

+0.1

+0.1 11.2.26

+0.1 17.2

+0.1 16.2

+0.1 5.3 26

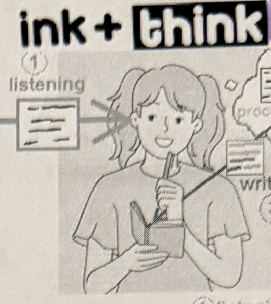
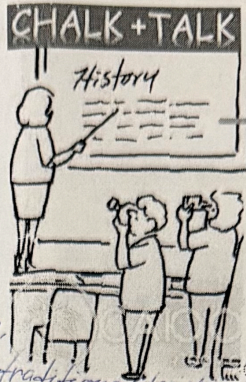
+0.1

7.4

+0.1

4.9

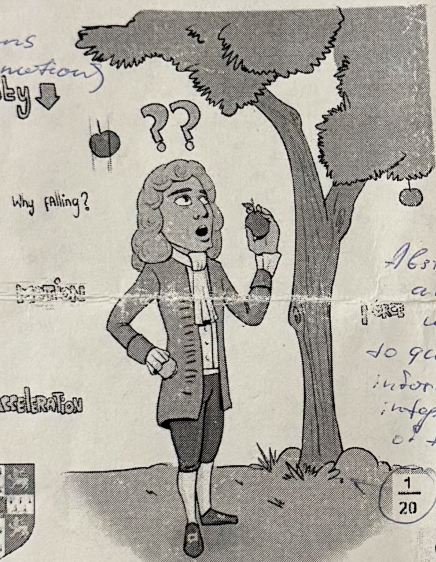
80% probability of rain - probabilistic nature of weather predictions.



The shift from school simple intuition, formalism without deep understanding to traditional teaching less effective method. A 3-step more effective, engaging learning method. School $\Downarrow$ gravity $\Downarrow$ MOTION $\Rightarrow$ formalism $\Rightarrow$ University $E=MC^2$

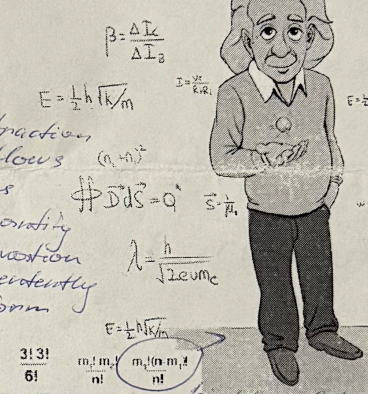
CONCRETE AND ABSTRACT THINKING

concrete observations (gravity, motion) $\Downarrow$ gravity $\Downarrow$ classical thinking



ISAAC NEWTON

(abstract mathematical laws, formulas) modeling of hidden states $E=MC^2$ factorials, sequences $m_n = N! H_n \cdot \frac{Q}{V_e} \frac{H_n}{H_0}$



ALBERT EINSTEIN

Abstraction allows us to quantify information independently of form. $\beta = \frac{\Delta I_1}{\Delta I_2}$, $E = \frac{1}{2} h \nu$, $\lambda = \frac{h}{2\pi m v}$, $E = \frac{1}{2} h \nu$, $\frac{1}{20}$, $\frac{3!3!}{6!}$, $\frac{m_1! m_2!}{n!}$, $\frac{m_1! (n-m_1)!}{n!}$

highly abstract structural math. "Group Theory" GALOIS 1811-1847, EVARISTE GALOIS & his theory

Motivation: 80% chance of rain. Let A_j be the event of rain on day j of this term, $1 \leq j \leq n$.

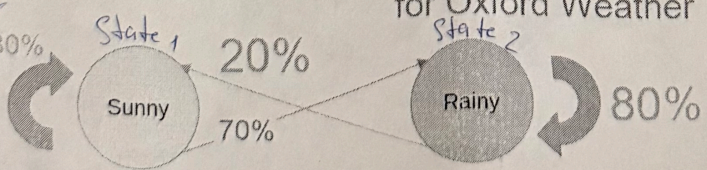
Suppose the events A_j each have probability p . Building statistical model of collection of events. Assumption: events are identically distributed + independent.

Oxford			
Tue 13th	Wed 14th	Thu 15th	Fri 16th
10° 70%	13° 70%	13° 70%	11° 70%

Markoff Chain Probability Model

for Oxford Weather

mathematical model that predicts future states based solely on the current one, ignoring preceded



When raining: 80% - stays raining, 20% - becomes sunny } 100%. When sunny: 30% - remains sunny, 70% - gets rainy } 100%.

