Valdai Discussion Club Report

Valdai | Discussion Club

‘Rewiring’: Artificial Intelligence and Power in Global Politics

Edited by
Timofei Bordachev

valdaiclub.com
#valdaiclub

April 2026

ISBN 978-5-907845-60-2

16/1 Tsvetnoy Boulevard St., Moscow, Russia, 127051

About the Authors

Timofei Bordachev
Programme Director of the Valdai Discussion Club; Academic Supervisor of the Center for Comprehensive European and International Studies at the National Research University Higher School of Economics (HSE).

Anna Sytnik
PhD in Political Science, leading Researcher at the Center for Comprehensive European and International Studies, Managing Director of the ANO "Coordination Laboratory", head of the authors' team (Introduction, chapter 5, Recommendations)

Maria Bazlutskaya
PhD in Political Science, Executive Director of ANO "Coordination Laboratory" (Chapter 1)

Nan Hao
Nuclear Futures Fellow (2025–2026) with the *Ploughshares Fund & Horizon 2045* (Chapter 2)

Yury Kolotaev
PhD in Political Science, Senior Lecturer, Department of European Studies, St. Petersburg State University (Chapter 3)

Marina Krynzhina
Associate Professor, Department of International Journalism, MGIMO University (Chapter 4)

Contents

Academic Editor's Foreword

This report is the fruit of an intellectual collaboration among a group of young authors from Russia and China, brought together by their shared participation in the Valdai Discussion Club—Next Generation programme in 2024–2025. It seeks to offer the most comprehensive picture of artificial intelligence (AI) as a contemporary international phenomenon—simultaneously pervasive and yet not fully understood. It is pervasive, because AI now touches every sphere of social and economic life, shaping the power capabilities of states, influencing the content of decisions, and informing their practical implementation.

But at the same time, the phenomenon is not fully understood because, as often happens with technological advances, AI is constantly changing and improving. Understanding the dynamics of these changes and their connection to international politics is also an important part of the research objective. The report owes its creation to the energy and enthusiasm of Anna Sytnik, its lead author and organizer, Associate Professor at St. Petersburg State University and a graduate of the Valdai—New Generation programme.

The report in no way claims to offer an exhaustive explanation of how AI features in contemporary international affairs, influences the power capabilities of states, or shapes their actions. Nevertheless, by examining several aspects of AI's impact on the overall power potential of states, the authors have identified a number of key points that hold both theoretical and practical significance for those seeking a more comprehensive understanding of the subject. Another important advantage is that, unlike virtually all other publications currently available on such a politically and commercially consequential issue, this report is not a product of corporate or state propaganda.

On the contrary, it is academically neutral and strives to search for elusive truths at a time when the human mind is increasingly deprived of the ability to think independently, even on the most fundamental questions. In this sense, the authors have succeeded in creating one of the most reliable and intellectually precise depictions of a highly complex and multifaceted phenomenon spanning global politics, economics, and the information environment. Moreover, they have identified avenues for further research and expert discussion of this phenomenon. The report thus stands as the first work in Russian and international expert discourse whose goal has been not only to provide answers to a number of fundamental questions but also to empower the expert community to engage with such a comprehensive topic.

The report consists of an introduction and five sections. The introduction presents the research problem and a general description of the contemporary significance of AI as a structural factor in international relations. The authors set out to refute the widespread illusion that AI can be neutral, play an independent role, and be considered in isolation from other state power capabilities. On the contrary, we see that AI is immediately politicized: from the moment of its emergence, states have not only embraced this new type of technology but also used it as a platform for struggle—for military-political, legal, and intercultural confrontations. (An example is the US proclamation in August 2025: "America is the country that started the AI race. And as President of the United States, I'm here today to declare that America is going to win it."[1])

States control AI by merging technical and political issues, integrating technological progress into their development programs, and deploying foreign policy tools to influence other actors in international life. At the same time, the pervasiveness of AI, according to the author of the foreword, transforms how opportunities are acquired, realized, and contested—shaping the balance of power between states. The report identifies three main systemic features of this transformation.

First, fundamental processes in international affairs are accelerating and becoming more global in scale than ever before, producing a "time compression" effect. Second, the importance of critical infrastructure—or "chokepoints"—is growing, as is the significance of control over specific technologies and, consequently, the vulnerability of all state systems to attacks capable of destroying such infrastructure. Third, competition in the cognitive sphere is intensifying to an unprecedented degree, even altering its very nature. The first chapter is devoted to the technological aspects of how states are creating and mastering the power capabilities associated with AI development.

Ultimately, the focus here is on the state's ability to achieve what is commonly known as "digital sovereignty"—that is, the capacity to determine its place on the political "AI map" of the modern world with relative independence. The author concludes that control over key technologies is critical. Although complete autonomy is unattainable, governments may seek to reduce their dependence on the external environment by channelling resources into those segments of the technological ecosystem where their own competencies are economically and technically viable.

The second chapter examines the infrastructural dimension of state control over AI. The author proceeds from the hypothesis that competition in digital technologies has now become a competition for computing resources, with China and the United

[1] Transcript: Donald Trump's Address at 'Winning the AI Race' Event. 24.07.2025. URL: https://www.techpolicy.press/transcript-donald-trumps-address-at-winning-the-ai-race-event/.

States currently leading the race. The chapter concludes that control over AI sovereignty is no longer confined to software: power grids, water sources, mineral processing, and fibre optic cable installations are equally important.

