EXECUTIVE BRIEFING · JUNE 2026

A Brief History of Artificial Intelligence

From the Turing Test to autonomous agents — seven decades that reshaped business.

WHY IT MATTERS NOW

AI has crossed from promise to infrastructure

Seven decades of research quietly compounded — then, in just a few years, AI became something every executive must plan around. The numbers tell the story.

88%

of organizations now use AI in at least one business function — up from 20% in 2020.

$407B

projected global enterprise AI spending in 2026, a ~35% jump over the prior year.

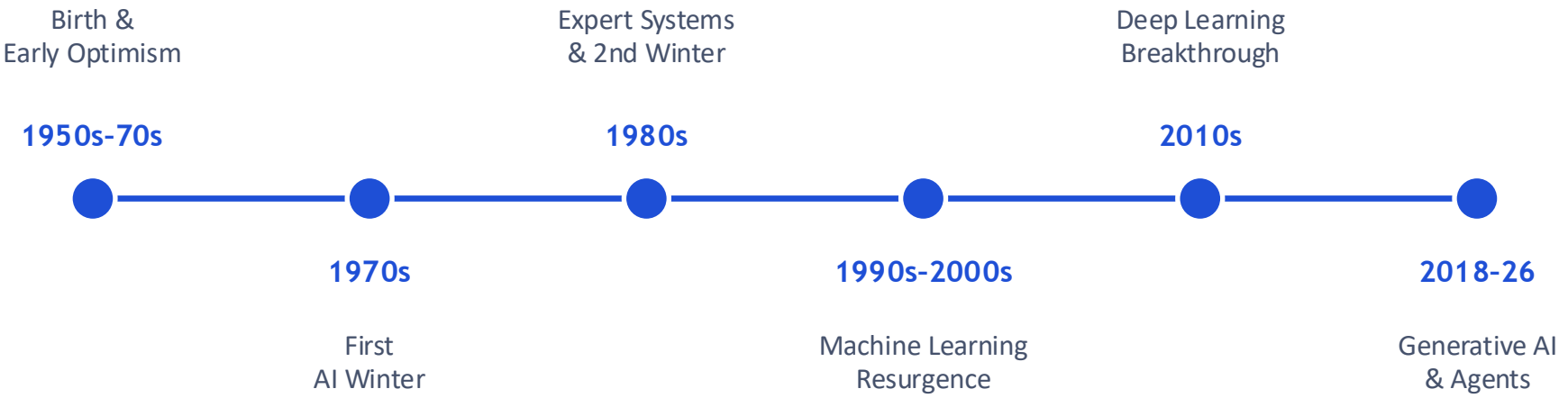
100M

users on ChatGPT within two months of launch — the fastest consumer adoption on record.

Sources: McKinsey State of AI 2025; IDC enterprise AI spending forecast; OpenAI.

THE JOURNEY AT A GLANCE

Seven decades, six defining eras



Two boom-and-winter cycles preceded today's breakthrough — a reminder that progress in AI has never been a straight line.

ERA 01 · 1950S-1970S

Birth and Early Optimism

A handful of researchers dared to ask whether machines could think — and gave the field its name and first tools.

1950

The Turing Test

Alan Turing asks “Can machines think?” and proposes the imitation game.

1956

Dartmouth

John McCarthy coins “artificial intelligence”; the field is officially born.

1957

The Perceptron

Rosenblatt builds the first neural network that learns from examples.

1966

ELIZA

Weizenbaum’s chatbot mimics a therapist; users form real emotional bonds.

Bold ambition set expectations that 1960s hardware simply couldn’t meet.

ERA 02 · 1970S

The First “AI Winter”

When the hype outran the hardware

Early promises of human-level intelligence “within a generation” collided with the limits of the era’s computers. As results stalled, confidence and funding evaporated — the first deep freeze in AI research.

Overpromised results

Bold predictions of thinking machines went unmet, eroding credibility.

Limited computing power

Hardware was far too weak for the problems researchers tackled.

Funding dried up (1974)

Government and corporate sponsors pulled back sharply.

ERA 03 · 1980S

Expert Systems Boom — and the Second Winter

AI found commercial value by encoding human expertise into thousands of “if-then” rules.

69%

MYCIN (Stanford)

Diagnosed bacterial infections at near-specialist accuracy — yet liability fears kept it from the clinic.

$25M / yr

XCON (DEC)

Configured computer orders at 95–98% accuracy, scaling to thousands of rules and major savings.

By 1985: $1B+ spent annually on expert systems · Japan’s $850M Fifth-Generation project (1982) raced for the lead.

1987: *Systems proved brittle and costly to maintain, the specialized-hardware market collapsed, and AI froze a second time.*

ERA 04 · 1990S-2000S

From Hand-Coded Rules to Learning from Data

Cheaper computing and growing datasets revived neural networks and shifted AI toward statistics.

1986

Backprop Arrives

Backpropagation makes training multi-layer networks practical, reviving neural nets.