to solve Problem of Points
Division of Stakes
ground for Probability Theory

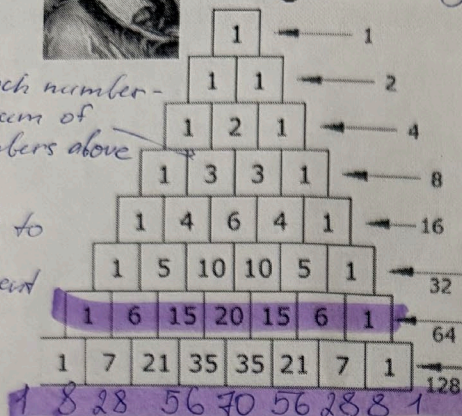
Bernoulli Trial with
2 outcomes: H/T



Pascal's triangle

Each number -
the sum of
2 numbers above

Corresponds to
the coefficient
in the
expansion
of
binomial
expression



$$(a+b)^0 =$$

$$(a+b)^1 =$$

$$(a+b)^2 =$$

$$(a+b)^3 =$$

$$(a+b)^4 =$$

$$(a+b)^5 =$$

$$(a+b)^6 = a^6 + 6a^5b + 15a^4b^2 + 20a^3b^3 + 15a^2b^4 + 6ab^5 + b^6$$

$$(a+b)^7 = a^7 + 7a^6b + 21a^5b^2 + 35a^4b^3 + 35a^3b^4 + 21a^2b^5 + 7ab^6 + b^7$$

General form:

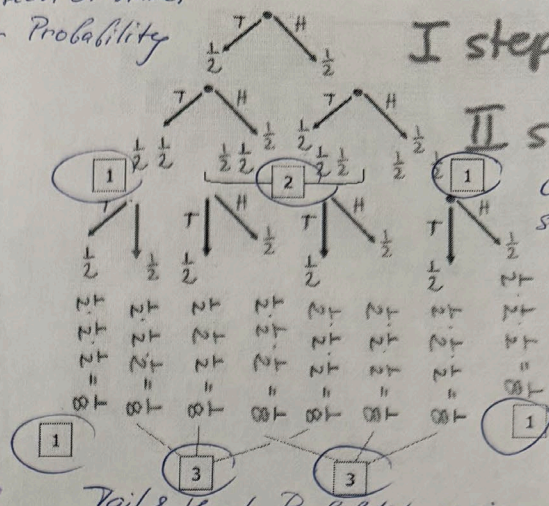
$$\binom{n}{k} a^{n-k} b^k, \text{ where } \binom{n}{k} - \text{binomial coefficient}$$

$$\text{Proves that: } (a+b)^n = \sum_{k=0}^n \binom{n}{k} a^{n-k} b^k$$

I step

II steps

each step
sums
previous
values



Tail & Heads Probability using Pascal's Triangle

Newton's
Binomial
Theorem



or
Binomial
Expansion

Formalized
Pascal's
Triangle

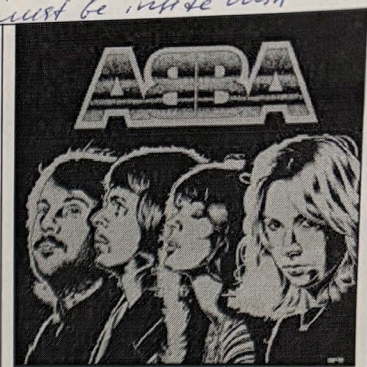
task 0

container for code; every piece of C# code must be inside class

This is the program we need to write today

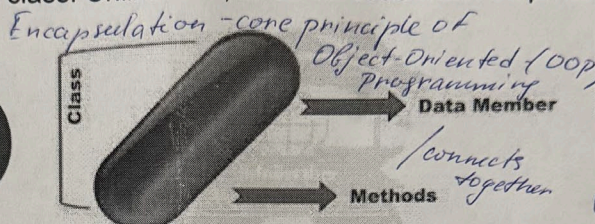
```
class ABBA
{
    static void Main(string[] args)
    {
        System.Console.WriteLine("ABBA!");
    }
}
```

entry point for console appl.
// Here's a method called Main.



So there's the keyword class. Unlike C++, in C# all code must be placed in a class.

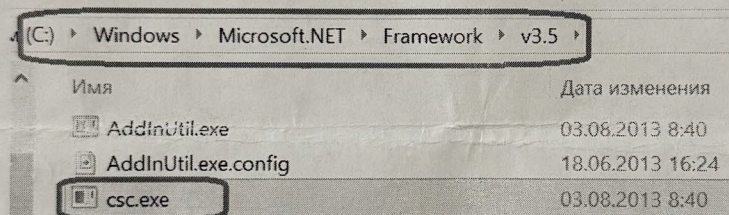
Encapsulated in a class.



A ≠ a

C# is case sensitive
Value & value -
2 different variables.

C:\WINDOWS\Microsoft.NET\Framework\v3.5\ *C# Sharp Compiler* csc.exe



Compiler translates source code into executable one
ABBA.cs → csc.exe = ABBA.exe
C# Compiler

Step 1. And on my HDD, I also make a folder with the same name D:\IT

Step 2. In the folder E:\IT\ we make the folder of the **Projects** - E:\IT\Projects

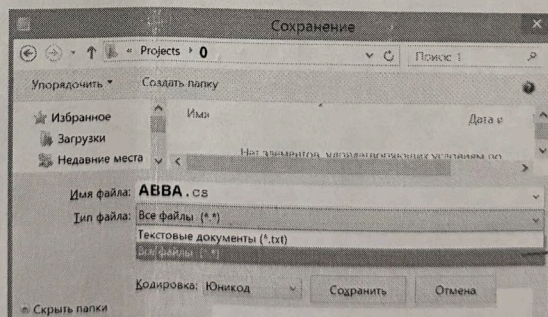
And in the **Project** folder make folder 0 - E:\IT\Projects\0\ where our today's

practical work will be stored

Step 3. As I mentioned

above, C# is a built-in language of Windows.