The average person—both consumer and "commodity" in the information technology market—remains the most vulnerable to AI abuses. The author of the third chapter argues that AI has now become a revolutionary force in shaping cognitive processes and the media environment, exerting an unprecedentedly rapid and far-reaching influence on decision-making and public opinion. The report characterizes these developments as a crisis, primarily because the long-term psychological and social consequences of widespread AI adoption—and its use as a source of state power—remain unknown. The likely outcomes of such a crisis could include a dramatic decline in public trust, the gradual adaptation of social norms to a new reality, or, in certain cases, a sharp tightening of state control and the fragmentation of the internet through stringent government regulation—including the creation of separate networks, which would give rise to divergent information realities for users. An important question for the future is how autarky in the realm of "mind control" might affect the overall significance of AI as a power resource.

It is no coincidence, then, that the fourth chapter addresses the regulation of AI as a source of state power on the international stage. The author contends that this area of state activity has become one of the most crucial power resources available to nations, ultimately shaping both technological sovereignty and geopolitical influence. The issue of regulation is closely intertwined with the strategic use of AI in security and military affairs—the subject of the fifth and final chapter. The author concludes that AI is already transforming the very methods by which force is generated, organized, and applied. This, in turn, has profound implications for strategic stability, including the emergence of new escalation risks in the nuclear sphere.

By its nature and origins, AI is, in itself, nothing more than humanity's next major technological achievement. Yet the extent and forms of its influence on global politics and economics are shaped by factors profoundly different from those that have traditionally—from the invention of the wheel to the most recent scientific breakthroughs—determined the power of states and their capabilities across all forms of international interaction and domestic development.

Timofei Bordachev, Doctor of Political Sciences,
Programme Director of the Valdai Discussion Club
Professor, National Research University
Higher School of Economics

Introduction: The Power of AI

AI is a power-transforming infrastructure: it does not replace the traditional foundations of influence—economic capacity, coercive capabilities, diplomacy, and control over strategic resources—but it rewires how these foundations operate and how power is accumulated, exercised, and contested. In the AI era, influence is increasingly produced through control over measurable and governable parameters: access to compute, the physical geopolitics of data centres and backbone connectivity, the rules that define acceptable uses of data and models, the standards that certify safe systems, and the channels through which trust and legitimacy are constructed in an information environment saturated with synthetic content.

The power shift driven by AI has three systemic characteristics.

First, it accelerates and scales. AI compresses time by shortening innovation cycles through rapid model iteration and deployment, and by accelerating political processes through faster diffusion of standards, narratives, and dependencies. Effects that once took years—embedding a platform in critical sectors, exporting regulatory templates, shaping public discourse—can now be produced through software updates, procurement requirements, and training pipelines. At the same time, AI scales influence horizontally: a single model or platform can be deployed across thousands of institutions, millions of devices, and entire national markets, turning marginal technical choices into structural geopolitical outcomes.

Second, AI produces new chokepoints. Strategic leverage concentrates in technically narrow but politically decisive places: advanced semiconductors and packaging, accelerator supply, high-speed networking, cloud allocation, and the energy and water constraints that govern data-centre expansion. Instead of overt confrontation, influence can be exercised by allocating or restricting access, by setting compliance requirements, by shaping interoperability standards, or by controlling the infrastructure through which data, compute, and models circulate.

THE POWER OF AI: DOMAINS, CHOKEPOINTS & STRATEGIC IMPLICATIONS

1 TECHNOLOGICAL POWER
"Know-hows" and control over AI value chain technologies

Hardware
Leverage in semiconductors, packaging, memory and high-speed networking

Compute Access
Governable cloud/cluster resources through allocation rules, quotas, monitoring and scheduling

Supply-Chain Leverage
Export controls, alliance coordination and tiered access to components and services

Data
Data rules, localization, privacy regimes and high-quality multilingual datasets shape capability

Models & Platforms
Foundation models, licensing and integration create dependency via interoperability and switching costs

Application & Distribution
Control of interfaces and distribution channels shapes adoption and locks in downstream reliance

Strategic Advantage: Control of multiple chokepoints makes alternatives technically costly, economically unattractive, or blocked

2 INFRASTRUCTURAL POWER
Physical foundations that enable AI capability

Electricity & Grid Capacity
Hard constraint on data centres; AI demand drives energy policy

Water, Land & Permitting
Resource needs and local politics determine which projects advance or stall

Critical Minerals
Extraction, processing and logistics shape semiconductor and data-centre expansion

Data Centres
Where compute can physically exist becomes a question of sovereignty, resilience and sanctions exposure

Accelerator Availability
GPUs and advanced chips turn infrastructure into real AI performance, linking capability to external supply regimes

3 COGNITIVE & MEDIA POWER
Shaping attention, trust and legitimacy

Amplified Persuasion
AI lowers the cost and scale of influence and manipulation

Deepfakes & Synthetic Content
Industrialized content increases information pollution and the crisis of verification

Machine-Mediated Visibility
Optimization for generative answers and recommendation systems becomes key to reach and credibility

Societal Response
Labelling, provenance, platform accountability, verification and digital literacy - with tensions between security, openness, regulation and innovation

4 NORMATIVE POWER
Defining legitimate AI use and embedding rules

Legitimacy Contests
Rights & innovation versus security & sovereignty

Competition for Global AI Regulation
Club based rules (Western block, imposition of standards)
BRICS+ (Sovereignty issues as a major concern)
Universal UN regulation problem

5 STRATEGIC & SECURITY POWER
Coercion, stability and high-stakes risks

Dual-Use of AI
Mostly promoted as civilian technology, AI can rapidly migrate into military, intelligence and internal security uses

Strategic Stability Risks
AI-enabled support may compress decision-making time, amplify misperception and increase escalation risks, including nuclear

KEY TAKEAWAY

The power of AI is multidimensional, linking ethics and regulation to infrastructure, supply chains, cloud access, platforms and information integrity, and reshaping the distribution of power in world politics