1997

Deep Blue

IBM's machine defeats world chess champion Garry Kasparov.

1997

LSTM Networks

A memory architecture that still underpins modern sequence models.

2011

IBM Watson

Wins Jeopardy!, showcasing data-driven question answering.

The center of gravity shifts from logic rules to data and statistics — the groundwork for what comes next.

ERA 05 · 2010S

Deep Learning Changes Everything

Abundant data, powerful GPUs, and new architectures unlocked capabilities that finally scaled.

2012

ImageNet Moment

Deep neural networks shatter image-recognition benchmarks, igniting the modern AI boom.

2016

AlphaGo

DeepMind’s system masters the game of Go — a milestone thought to be decades away.

2017

Transformers

The “attention” architecture becomes the foundation for nearly all modern AI models.

Data + GPUs + new architectures = capabilities that improve as they scale.

ERA 06 · 2018-2026

The Generative AI Era

- **2022** — ChatGPT reaches 100M users in two months, putting generative AI in everyone's hands.
- **2023** — GPT-4 and rival models from across the industry bring AI into everyday knowledge work.
- **2024** — Multimodal models see, hear, and speak — not just type.
- **2025-26** — Reasoning models and autonomous agents shift AI from assistant to coworker.

CATEGORIES OF AI · BY CAPABILITY

Three Levels of Machine Intelligence

EXISTS TODAY

Narrow AI (ANI)

Excels at one specific task. Powers voice assistants, recommendations, fraud detection — and today's chatbots.

THEORETICAL

General AI (AGI)

Matches human ability to learn and reason across any task. Not yet achieved.

HYPOTHETICAL

Superintelligence (ASI)

Would surpass the best human minds across every domain. Purely speculative today.

Every AI system in production today is Narrow AI — remarkably capable, but specialized.

CATEGORIES OF AI · BY DISCIPLINE

The AI Toolkit

Machine Learning

Systems that learn patterns from data instead of explicit rules.

Deep Learning

Multi-layer neural networks for images, speech, and text.

Natural Language

Understanding and generating human language (NLP).

Computer Vision

Interpreting images and video to recognize the world.

Generative AI

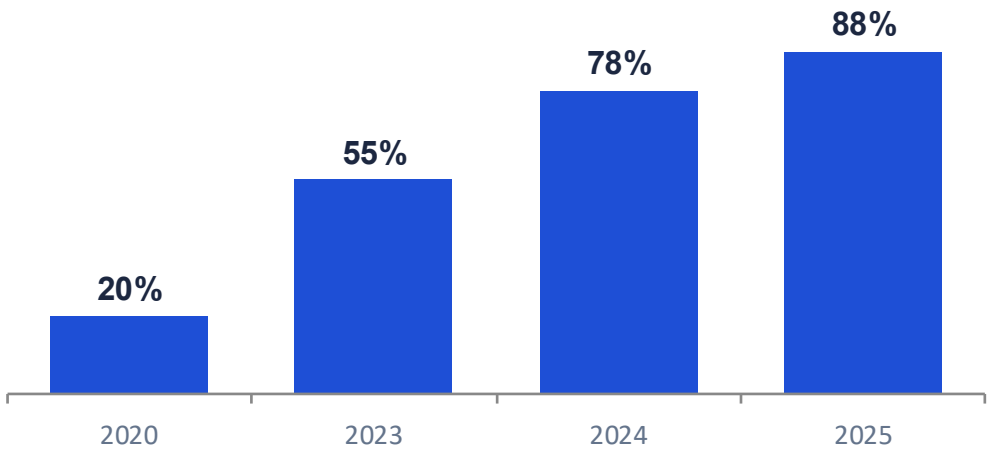
Creating new text, images, and code from learned patterns.

Deep learning is a subset of machine learning, which is a subset of AI — language, vision, and generation are where they create value.

AI IN THE ENTERPRISE

Adoption Is Near-Universal — Returns Are Still Catching Up

Share of organizations using AI in at least one function



$407B projected enterprise AI spending in 2026 (IDC)

82% of business leaders use generative AI at least weekly

~1 in 3 organizations yet report significant ROI from AI

Adoption has outpaced operating discipline: the value now lies in turning pilots into governed, repeatable workflows.

IMPLICATIONS

What Seven Decades Teach Business Leaders

Hype runs in cycles

Two winters followed two booms. Separate durable capability from the noise before you bet.

Data is the moat

Value shifted from clever rules to proprietary data and feedback loops you alone control.

From tools to agents

AI is moving from answering questions to taking actions — redesign workflows, not just tasks.

Govern early

With adoption near-universal, ROI and trust now hinge on governance, not model choice alone.

THE NEXT CHAPTER

From a tool to a teammate.

AI traveled from a philosophical question to the Turing Test to systems that now act on our behalf. The organizations that pair bold ambition with disciplined governance will define the decade ahead.