Notepad is enough to write a program



C# tools are built in with Windows, so can be written with the use of Notepad

You need to switch from *.txt (Text documents) to *.cs (all files)

Otherwise, notepad with *.txt extension

Step 4. Entering command mode

Start=>Run=>cmd

cd E: - After that go to the folder IT/Projects/0/
cd IT - Then go to the folder Projects
cd projects - Then go to the folder 0
cd 0 -

```
E:\>cd IT
E:\IT>cd Projects
E:\IT\Projects>cd 0
E:\IT\Projects\0>
```

- 1) write code
- 2) save .cs
- 3) compile
- 4) error fix
- 5) run
- 6) test output

Active prompt to run compiler tool

Step 5.

Now we need to compile the file using the compiler **csc.exe** which is in the folder

C:\Windows\Microsoft.NET\Framework\v3.5

C:\WINDOWS\Microsoft.NET\Framework\v3.5\csc.exe *points compiler* **ABBA.cs** *passes as argument source code*

the result is a file **ABBA.exe** that can already be run (which is located in the same folder). If you have taken the 1st step, then this means that the education-process has begun. This is victory. **csc /target:library ABBA.cs** - will make **ABBA.dll**.

**>ABBA
ABBA**

Step 6. Modify the file as follows using System;

Dynamic Link Library

```
static void Main(string[] args)
// Here's a method called main.

class ABBA
{
    math function
    static int Factorial(int n)
    {
        System.Console.WriteLine("ABBA -"+
        Factorial(4));
        if (n == 1) return 1; - prevents infinite recursion
        return n * Factorial(n - 1);
    }
    n! = n * (n-1) * ... * 1
}

>C:\WINDOWS\Microsoft.NET\Framework\v3.5\csc.exe ABBA.cs
>ABBA
ABBA - 24
```

Step 7. Modify the file as follows

using System;	public static void Main()
class ABBA	{
{	System.Console.WriteLine("ABBA");
static int Factorial(int n)	System.Console.Write("Enter number of Vowels:"); <i>(V)</i>
{	string s = Console.ReadLine(); <i>- waits for users input</i>
if (n == 1) return 1;	int vowels =int.Parse(s); <i>- converts string into integer</i>
return n * Factorial(n - 1);	System.Console.Write("Enter number of Consonants:"); <i>(C)</i>
}	s=System.Console.ReadLine();
	int consonants =int.Parse(s);
	Console.WriteLine(Factorial(vowels)*Factorial(consonants));
	} <i>V! * C! Formula to calculate</i>

**>ABBA
ABBA
Enter number of Vowels:2
Enter number of Consonants:2
4**

**>ABBA
ABBA
Enter number of Vowels:3
Enter number of Consonants:3
36**



Visual illustration of permutations in real life



showed that logical reasoning can be expressed mathematically using

true/false; basis for modern computing.

Resume of Lecture by Pr. Bob Gallagher from MIT

MIT Massachusetts Institute of Technology (MIT)

George Boole (1815-1864) developed Boolean logic

The principles of logical thinking have been understood (and occasionally used) since the Hellenic era.

Boole's contribution was to show how to systemize these principles and express them in equations (called Boolean logic or Boolean algebra).

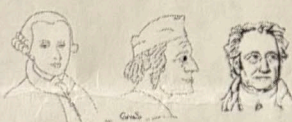
Claude Shannon (1916-2001) showed how to use Boolean algebra as the basis for switching technology. This contribution systemized logical thinking for computer and communication systems, both for the design and programming of the systems and their applications.

Logic continues to be abused in politics, religion, and most non-scientific areas.

Logic continues to be abused in politics, religion and most non-scientific areas

Logic is reliable when conclusions are drawn from evidence, otherwise it leads to structural fallacy.

These fields to not rely on strict logical proofs.