Source: authors' research

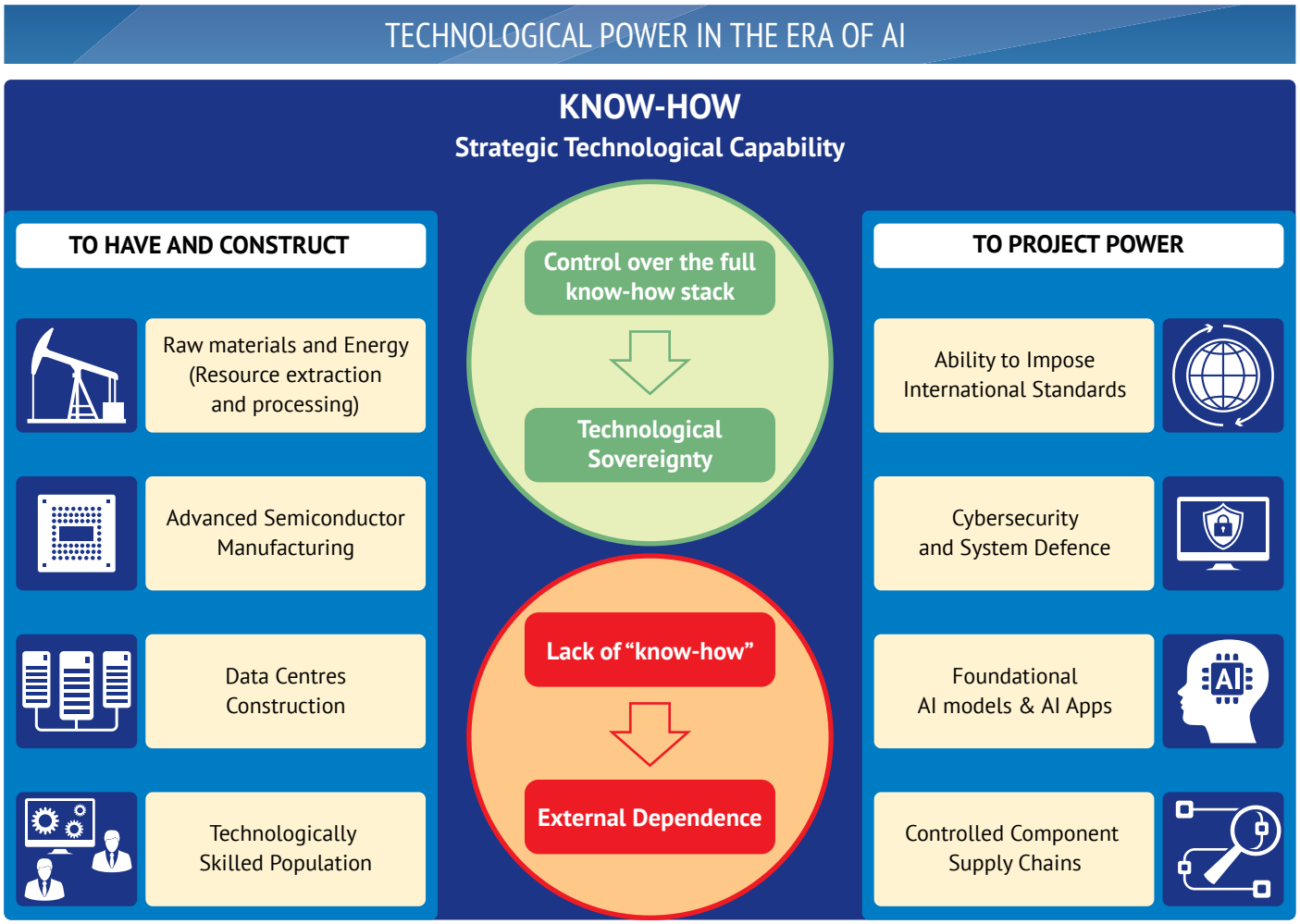
Third, AI shifts competition into the cognitive domain. Synthetic content, deepfakes, automated microtargeting, and machine-optimized narratives can degrade information integrity, fragment shared realities, and erode institutional trust, producing a shift from information scarcity to trust scarcity. Power in this domain is exercised through visibility and credibility: who controls the interfaces through which societies interpret reality, and who can shape what is considered authoritative when verification is costly.

To capture these dynamics, the report structures the analysis around power as it is generated and stabilized across five interlocking domains: infrastructure, technological chokepoints, the cognitive-media environment, normative governance, and strategic security.

Chapter 1. Technological Power in the Era of AI

In an ideal scenario, in order to dominate and project power in the digital domain, states must possess the full set of know-how to refine, build, train, teach and protect, or at least a substantial part of this complex. In other words, they must have the knowledge and capabilities required for the extraction and processing of ore, the construction of data centres, the production of high-quality semiconductors, the training of foundational language models, and the development of applications built upon them. They must also have their own established supply chains for components, while the population should possess the knowledge necessary to apply new technologies effectively and the state should be able to impose its own standards on the international arena. Those who lack such know-hows, however, become tied to external technological stack.

From the perspective of AI infrastructure, technological power is manifested when standards of a particular country related to construction, efficiency, performance, and similar parameters become widely adopted abroad. Efforts to limit such influence, in turn, rely both on domestic



Source: authors' research

legislation like in China[2] or Russia[3], and on international standards such as ISO[4].

