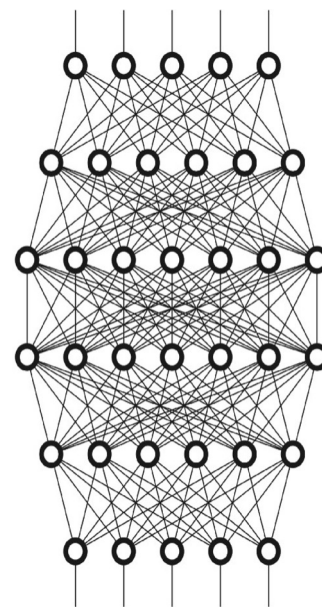


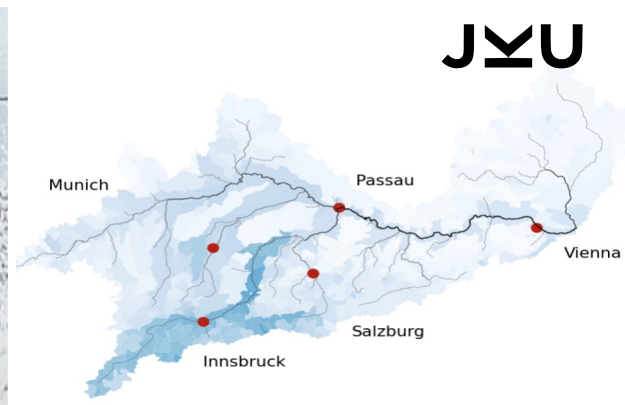
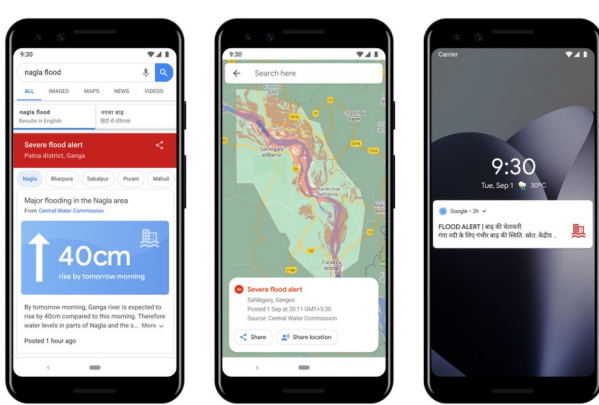
# Deep Learning

Key technology of artificial intelligence.

AI became the fastest growing field of computer science via Deep Learning.

Many **success stories** of Deep Learning.