Kant

Gauss

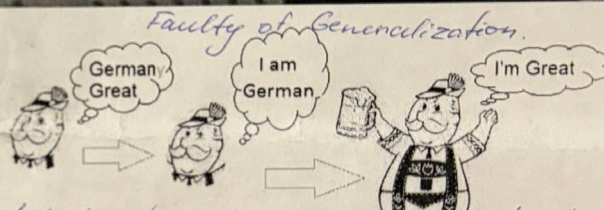
Goethe

A little nationalistic, but this is an example of right logic

Kant, Gauss, Goethe are great

Kant, Gauss, Goethe - Germans

Germany Great

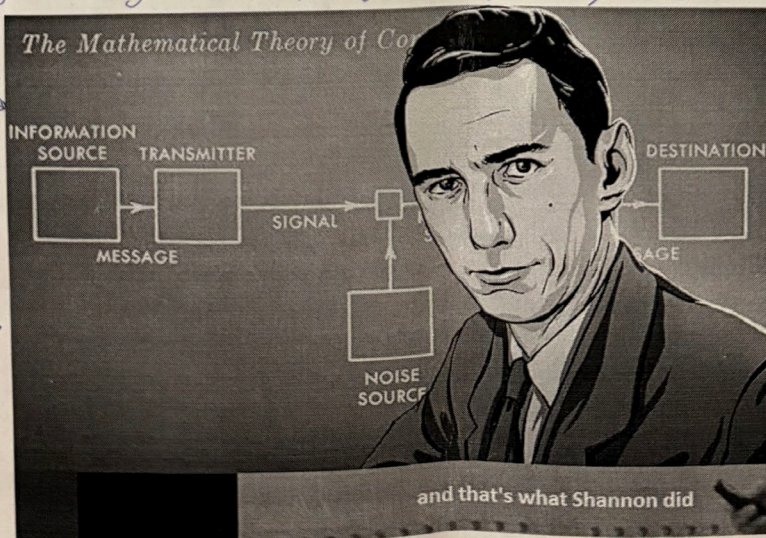


What is true for the group isn't automatically true for each individual within group. Bad logic (abuse of logic)

Valid reasoning:

are recognised as great minds, are German, Germany has greatness by collective achievements

Communication Diagram.



Creating a reliable connection over an unreliable (noisy) channel that's what IT is about

Shannon showed that communication is possible even through noise with smart encoding, error detection and correction, instead of stronger signal.

Information goes through the channel in the form of signal. Noise can corrupt the message and cause errors.

and that's what Shannon did

Claude Shannon applied Boolean logic to communication systems, founded field of Information Theory, paved way to digital age. Math. study how Data is generated, compressed, transmitted, received.

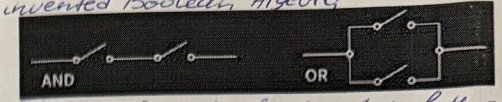
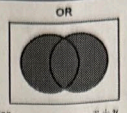
Boolean symbols:
 1 - and
 v - or
 T - not

Logical addition (disjunction)

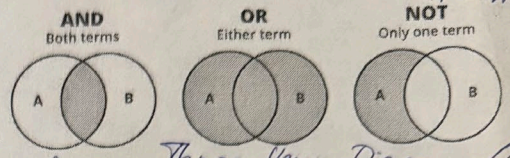
A	B	$F = A \vee B$
0	0	0
0	1	1
1	0	1
1	1	1

A	B	$A \vee B$
True	True	True
True	False	True
False	True	True
False	False	False

Sets x and y Logical disjunction



BOOLEAN LOGIC

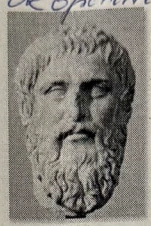
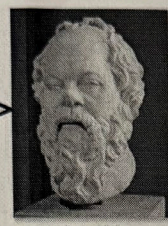
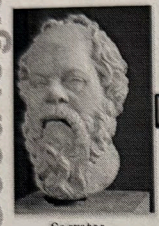


$A \vee B$ - true if either A/B/both - true.

output values of OR operation

Three Venn Diagrams (visual representation)

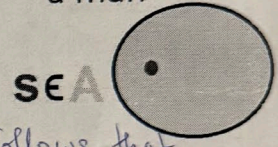
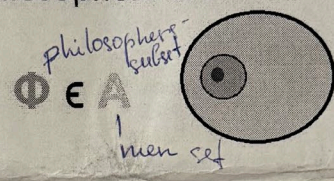
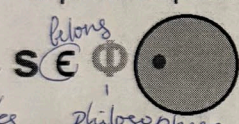
Aristotelian Syllogism
 Good logic



Socrates was a philosopher

philosophers are men

Socrates was a man

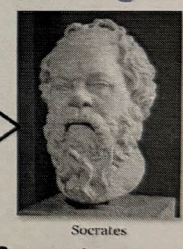
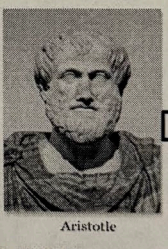
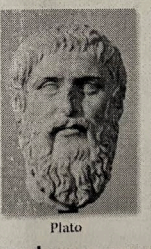
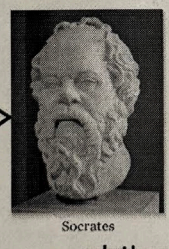


Socrates belongs to philosophers set

philosophers - subset of men

Follows that Socrates belong to the set of men.

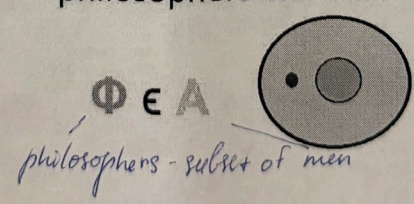
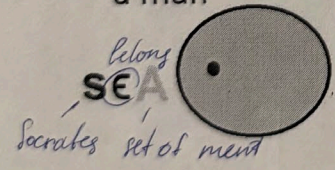
logical Fallacy
 Bad logic



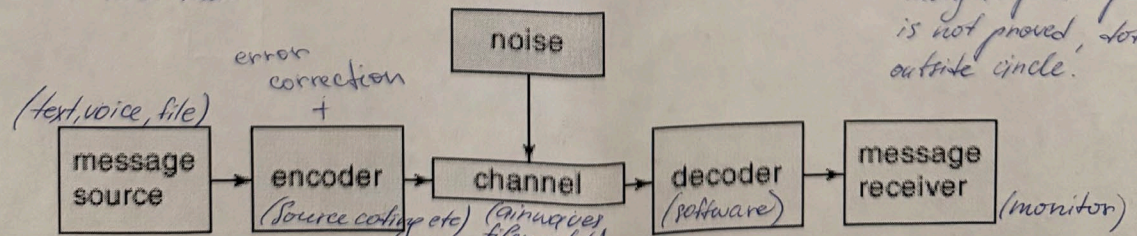
Socrates was a man

philosophers are men

Socrates was a philosopher



Socrates belong to philosophers is not proved, set is outside circle.