Moreover, general control over infrastructure becomes more valuable than the question of its location. If it is managed by foreign

[2] GB 40879-2021 Maximum allowable values of energy efficiency and energy efficiency grades for data centers // National Standard of the People's Republic of China. 11.10.2022. URL: https://www.chinesestandard.net/PDF.aspx/GB40879-2021

[3] GOST R 58812–2020 Data Processing Centers. Engineering Infrastructure. Operational Model of Operation // Federal Agency on Technical Regulating and Metrology. URL: https://files.stroyinf.ru/Data2/1/4293723/4293723007.pdf

[4] Data Centers // International Organization for Standardization. URL: https://www.iso.org/sectors/it-technologies/data-centres

actors, they may use the obtained information for their own purposes and transfer data to the country of their jurisdiction. For example, in accordance with the US CLOUD Act[5].

Even when a country builds its own data centres and adopts national standards, another level of dependency emerges—hardware. Modern data centres require a complex ecosystem of technological solutions, including cooling systems, network communications, power supplies. However, they are not necessarily manufactured within a single country, let alone within the country where the data centre is located.

The most critical element in this ecosystem are chips used for AI training and inference[6]. These components largely determine the efficiency with which contemporary AI models operate. At present, the market for such chips is dominated by US companies. This advantage allows them to shape licensing regimes, influence pricing, and support restrictive regulatory measures on the sale of equipment. In addition, hardware supply chains are vulnerable to deficits, price shocks, and supply disruptions. Mitigation strategies in this context often involve the development of domestic production and supply chains for critical hardware. A prominent example is China, which has emphasized the use of its own accelerators such as Huawei's Ascend.

Data centres and chips, however, do not exist in isolation. They are the core required for the development of advanced AI models and their localized versions. The latter perform two key functions.

First, AI models represent "a technology in itself". Generative chatbots, AI agents, and specialized applications are built upon them. However, the development of frontier AI models[7] requires enormous amounts

[5] CLOUD Act // 115th U.S. Congress. 06.02.2018. URL: https://www.congress.gov/bill/115th-congress/house-bill/4943/text

[6] Inference is the use of information by a neural network accumulated during its training to analyze new data and produce a result.

[7] A frontier AI model (often used interchangeably with foundational or foundation model) refers to a large-scale AI system trained on vast and diverse datasets that demonstrates broad general capabilities and represents the state of the art at the technological frontier.

of computational resources and a highly developed research base. Only a limited number of countries and companies possess this capacity.

Second, AI models act as a technology enabler—a tool that accelerates the development of new technologies not necessarily related to neural networks. The principal advantage of AI as a technology enabler lies in its ability to address complex tasks that previously were practically unattainable. That is why AI is being actively applied in fields such as nuclear energy, quantum physics, and biotechnology.

Countries that possess the scientific capacity and mathematical traditions necessary to develop their own foundational models increasingly seek to export both services built upon these models or their open-source and open-weight[8] versions. Examples include solutions from Chinese DeepSeek (R1[9]), Russian Sber (Gigachat[10]) or American xAI (Grok 2.5[11]). Open-source models are often positioned as "neutral customizable tools" that compensate for the absence of domestically developed foundational models.

In this sense, open-source AI becomes an important mechanism for the diffusion of technological influence. Even when such models are fine-tuned, they typically retain elements of the training procedures and design choices introduced during the initial development process by the originating country. Plus, open-source AI may be compromised prior to public release through techniques such as data poisoning. In such cases, the training data are intentionally manipulated so that the resulting model contains a hidden vulnerability.

---

[8] An open-weight model provides public access to its trained parameters (weights), allowing others to run, fine-tune, or adapt the model, but typically with limited transparency into the training data, code, or full development process. By contrast, a true open-source model includes not only the weights but also the source code, datasets (or their composition), and training methodology, enabling full reproducibility and independent verification.

[9] The Chinese company DeepSeek released the AI model DeepSeek-R1 // Skillbox. 28.01.2025. URL: https://skillbox.ru/media/code/kitayskaya-kompaniya-deepseek-vypustila-ii-model-deepseek-r1/

[10] Gigachat 3.1 // Hugging Face. URL: https://huggingface.co/collections/ai-sage/gigachat-31

[11] Musk says xAI open sources Grok 2.5 // Reuters. 24.08.2025. URL: https://www.reuters.com/technology/musk-says-xai-open-sources-grok-25-2025-08-23/

At present, the policy options available to limit the influence of foreign models and open-source large language models remain relatively limited. These measures generally include security and vulnerability assessments prior to deployment; domestic regulatory restrictions on the use of certain foreign AI systems; and the use of a combination of different open-source models within a single system architecture.

If the entire technological chain is considered, the most difficult areas in which to achieve autonomy remain: (1) full control over the extraction and processing of raw materials required for electronics production, and (2) the development of cutting-edge hardware, particularly advanced semiconductors. In the current global technological landscape, the first domain largely reflects the comparative advantage of China, which plays a central role in the processing of critical minerals. The second domain is closely associated with the US, which maintains a dominant position in key segments of the semiconductor industry.

Other actors in the international system increasingly seek to strengthen their positions in areas that are more attainable given their economic and technological capacities. These strategies typically include the development of domestic data centre infrastructure in order to localize the data storage and processing, the adoption and adaptation of open-source models through fine-tuning, and the creation of localized AI applications, platforms, and digital services. Such approaches allow states to build functional AI ecosystems without necessarily controlling the most capital-intensive segments of the technological stack. Russia and India may be regarded as the best examples of this approach.