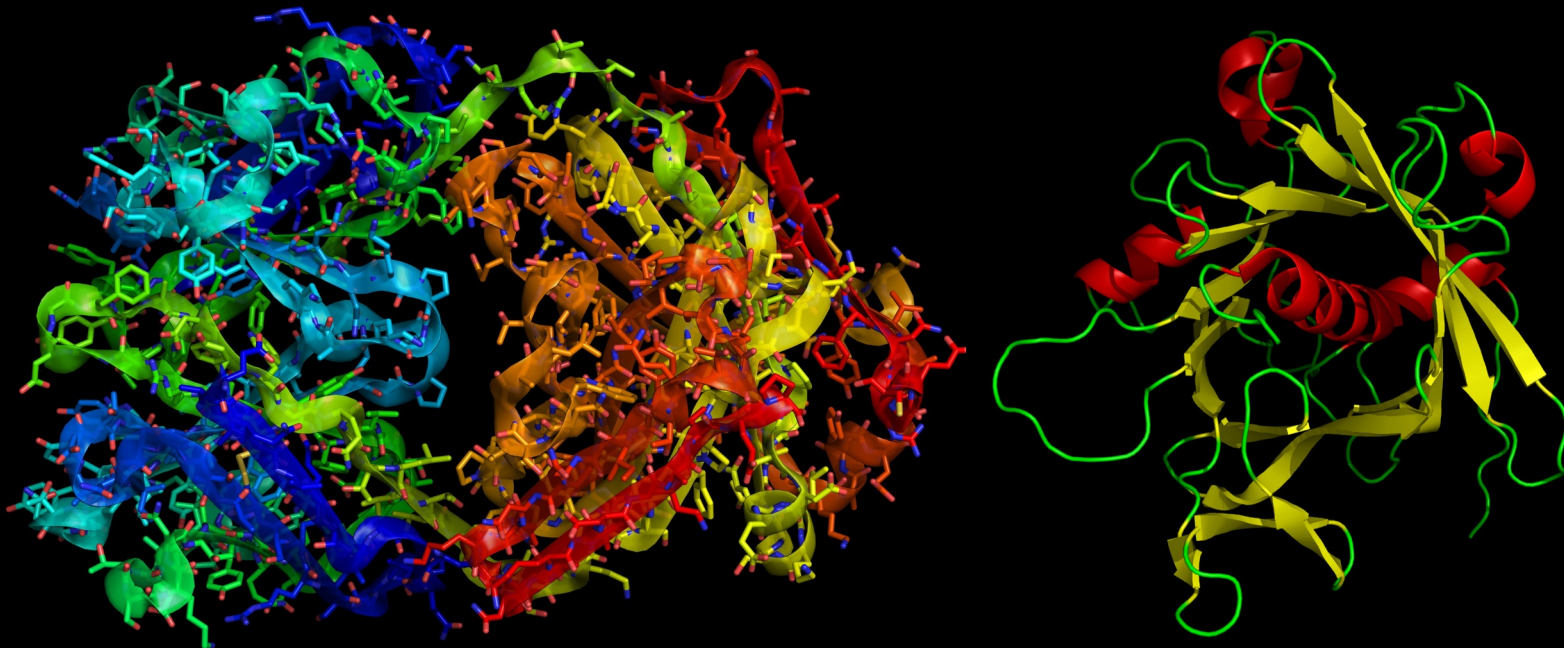




**LSTMs predict floods and droughts**



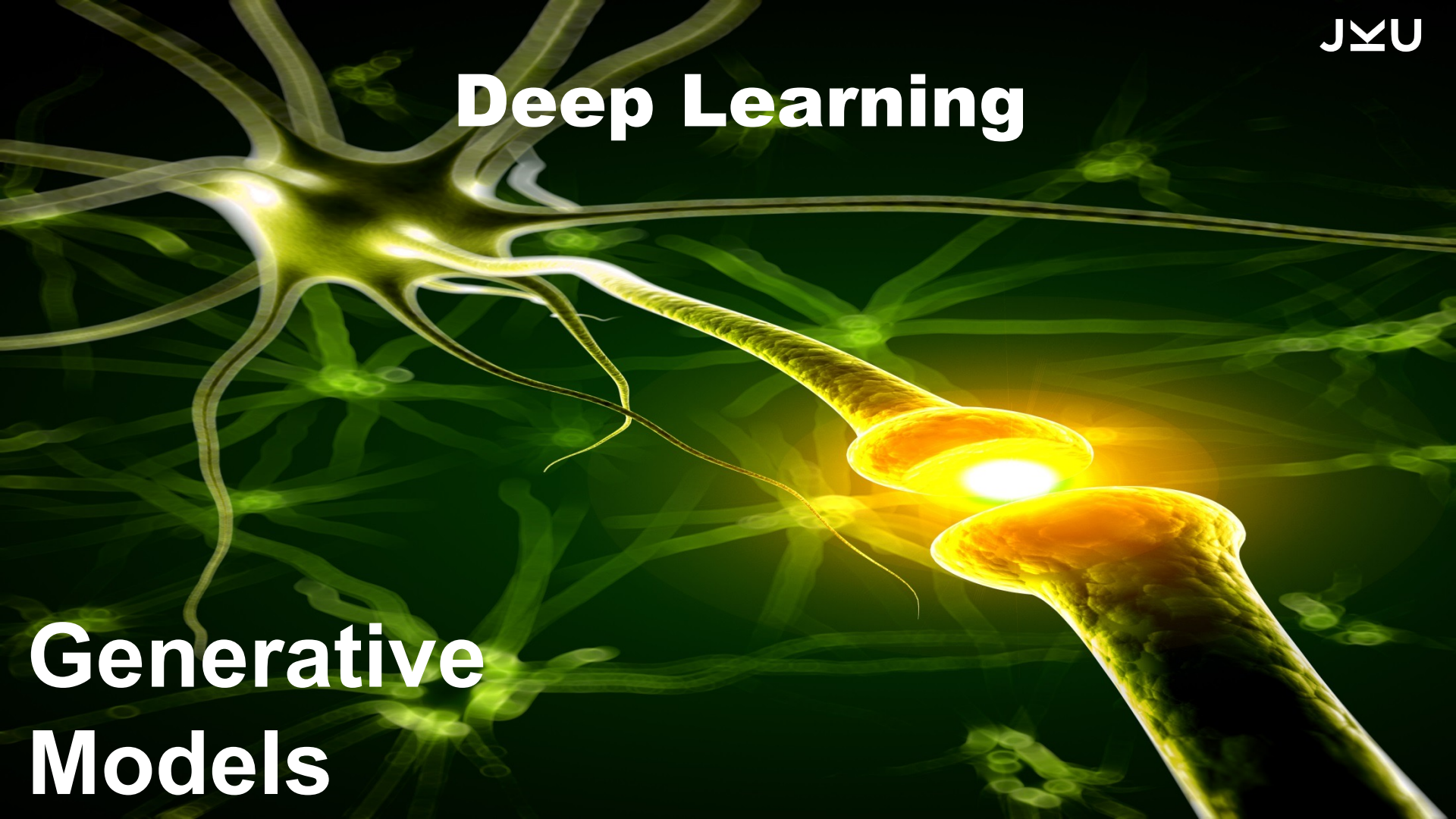
# AlphaFold (Nobel Prize)



**AI Breakthrough in Biology**

# Deep Learning

Generative  
Models







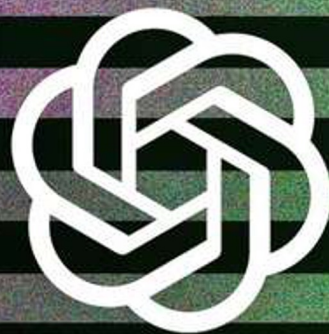






**CHAT**

**GPT**



# ChatGPT Failures

HO

who is sepp hochreiter



Sepp Hochreiter is an Austrian computer scientist and mathematician who is best known for his work on artificial neural networks, particularly the development of the long short-term memory (LSTM) algorithm. He was born on June 4, 1967, in Schärding, Austria.

Hochreiter received his Ph.D. from the Technical University of Munich in 1991 and has since held various research positions at institutions including the University of Toronto and the University of California, Berkeley. In 1997, he and Jürgen Schmidhuber, another prominent researcher in the field of artificial intelligence, introduced the LSTM algorithm, which has become a fundamental component of many modern neural network architectures.

Hochreiter has received numerous awards for his contributions to artificial intelligence, including the IEEE Frank Rosenblatt Award in 2016 and the ACM SIGKDD Test of Time Award in 2019. He currently works as a professor of bioinformatics at Johannes Kepler University in Linz, Austria, where he continues to conduct research in machine learning and artificial intelligence.