(tracks how data moves from beginning to end in the system)

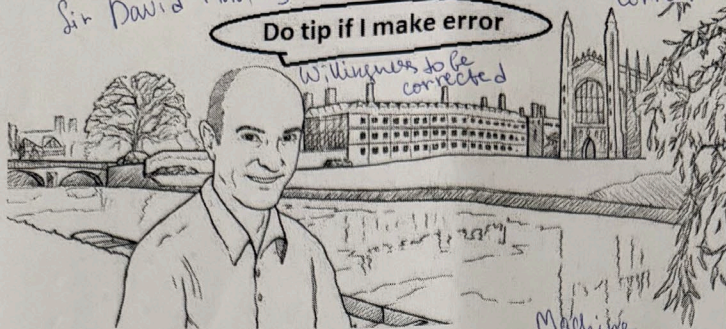
+0.1

Received signal = Transmitted signal + noise

Sir David MacKay - notable figure in IT & Error correction

Do tip if I make error

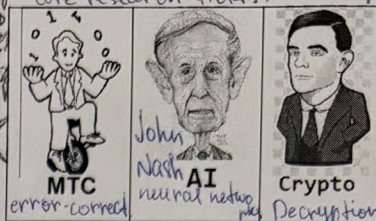
Willingness to be corrected



+0.1 7.4

Sir Dr. D. MacKay,
University of Cambridge
(22 April 1967 - 14 April 2016)

Core research fields:

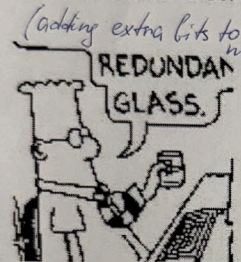


Alan Turing
Cryptography

Binary Symmetric Channel

Redundant data helps to ensure accuracy in the presence of errors

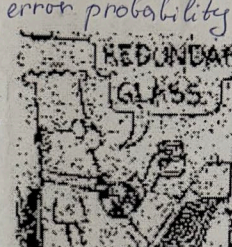
"I believe in clean energy, but I also believe in mathematics"



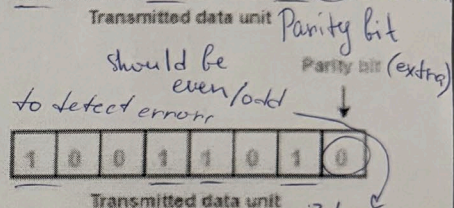
error probability

$$\begin{matrix} (1-f) & 0 \\ f & 1 \end{matrix}$$

$f = 10\%$



Math. Theory of Communication Claude Shannon



1) Source code:

original data (1/0)

ENCODER

t

CHANNEL

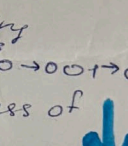
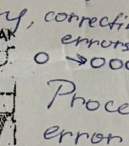
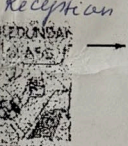
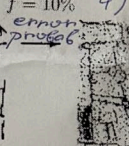
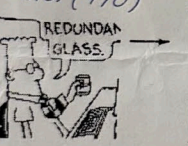
r

DECODER

s occurrence

Solution

2) encoding each bit repeated (3 times)



Repetition Code

Source sequence s	Transmitted sequence t
0	000
1	111

The repetition code R_3

Repeat each code multiple times (3) to create redundancy.

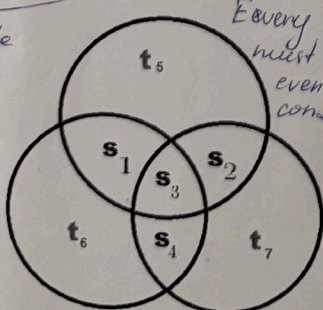
010 → 0 - error is corrected

7.4. Hamming code.

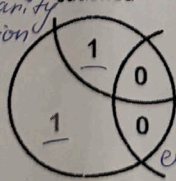
Total number

$0.028 + 0.001 = 0.028$

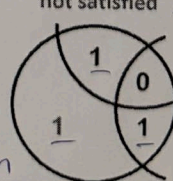
Binary code for error correction that can detect & correct single-bit errors.