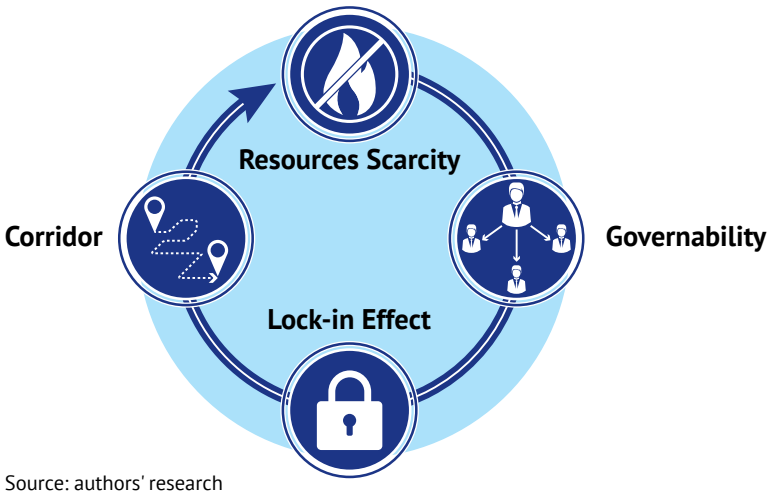
Taken together, these dynamics suggest that digital sovereignty in the age of AI is determined by the degree of control over the key layers of the technological stack. Full autonomy across all domains remains largely unattainable. However, governments can reduce structural dependence by concentrating resources on those segments of the technological ecosystem where the development of domestic competencies is both economically and technologically feasible.

Chapter 2. Infrastructure Power: AI's Material Foundations in Global Geopolitics

Artificial intelligence has converted digital competition into a contest over the physical preconditions of compute. External influence in the AI era is projected through the financing, siting, and operation of data centres, power plants, grids, and connectivity corridors, and through the standards and access rules that travel with this infrastructure. Electricity, water, land, critical minerals, and backbone networks determine where compute can exist, how resilient it remains under crisis, and who can be excluded or priced out. Infrastructure therefore acts as both capability and leverage, locking partners into ecosystems and turning local interconnection and permitting choices into geopolitical outcomes.

Mechanisms of Infrastructure Power

Infrastructure power is generated through four mechanisms. Scarcity comes first, because AI-optimised data centres cannot scale where grids, cooling water, or permitting systems are saturated. The International Energy Agency's 2025 assessment projects global data-centre electricity consumption rising to around 945 TWh by 2030, with AI workloads as a key driver.[12]



Source: authors' research

Critical minerals reinforce this scarcity: the IEA's Global Critical Minerals Outlook 2025 notes highly concentrated refining, with

[12] International Energy Agency (IEA). Energy and AI // IEA. 10.04.2025. URL: https://iea.blob.core.windows.net/assets/de9dea13-b07d-42c5-a398-d1b3ae17d866/EnergyandAI.pdf

the average market share of the top three refining nations reaching about 86% by 2024 and with China supplying much of the growth in processed graphite and rare earths, so mineral processing can slow grid expansion and hardware supply.[13]

Governability forms the second mechanism, as compute and its inputs are measurable and excludable through cloud quotas, grid interconnection queues, tariffs, and disclosure rules. Ireland's "glide path" requires new data centres to reach at least an 80% renewable electricity threshold within six years of energisation, while export controls on advanced GPUs and high-bandwidth memory extend allocation power beyond borders.[14]

Lock-in constitutes the third mechanism, since long-term power-purchase agreements, proprietary software ecosystems, and build-operate contracts bind hosts to foreign operators for maintenance, upgrades, and cybersecurity, and "trusted" supply arrangements embed security screening into provision.

Corridor politics is the fourth mechanism, because cables, landing stations, and exchange points shape routing, hosting, and enforceable standards, turning redundancy and trusted maintenance into strategic attributes.

United States and China

US infrastructure power is increasingly expressed through external projection rather than domestic capacity alone. The IEA estimates that the United States accounted for roughly 45% of global data-centre electricity consumption in 2024, and domestic grid constraints shape

[13] International Energy Agency (IEA). Executive summary – Global Critical Minerals Outlook 2025 // IEA. 21.05.2025. URL: https://www.iea.org/reports/global-critical-minerals-outlook-2025/executive-summary

[14] *Large Energy Users Connection Policy* // Commission for Regulation of Utilities. 12.12.2025. URL: https://cruie-live-96ca64acab2247eca8a850a7e54b-5b34f62.divio-media.com/documents/CRU2025236_Large_Energy_User_connection_policy_decision_paper.pdf

where new compute can be added.[15] Control over accelerators, cloud services, and trusted operating environments therefore functions as a strategic instrument, with export controls and trusted-cloud requirements rationing high-end compute to partners while raising access costs for rivals.

Energy-to-compute diplomacy has been layered onto this toolkit via efforts to secure firm low-carbon power for digital infrastructure, including State Department letters of interest for up to $4 billion in project financing for Romania's planned NuScale Small Modular Reactor (SMR) project and corporate procurement moves such as Google's agreement to purchase power from multiple Kairos Power SMRs.[16]

China projects a contrasting form of infrastructure power rooted in exporting enabling systems—networks, grids, and industrial capacity—alongside compute. The IEA estimates that China accounted for roughly one quarter of global data-centre electricity consumption in 2024,[17] while policies such as "Eastern Data, Western Compute" seek to relocate workloads toward energy-rich regions.