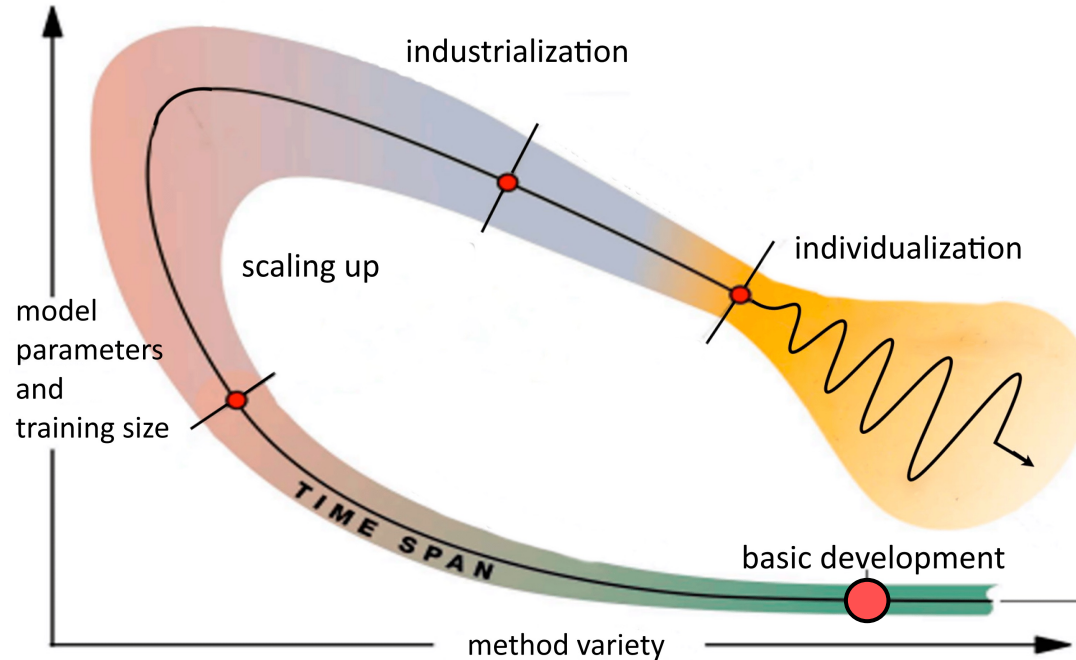
# Three Phases of AI

**1. Basic Development**

**2. Scaling Up**

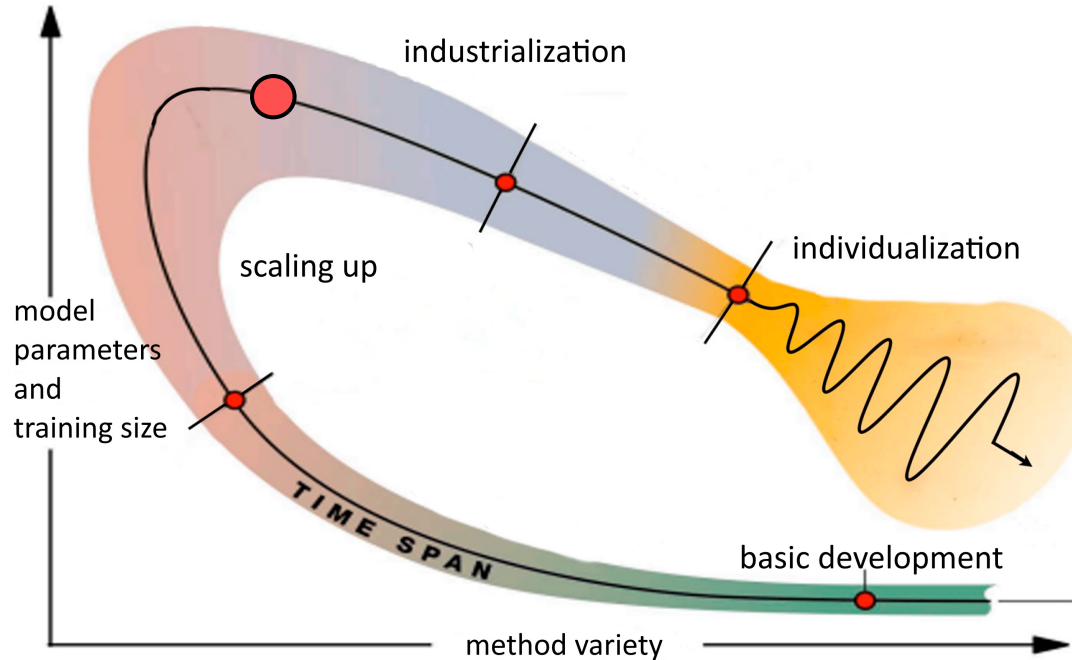
**3. Industrialization**

# Three Phases of AI



According to Gu X, Koren Y. Smart Factories for Mass Individualization. *Encyclopedia*. 2024; 4(1):415-429.

# Three Phases of AI



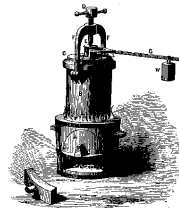
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# Steam Engine

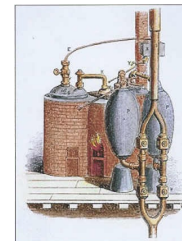
## Basic development



1<sup>st</sup> century: Hero's engine.

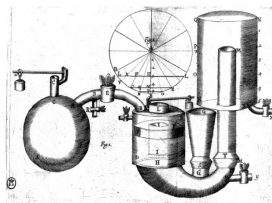


1679: Papin's steam digester.

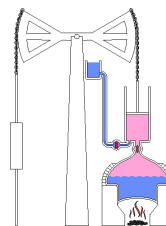


1698: Savery's Engine.

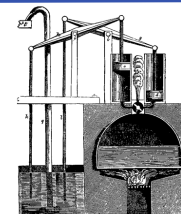
## Scaling up



1707: Papin's steam engine.

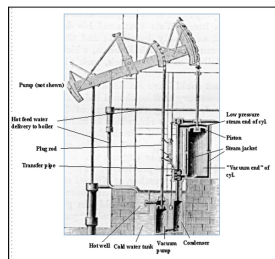


1712: T. Newcomen atmospheric engine.



1720: J. Leopol'd's steam engine.

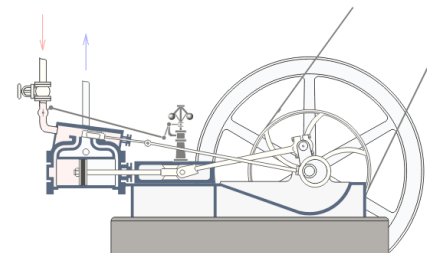
## Industrialization



1878: Watt's steam engine



1788: Boulton & Watt's Lap Engine.