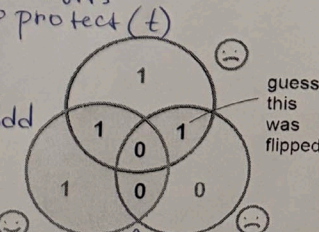
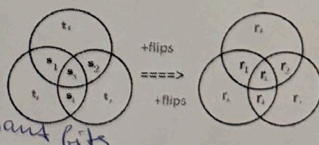
Every circle must satisfy even parity condition



$1+1+0+0=0$

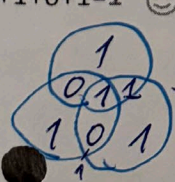
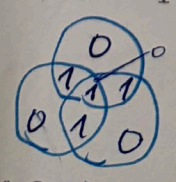
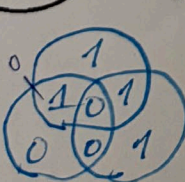


$1+1+0+1=1$



guess this was flipped

Intersections - data bits being protected by the parity bits.



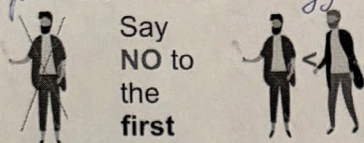
$1=0.111 \Rightarrow S_1=0 S_2=1 S_3=1 S_4=1 \Rightarrow t_5=0 t_6=0 t_7=1$

Flips

Entropy $H(x)$ - quantifies average amount of inf. Self Information - how surprising the info may be

- Every outcome equally likely - High Entropy
- 1 outcome much more likely than others - low (Predictability)

Optimal Choice Strategy: (Stopping Problem)



Say NO to the first

automatically no, it primarily establishes baseline



Say YES to the second if it is better than the first (compare to baseline)



Say NO to the third only if it is worse than all the others

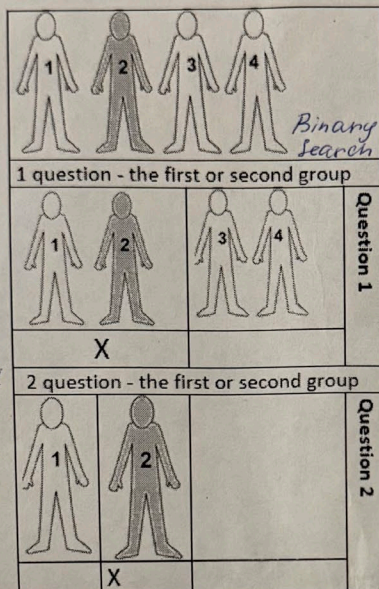
(if rejected 2nd, take 3rd, unless it's worst)

Uniform Distribution

Entropy (equal chances)

$$\log_2(4) = 2$$

Comparing candidates in pairs to determine best option



Average number of questions =

1*0.5+	2*0.25+	3*0.125+	3*0.125
Mark Zuckerberg	Sergey Brin	Stefan Quandt	Prince Al Saud

Non-Uniform Distribution

(Huffman Coding Principle) Shannon

How to determine av. number of questions: 3 questions identify specific person

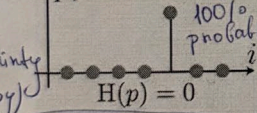
Question 1. Is this Zuckerberg? 1st to most likely	50%	1*0.5	if yes - stop
Question 2. Is this Sergey Brin? 2nd	25%	2*0.25	if yes - stop
Question 3. Is this Stefan from BMW? 3rd likelihood	12.5%	3*0.125	if yes
So Prince Saud	12.5%	3*0.125	"

Average number of questions = Every person requires only 2 questions = 2

Average number of questions = 1.75

number of bits required to encode

$$H(X) = \sum_{i=1}^n p(x_i) \log_2 \frac{1}{p(x_i)}$$

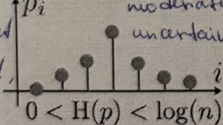


Quantifying information

Self-Information Formula:

$$I(x_i) = \log_2 \left(\frac{1}{p_i} \right) = -\log_2(p_i)$$

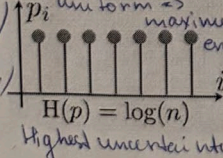
gives info content of a single event (the number of bits required to encode event)



number of bits required to encode choice

$$\sum_{i=1}^n p(x_i) I(x_i)$$

low p_i - High I(x_i) v.v.



50 billion	25 billion	12.5 billion	12.5 billion
Mark Zuckerberg	Sergey Brin	Stefan Quandt	Prince Al Saud
P(1) = 50%	P(2) = 25%	P(3) = 12.5%	P(4) = 12.5%
I = 1	I = 2	I = 3	I = 3

$$H(x) = (0.5 \cdot 1) + (0.25 \cdot 2) + (0.125 \cdot 3) = 1.75$$

$$\begin{aligned} 00000 &= \frac{5}{10} = 0.5 \\ 000 &= \frac{3}{10} = 0.3 \\ 00 &= \frac{2}{10} = 0.2 \end{aligned}$$

$$\begin{aligned} 1 \cdot 0.5 &= 0.5 \\ 2 \cdot 0.3 &= 0.6 \\ 3 \cdot 0.2 &= 0.6 \end{aligned}$$