External projection is anchored in ecosystem export, as the Digital Silk Road promotes Chinese 5G, cloud, and smart-city stacks that create dependencies in equipment, standards, and long-term maintenance.[18]

Smart-grid technology provides a parallel influence channel via China's Global Energy Interconnection vision and ultra-high-voltage

---

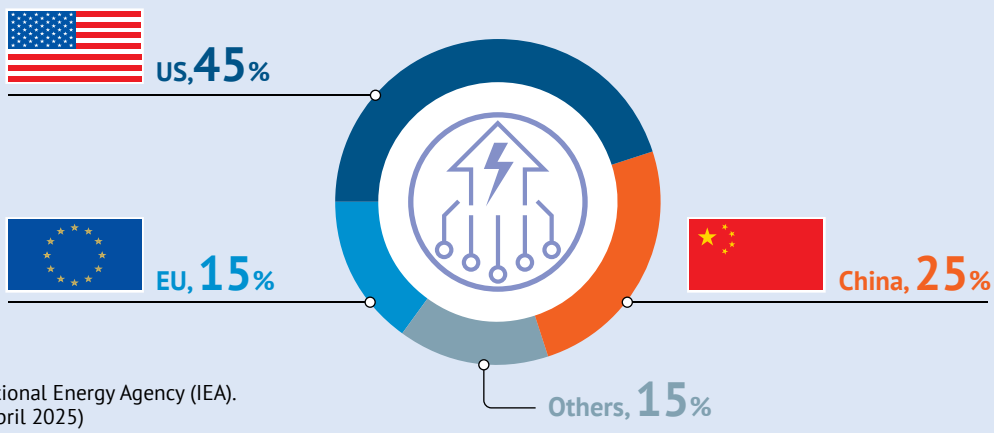
[15] *Energy and AI* // International Energy Agency. 10.04.2025. URL: https://iea.blob.core.windows.net/assets/de9dea13-b07d-42c5-a398-d1b3ae17d866/EnergyandAI.pdf

[16] Terrell M. *New nuclear clean energy agreement with Kairos Power* // The Keyword. 14.10.2024. URL: https://blog.google/company-news/outreach-and-initiatives/sustainability/google-kairos-power-nuclear-energy-agreement/

[17] *Energy and AI* // International Energy Agency. 10.04.2025. URL: https://iea.blob.core.windows.net/assets/de9dea13-b07d-42c5-a398-d1b3ae17d866/EnergyandAI.pdf

[18] Patil S., Gupta P. *The Digital Silk Road and Smart City Networks in the Indo-Pacific: A Primer* // Observer Research Foundation. 09.09.2025. URL: https://www.orfonline.org/research/the-digital-silk-road-and-smart-city-networks-in-the-indo-pacific-a-primer

SHARE OF GLOBAL DATA CENTRE ELECTRICITY CONSUMPTION IN 2024



Source: The International Energy Agency (IEA). Energy and AI (10 April 2025)

transmission engineering, and State Grid's 2025 plan for a record 650 billion yuan of grid investment signals the domestic base behind exportable packages.[19]

Nuclear exports extend lock-in, with Pakistan's second Hualong One reaching final acceptance milestones in 2025 and anchoring long-duration energy relationships that can support digital modernisation.[20]

Other Countries

Middle powers occupy pivotal positions in the infrastructure race by controlling upstream inputs, exporting energy packages, and shaping corridor governance. Japan's leverage derives from semiconductor equipment and materials that underpin advanced compute, making Tokyo influential in diversification strategies and export-control coalitions.[21]

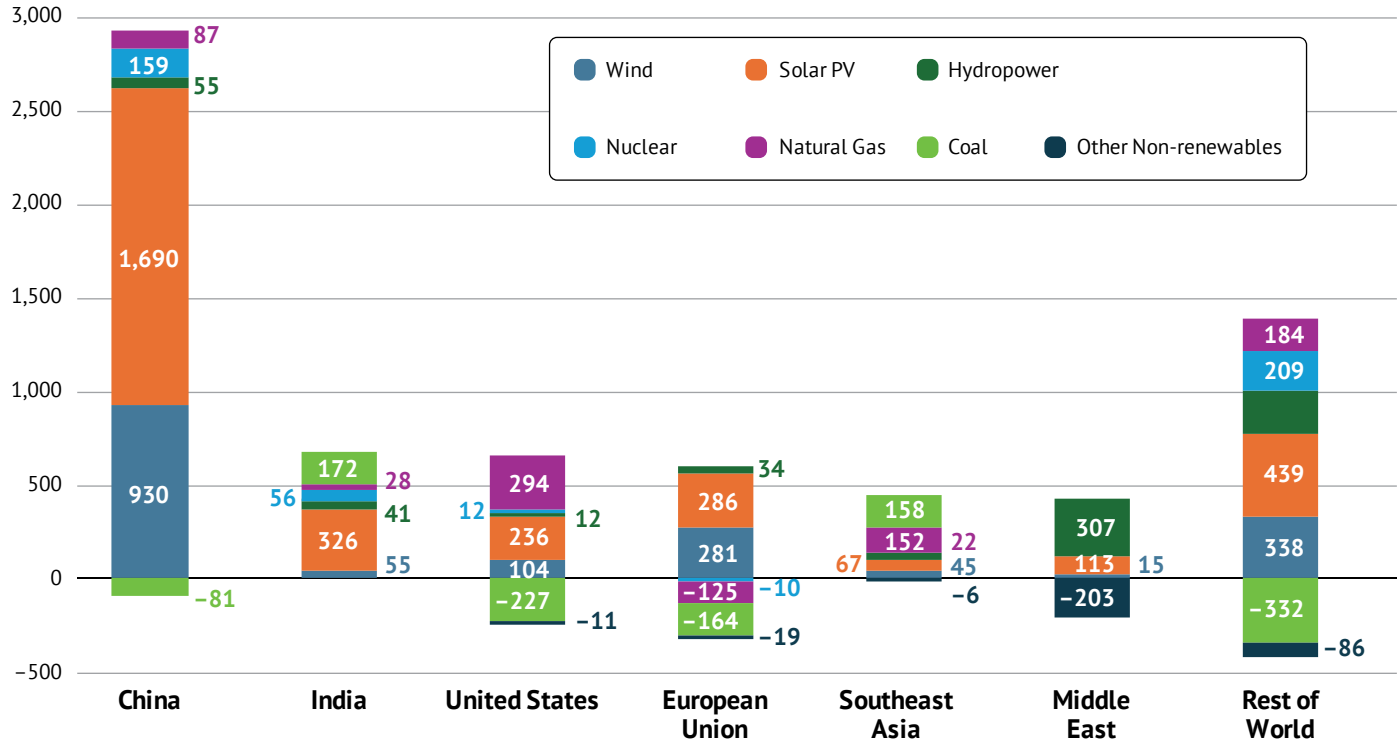
South Korea combines leverage in memory and semiconductor inputs with manufacturing scale, while energy exports remain