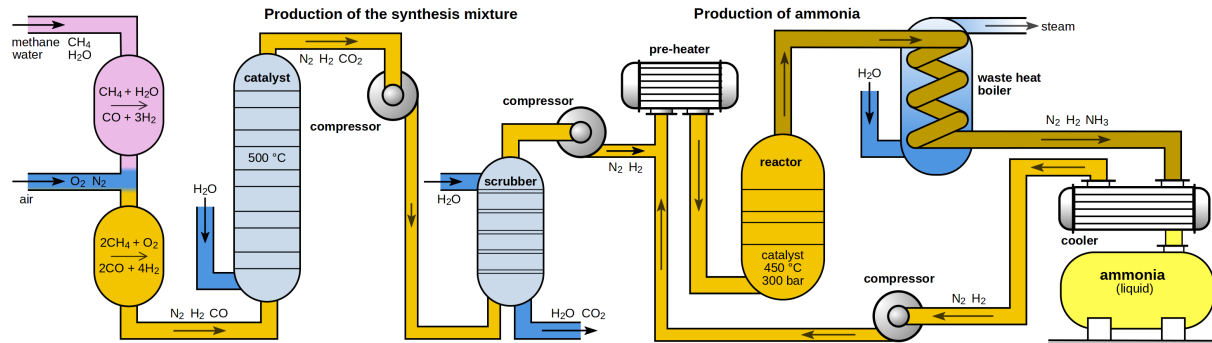
19<sup>th</sup> century: double acting stationary engine.



# Haber-Bosch Process

The Haber–Bosch process to produce ammonium nitrate for fertilizer led to

- population boom
- concentration in cities
- “nearly 50% of the nitrogen found in human tissues originated from the Haber-Bosch Process” (Solomon, P. M. – 2004).

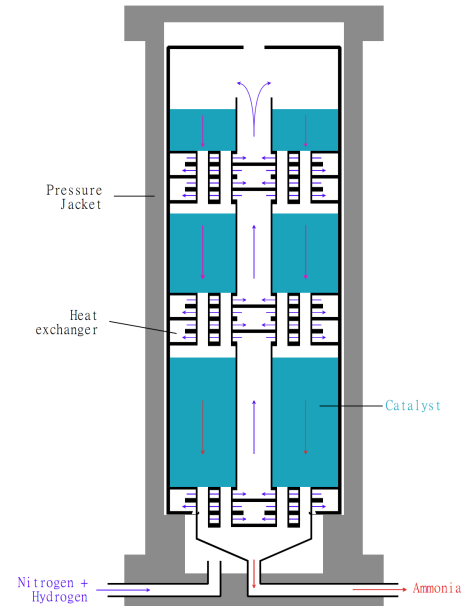


<https://commons.wikimedia.org/wiki/File:Haber-Bosch-En.svg>

**Basic Research:** 1784 Berthollet to 1901 Le Chatelier

**Scaling up:** 1909 Haber at BASF (Nobel Prize 1918)

**Industrialization:** 1910 Carl Bosch (Nobel Prize 1931)



[https://commons.wikimedia.org/wiki/File:Ammoniakreaktor\\_MS.svg](https://commons.wikimedia.org/wiki/File:Ammoniakreaktor_MS.svg)



Leibniz (1676): chain rule for backward credit assignment, central ingredient of deep learning



Legendre (1805) and Gauss (1795, unpublished): first linear neural networks (NNs) / linear regression / method of least squares / shallow learning  
Famous example of pattern recognition through shallow learning from astronomical data: re-discovery of dwarf planet Ceres (Gauss, 1801)



Cauchy (1847): gradient descent (GD), basic tool of deep learning  
Robbins & Monro (1952): Stochastic GD



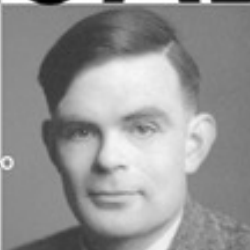
AI/Deep Learning

# THE ROAD TO MODERN AI

Basic Development



Ising (1925): 1st recurrent network architecture: Lenz-Ising model (see also McCulloch & Pitts, 1943, Kleene, 1956)



Rosenblatt (1958): multilayer perceptron (MLP) (only last layer learned: no deep learning yet)  
See also Steinbuch (1961) Joseph (1961)  
Turing (1948): unpublished ideas related to evolving recurrent NNs (RNNs)



Kelley (1960): precursor of backprop in control theory (compare Bryson, '61; Dreyfus, '62)



# ARTIFICIAL NEURAL NETWORKS UP TO 1979 FROM SHALLOW LEARNING CIRCA 1800 TO DEEP LEARNING



Ivakhnenko & Lapa (1965): first deep learning in deep MLPs that learn internal representations of input data



Amari (1967-68): deep learning by stochastic gradient descent for deep MLPs  
1972: 1st published learning RNN based on Ising model (1925)  
Linnainmaa (1970): backpropagation or reverse mode of automatic differentiation  
First applied to NNs by Werbos (1982)