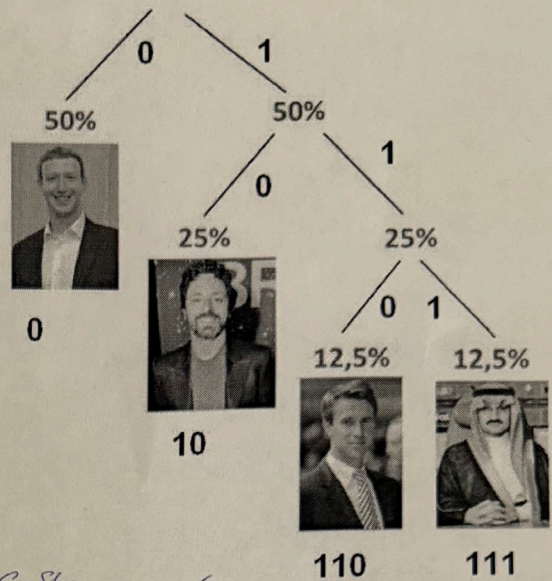
$$\begin{aligned} 1 \cdot 0.5 &= 0.5 \\ 2 \cdot 0.3 &= 0.6 \\ 2 \cdot 0.2 &= 0.4 \end{aligned}$$

200 2-5 min

1.5

Huffman Coding Tree:

Each character is assigned a binary code based on its frequency. Higher frequencies - closer to the root (shorter codes). Directional Convention: we assign 0s to left branch, 1s to right one.



Language Approximation studied by C. Shannon. (how statistical patterns

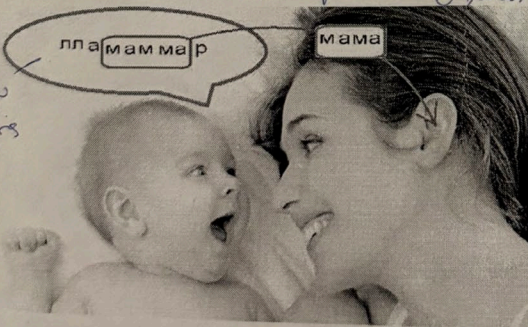
1) First-Order Approximation

First-order approximation (symbols independent but with frequencies of Belarusian txt).

Мама мыла ра	
М - 3 — 30%	1-3 М of appearance
а - 4 — 40%	4-7 а
ы - 1 — 10%	8-ы
л - 1 — 10%	9-л
р - 1 — 10%	10-р
10 - total numbers generated using percentages only.	
пламамап	

looks only on individual letters frequencies, independently from previous.

raw letters



more structure

2) Second-Order Approximation

Second-order approximation (diagram (2-symbols) structure as in Belarusian)

Мама мыла ра	
Ма - 2 22%	1-2 ма percentage of appearance
ам - 2 22%	3-4 ам
мы - 1 11%	5 мы
ыл - 1 11%	6 ыл
ла - 1 11%	7 ла
ар - 1 11%	8 ар
ра - 1 11%	9 ра
total	

Considers pairs of letters, based on patterns

0. 4 6 7 3 1 9 1 6 7 3 5 (depend on previous)

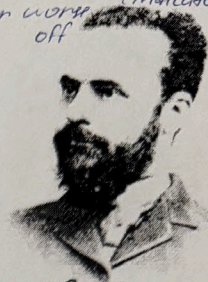
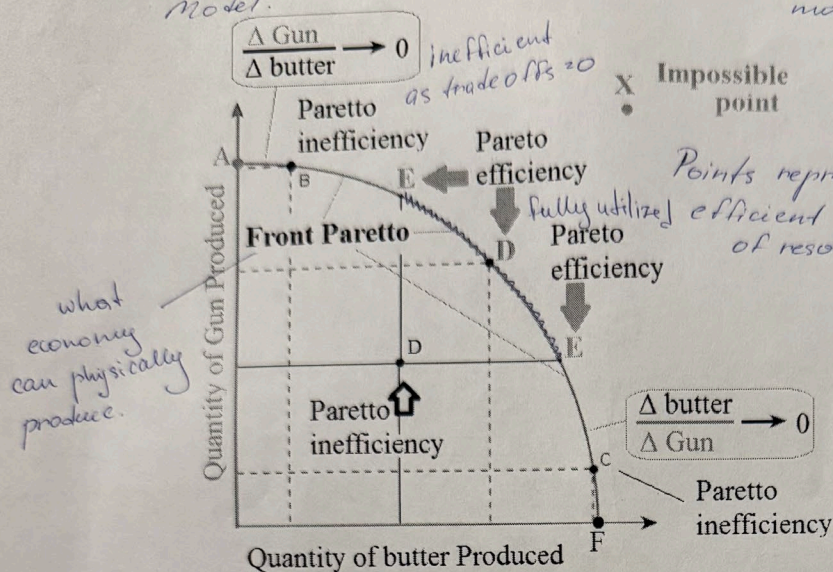
ам ыл ла ам ма ра ма ыл ла ам мы

мылла рама

looks more like real language; generated again using %



Pareto efficiency (Optimality) -
state where resources're allocated in
the most efficient manner. Any
change to make 1 individual better off,
make another worse off (Indicator)



by Vilfredo Pareto (Italian engineer)

1848-1923

The orange sector E-D-E is the most Pareto efficient - since an economic

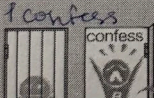
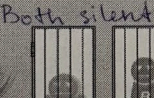
The orange sector E-D-E is the ^{economist} most Pareto efficient - since an increase in one indicator leads to a decrease in another.