[19] Patil S., Gupta P. *The Digital Silk Road and Smart City Networks in the Indo-Pacific: A Primer* // Observer Research Foundation. 09.09.2025. URL: https://www.orfonline.org/research/the-digital-silk-road-and-smart-city-networks-in-the-indo-pacific-a-primer

[20] *Second Pakistani Hualong One unit passes final acceptance* // World Nuclear News. 22.04.2025. URL: https://www.world-nuclear-news.org/articles/second-pakistani-hualong-one-unit-passes-final-acceptance

[21] Koh W. C. Japan's Strategic Comeback in the Global Chip Race // AMRO Annual Consultation Report: Japan 2024. March 2025. Pp. 76–82. URL: https://amro-asia.org/wp-content/uploads/2025/03/SI5.-Japans-Strategic-Comeback-in-the-Global-Chip-Race.pdf

CHANGE IN ELECTRICITY GENERATION BY SOURCE IN SELECTED REGIONS, 2025-2030 (UNIT: TWH)



Source: The International Energy Agency (IEA). Electricity 2026 (Report 2026)

a diplomatic asset. The UAE's Barakah plant built with Korean APR-1400 reactors illustrates partnerships that stabilise power for digital economies.[22]

Russia's position is asymmetrical: sanctions constrain frontier training, yet nuclear build-own-operate (BOO) packages project influence through financing and energy dependence, with BOO models such as Turkey's Akkuyu plant[23] and SMR offerings including Uzbekistan's RITM-200N-based project.[24]

[22] Dalton D. Barakah / Fourth And Final Reactor Starts Up At UAE Nuclear Power Station // NucNet. 01.03.2024. URL: https://www.nucnet.org/news/fourth-and-final-reactor-starts-up-at-uae-nuclear-power-station-3-5-2024

[23] Reuters. Turkey says Russia gave it $9 billion in new financing for Akkuyu nuclear plant // Reuters. 26.12.2025. URL: https://www.reuters.com/business/energy/turkey-says-russia-gave-it-9-billion-new-financing-akkuyu-nuclear-plant-2025-12-26/

[24] Kraev K. Uzbekistan Extends Agreements With Russia On Construction Of First Nuclear Power Plant // NucNet. 30.09.2025. URL: https://www.nucnet.org/news/uzbekistan-extends-agreements-with-russia-on-construction-of-first-nuclear-power-plant-9-2-2025

Europe pairs regulatory ambition with constrained physical capacity, so external projection increasingly hinges on exporting rules and corridors; labelling and disclosure initiatives for data-centre energy and water use, together with renewable-conditional access rules[25] such as Ireland's glide path, turn market entry into compliance-cost power.[26]

Energy-rich Gulf states convert dispatchable power and capital into compute capacity through fast permitting and build-operate arrangements, but technology gatekeeping conditions this influence, as illustrated by Saudi Arabia's Humain plans relying on US semiconductors.[27]

India is positioning \itself as a large-scale inference and services hub; estimates place India's data-centre inventory at about 1.1 GW of IT load capacity in the first half of 2025, providing an additional diversification node.[28]

Across the global south, infrastructure is increasingly used as bargaining power. Projections suggest data-centre capacity in Africa's five largest markets could rise from about 400 MW today to 1.5–2.2 GW by 2030,[29] with Egypt, Kenya, Morocco, Nigeria, and South Africa emerging as hubs.[30]

Electricity reliability remains the primary constraint, driving investment in dedicated medium-voltage lines, dual feeds, and diesel

[25] Directorate-General for Energy. In focus: Data centres – an energy-hungry challenge // European Commission. 17.11.2025. URL: https://energy.ec.europa.eu/news/focus-data-centres-energy-hungry-challenge-2025-11-17_en