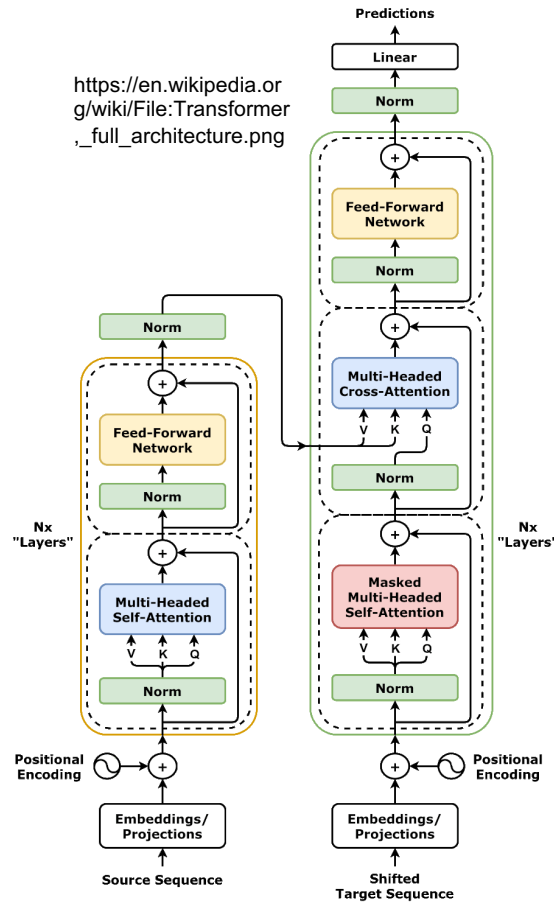
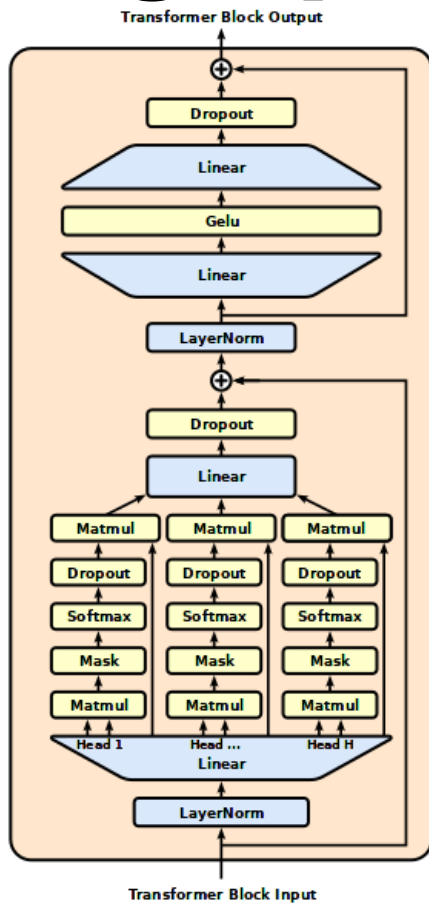
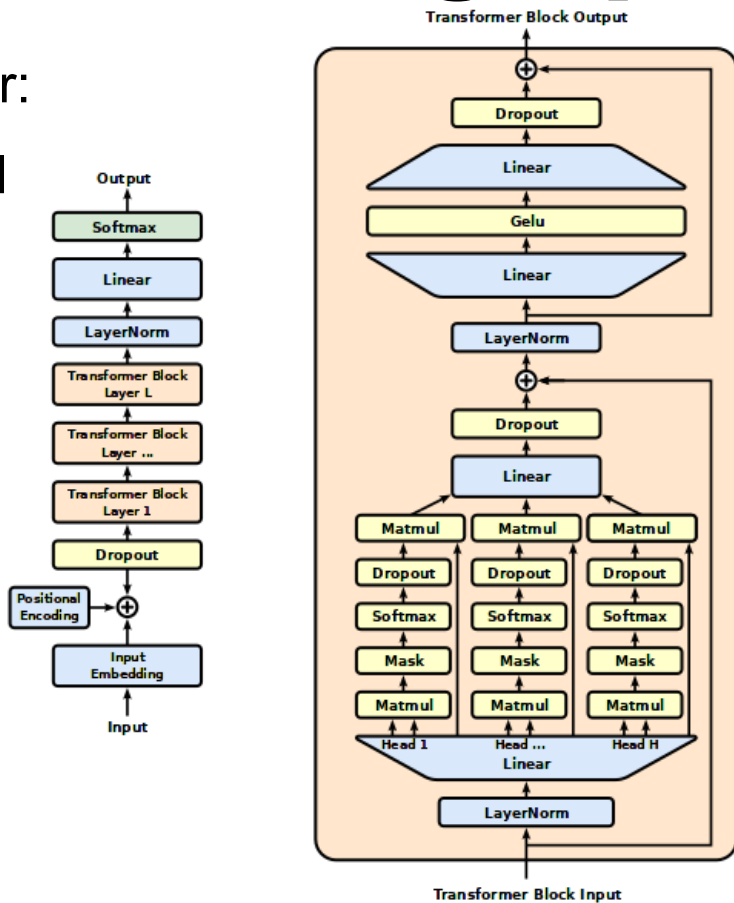


Fukushima (1979): deep convolutional neural net architecture  
1969: rectified linear units. Both now widely used



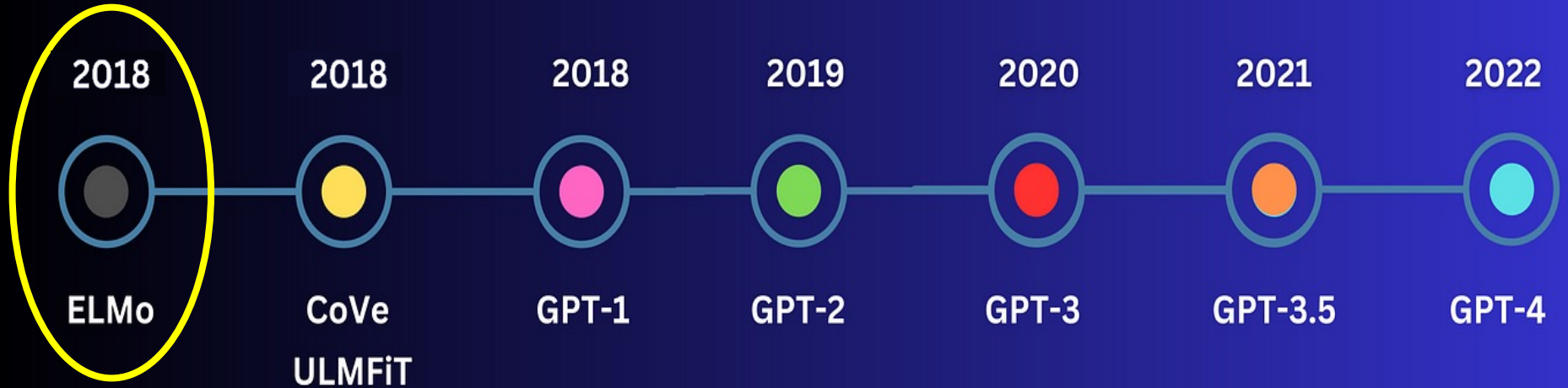
# AI Scaling Up: Transformer

Transformer:  
ResNet and  
Attention



[https://en.wikipedia.org/wiki/File:Transformer\\_full\\_architecture.png](https://en.wikipedia.org/wiki/File:Transformer_full_architecture.png)