Standard example of Game Theory,
shows why 2 rational individuals do not cooperate,
even if it is in their interests

Prisoners' dilemma

	prisoner A	prisoner B
prisoner A		
prisoner B		

Game

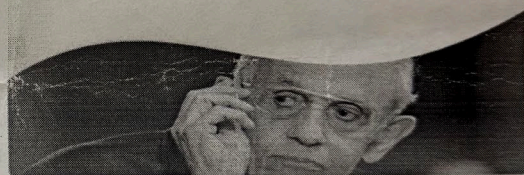
Prisoners' dilemma		prisoner B	
		confess	remain silent
prisoner A	worst confess	Both confess  5 years 5 years	1 confess  0 year 20 years
	remain silent	1 confess  20 years 0 year	Both silent  1 year 1 year

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Concept of game theory, where no player can benefit by changing their strategy, while other players keep theirs unchanged.

Game Theory keeps it interesting

Nash Equilibrium



John
Nash

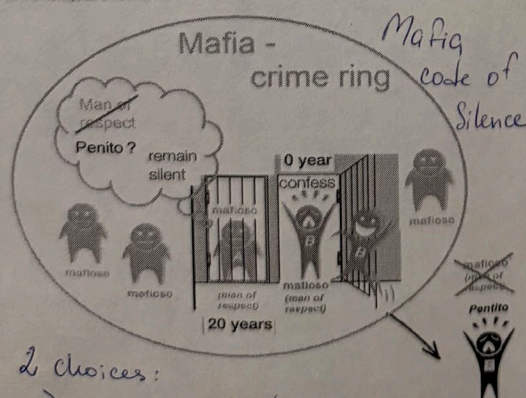
**** => Nash equilibrium**

		<i>Neither player</i>	
		Recognition;	Non-recognition;
$H_2(x)$	<i>Player 2</i>		
$H_1(x)$			
<i>Player 1</i>		1	2
Recognition;	1	-5 * -5	-20
Non-recognition;	2	-20	-1

change
their
mind
from
this
position

Both recognize : -5
One : -20/0
Neither : -1

Pareto
Optimality
most efficient
outcome;
However all
tempted to
cheat & try o



2 choices:

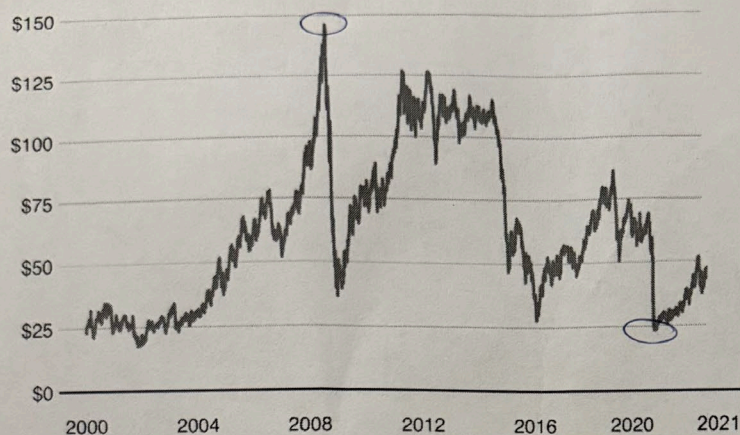
- 1) remain silent → keep man of respect
- 2) confess → pentito → death

Remainning silent results to be the only logical option leading to cooperative Pareto Optimal Box

Historical price of Brent crude oil from 2000 to 2021 with peak in 2008 & collapse in 2020

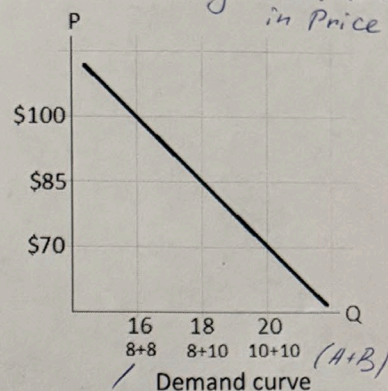
Oil price hits 18-year low

Brent crude, US dollars per barrel



Law of Demand:

Increase in Quantity forces decrease in Price



state-space

Bit allocations

balanced, asymmetric, max. volume

Game Theory Matrix: a payoff matrix to analyze strategies & potential outcomes.
(Nash Equilibrium)

		Barrel	
		1.	2.
1.	8 · 10 ⁶ day	\$800 millions per day \$800 millions per day <i>most profitable</i>	\$850 millions per day \$680 loss
	10 · 10 ⁶ day	\$680 millions per day \$850 millions per day	\$700 millions per day \$700 millions per day
2.	8 · 10 ⁶ day	\$800 millions per day \$800 millions per day <i>most profitable</i>	\$850 millions per day \$680 loss
	10 · 10 ⁶ day	\$680 millions per day \$850 millions per day	\$700 millions per day \$700 millions per day

Price crashes because market's overwhelmed



John Nash

Nash Equilibrium
(although not the most profitable, most likely, as each country is terrified from being cheated)