# The Evolution of Language Models



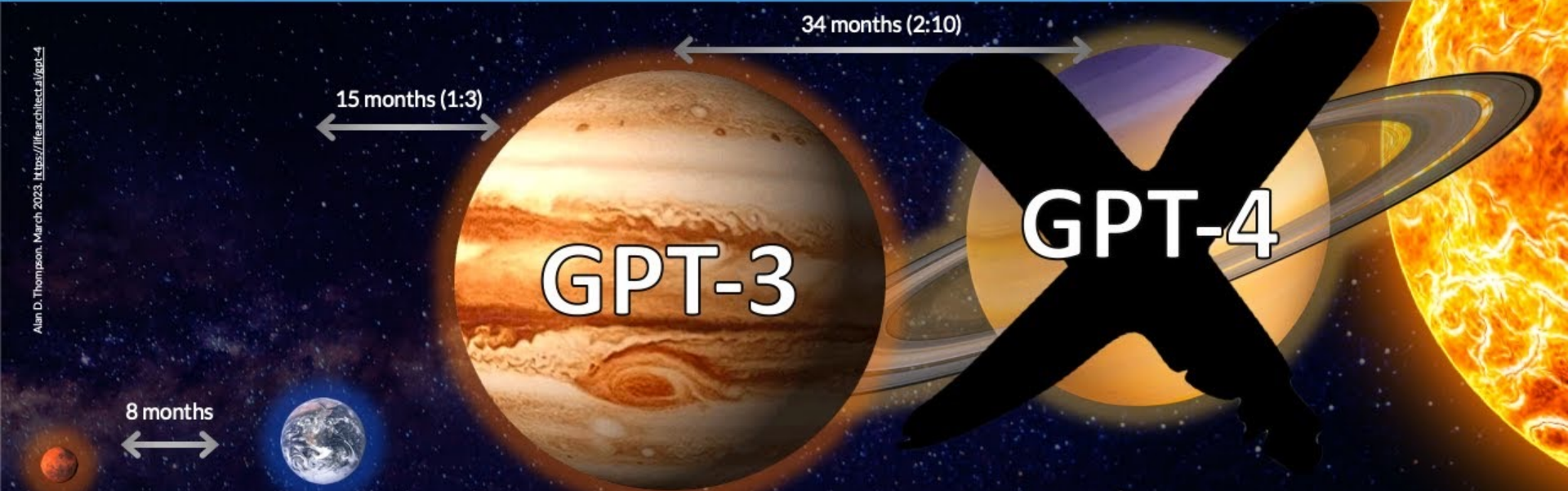
**LSTM**

RAHUL SINGH

# JOURNEY TO GPT-4

ARROWS (RELEASE TIME DELTA) & SPHERES (PARAMS) TO SCALE

Alan D. Thompson, March 2023, <https://lifeaiarchitect.ai/gpt-4>



GPT-1	GPT-2	GPT-3	GPT-4	GPT-5
Jun/2018	Feb/2019	May/2020	Mar/2023	Next...
Data: 1.3B / 4.6GB	Data: 10B / 40GB	Data: 300B trained / 500B / 753GB	Data: Undisclosed	
Parameters: 117M	Parameters: 1.5B	Parameters: 175B	Parameters: Undisclosed	

# Industrial AI

**NXAI GmbH** is dedicated to industrial AI:

- **AI for industrial applications** in engineering, robotics, construction, design, automation, process control, optimization
- AI revolution in industry **at scale** and with domain expertise
- **AI4Simulation**: large-scale industrial simulations
- **xLSTM**: new scaling technology and European LLM (large language model)



# AI for Simulations

Group of Johannes Brandstetter:

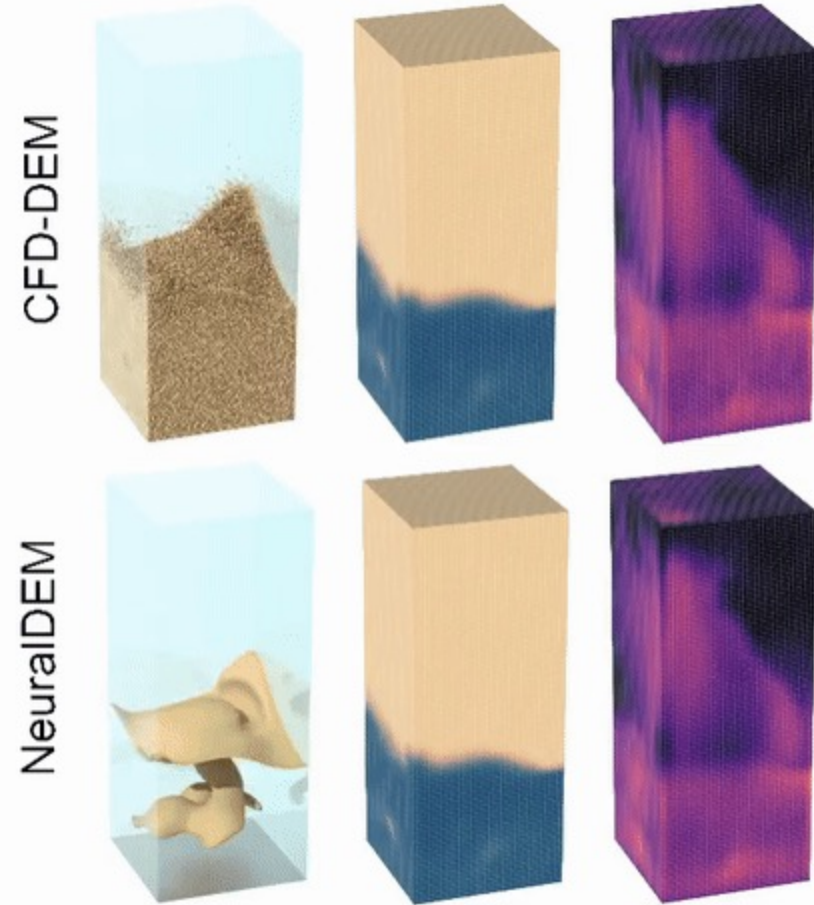
- AI is on the cusp of disrupting **industry-scale simulations**
- **foundation models** for language, computer vision, weather modeling, and protein design
- **scaling-up deep learning models** for everyday engineering and design processes
- **disrupts industries**



# AI for Simulations

## Simulations

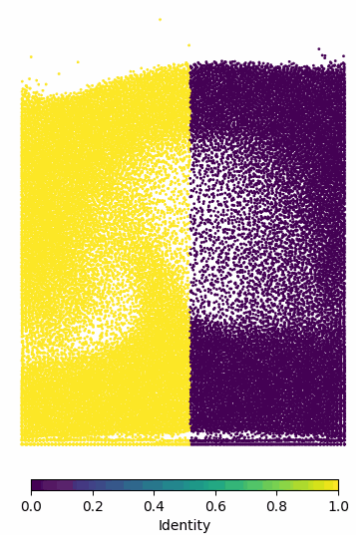
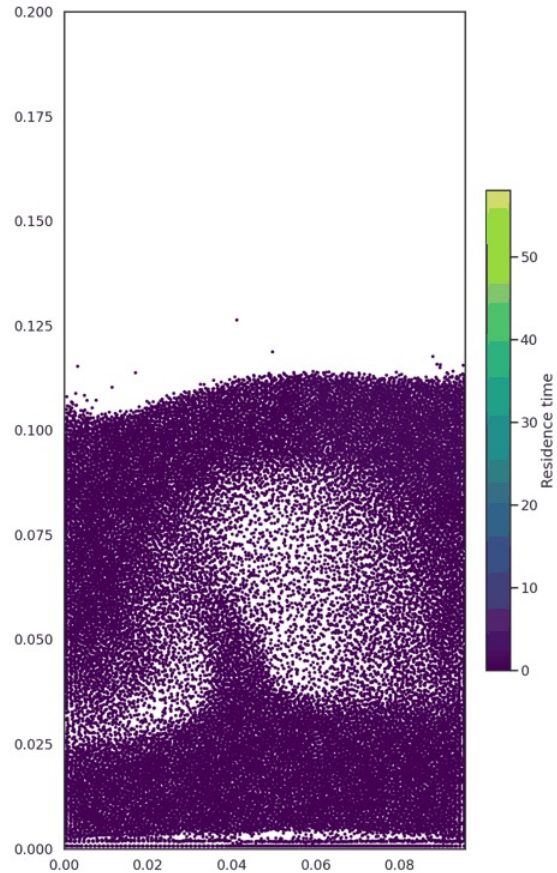
- discrete element method (DEM) to simulate particles
- computational fluid dynamics (CFD) for simulating fluid and gas (air)
- neural methods are 1,000 to 10,000 times faster
- neural methods scale to 100 Mio. mesh points or particles while numerical methods are limited to 1 Mio.





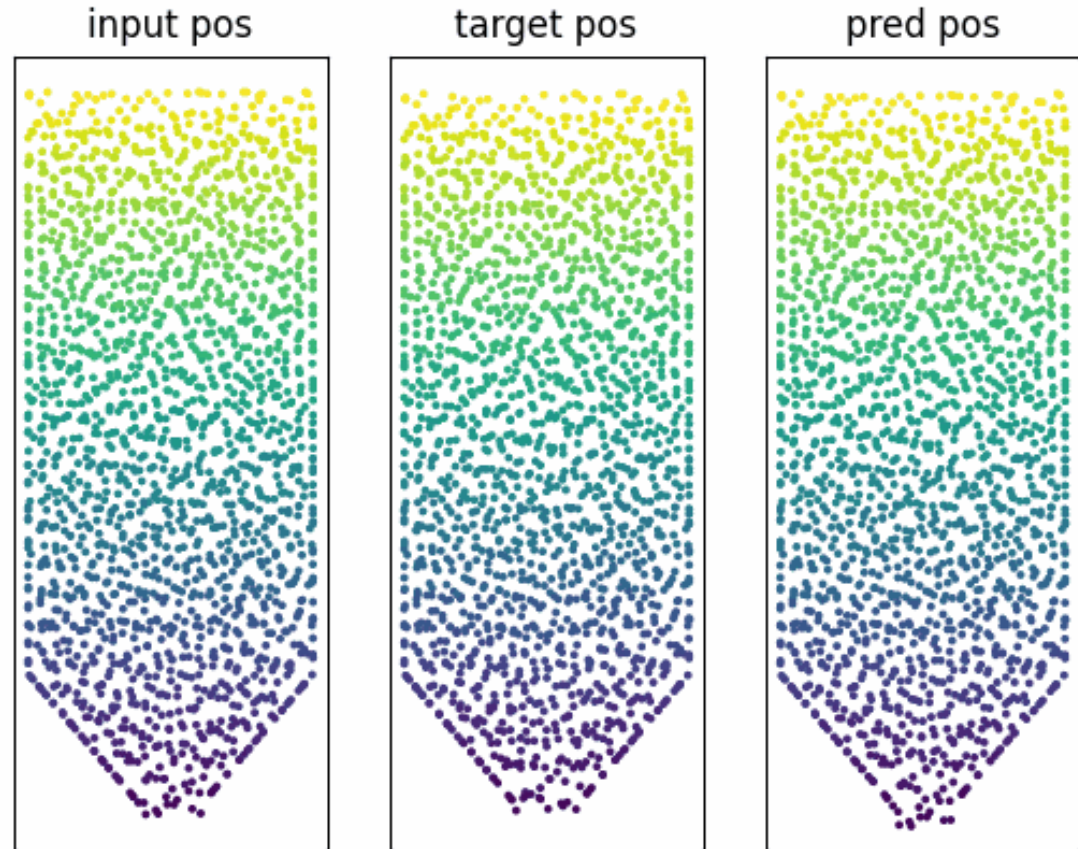
# AI for Simulations

## Simulations



# AI for Simulations

Simulations



# xLSTM

With xLSTM we asked a simple question:

**How far do we get in language modeling** when

- **scaling** LSTMs to billions of parameters
- leveraging the **latest techniques** from LLMs
- **mitigating known limitations** of LSTMs?

# xLSTM

**xLSTM outperformed all competitors** on all tested (small) language datasets.

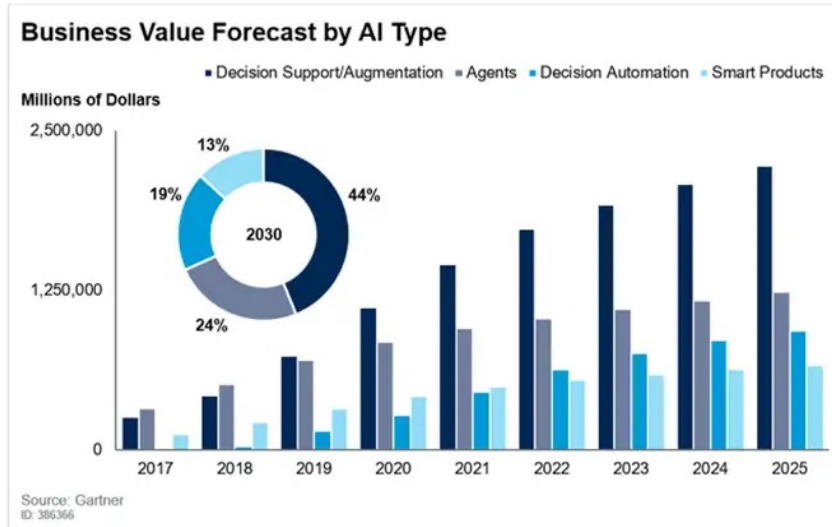
**xLSTM** is faster than GPTs and has less compute, therefore **is more energy efficient.**

# Productivity Increase by AI

>apagen<

odoo

Artificial Intelligence is Beneficial to productivity?



# The European AI ecosystem is strong, but remains fragmented

## The leaders,

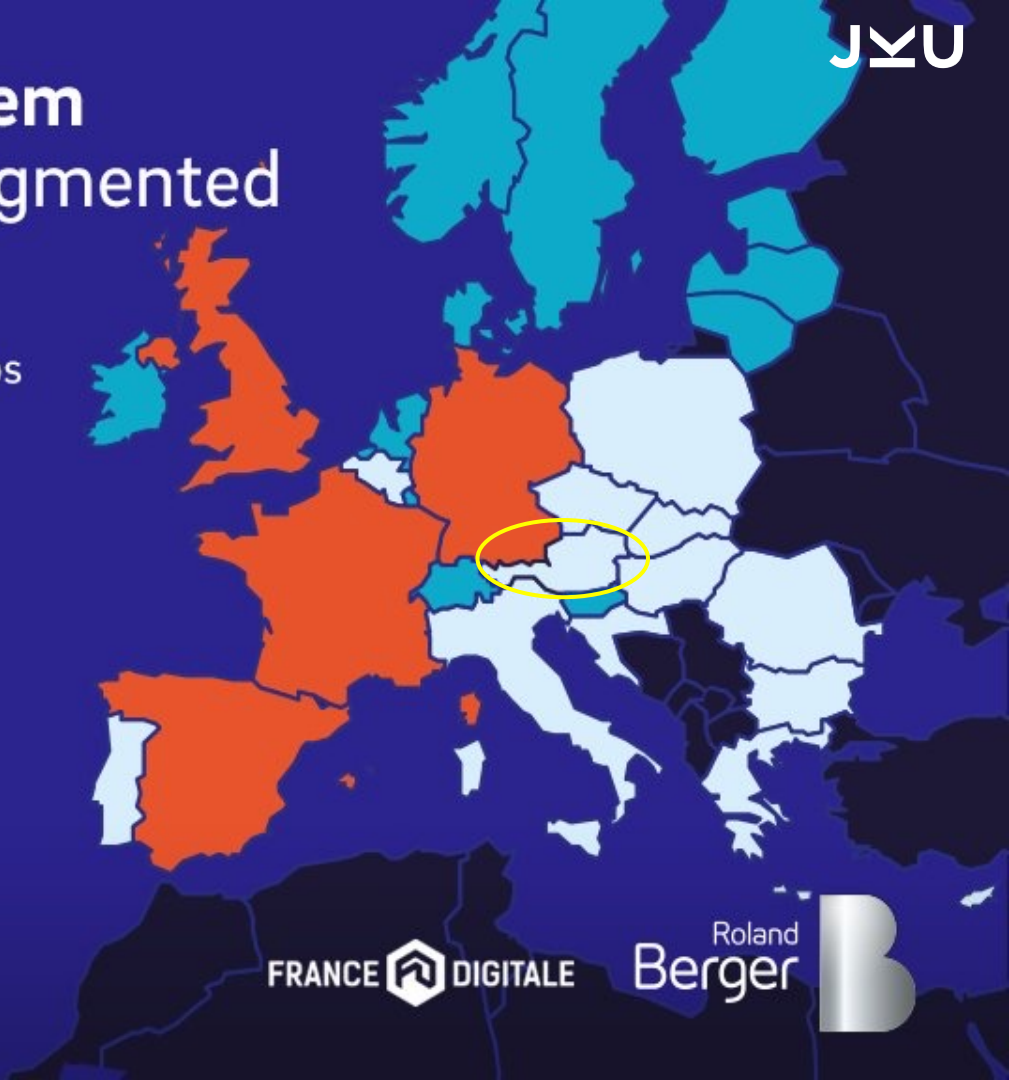
4 countries contributing 60% of startups, labs and communities across the 30 countries.

## The rising stars,

comprising 12 countries, mainly Nordic and Baltic states. Very dense ecosystems, +high level of private sector AI research.

## The followers,

14 remaining countries. No critical mass, no specific density.



# Bilateral Artificial Intelligence





**Martina Seidl**  
Symbolic AI  
SAT Solving  
Formal methods

- Institute for Machine Learning
- ELLIS Unit Linz
- LIT AI Lab
- Institute for Symbolic Artificial Intelligence



**Sepp Hochreiter**  
Machine Learning  
LSTM  
Vanishing gradient



**Christoph Lampert**  
Machine Learning  
Trustworthy Learning

- Machine Learning and Computer Vision group
- ELLIS Unit ISTA



**Axel Polleres**  
Knowledge Graphs

- Institute for Data Process and Knowledge Management

**BILAI Consortium:**  
35 Key researchers  
13 ELLIS members  
11 ERC grants  
2 FWF Wittgenstein awards  
3 FWF START prizes



**Gerhard Friedrich**  
Symbolic AI  
Model-based reasoning

- Institute for Artificial Intelligence and Cybersecurity



**Robert Legenstein**  
Machine Learning  
Computational Neuroscience

- Institute of Theoretical Computer Science



**Agata Ciabattoni**  
Logic Reasoning

- Institute for Logic and Computation



**Thomas Eiter**  
Symbolic AI  
Knowledge representation





**END**