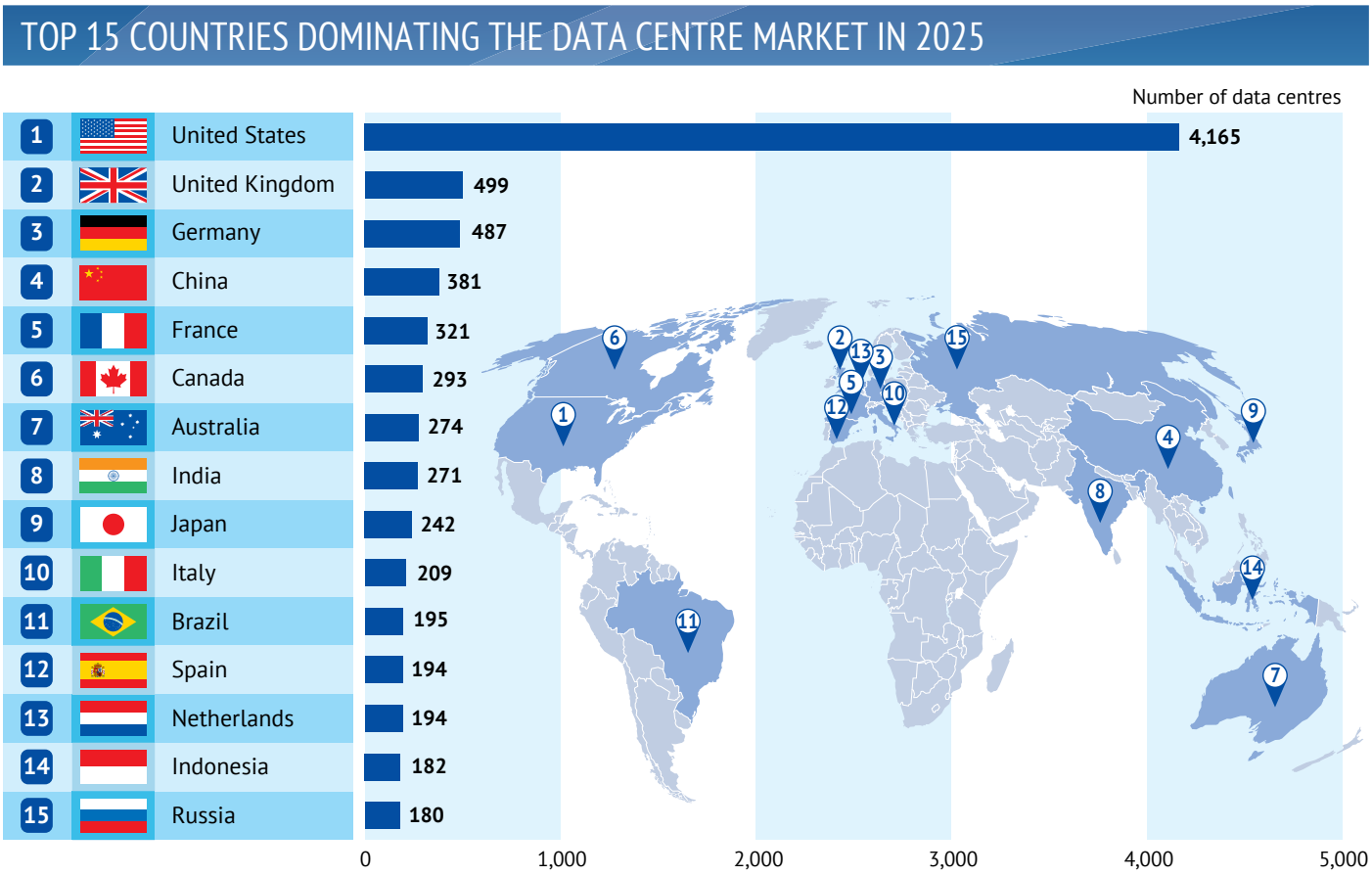
[26] Commission for Regulation of Utilities. Large Energy Users Connection Policy // Commission for Regulation of Utilities. 12.12.2025. URL: https://cruie-live-96ca64acab2247eca8a850a7e54b-5b34f62.divio-media.com/documents/CRU2025236_Large_Energy_User_connection_policy_decision_paper.pdf

[27] Saudi's Humain to launch data centers with US chips in early 2026, Bloomberg News reports // Reuters. 25.08.2025. URL: https://www.reuters.com/world/middle-east/saudis-humain-launch-data-centers-with-us-chips-early-2026-bloomberg-news-2025-08-25/

[28] Karlekar J., Mohan R. India Data Centre Market Dynamics Report H1 2025 // JLL. 05.12.2025. URL: https://www.jll.com/en-in/insights/market-dynamics/india-data-centers

[29] Jayaram K., Bennici L., Tsimba N., von Schantz S., Soliman S. Building data centers for Africa's unique market dynamics // McKinsey & Company. November 2025. URL: https://www.mckinsey.com/~/media/mckinsey/industries/technology%20media%20and%20telecommunications/telecommunications/our%20insights/building%20data%20centers%20for%20africas%20unique%20market%20dynamics/building-data-centers-for-africas-unique-market-dynamics.pdf

[30] Payton B. Inside the race to fire up Africa's power-hungry data centres // African Business. 23.12.2025. URL: https://african.business/2025/12/technology-information/inside-the-race-to-fire-up-africas-power-hungry-data-centres



Source: Statista. Number of data centres worldwide as of November 2025, by country or territory

backup, while renewable wheeling projects such as Springbok Solar in South Africa show how grid weaknesses can be bypassed.[31]

Corridor choices have become alignment instruments, raising the premium on redundancy, security partnerships, and local control clauses embedded in long-duration infrastructure contracts.[32]

AI geopolitics has moved from software to grids, water basins, mineral processing and fibre routes. Scarcity makes access to compute a high-stakes resource; governability codifies who gets what and on which compliance terms; lock-in embeds long-duration dependence; and corridor politics turns routing and hosting into tools of diplomacy

[31] Africa's first Multi-buyer Solar Plant (Project Springbok) // SOLA Group. 27.10.2025. URL: https://solagroup.co.za/multi-buyer-solar-plant-project-springbok/

[32] Euronews. Trans-Caspian fiber-optic cable project will create a new direct East-West digital pathway // Euronews. 11.12.2025. URL: https://www.euronews.com/business/2025/12/11/trans-caspian-fiber-optic-cable-project-will-create-a-new-direct-east-west-digital-pathway

and coercion. External projection is most visible in US chip gatekeeping and clean-power partnerships, in China's export of 5G-enabled ecosystems and smart-grid packages, and in other countries' power leverage through upstream inputs and nuclear infrastructure exports.

Chapter 3. The 'New Battlefield' of the Mind

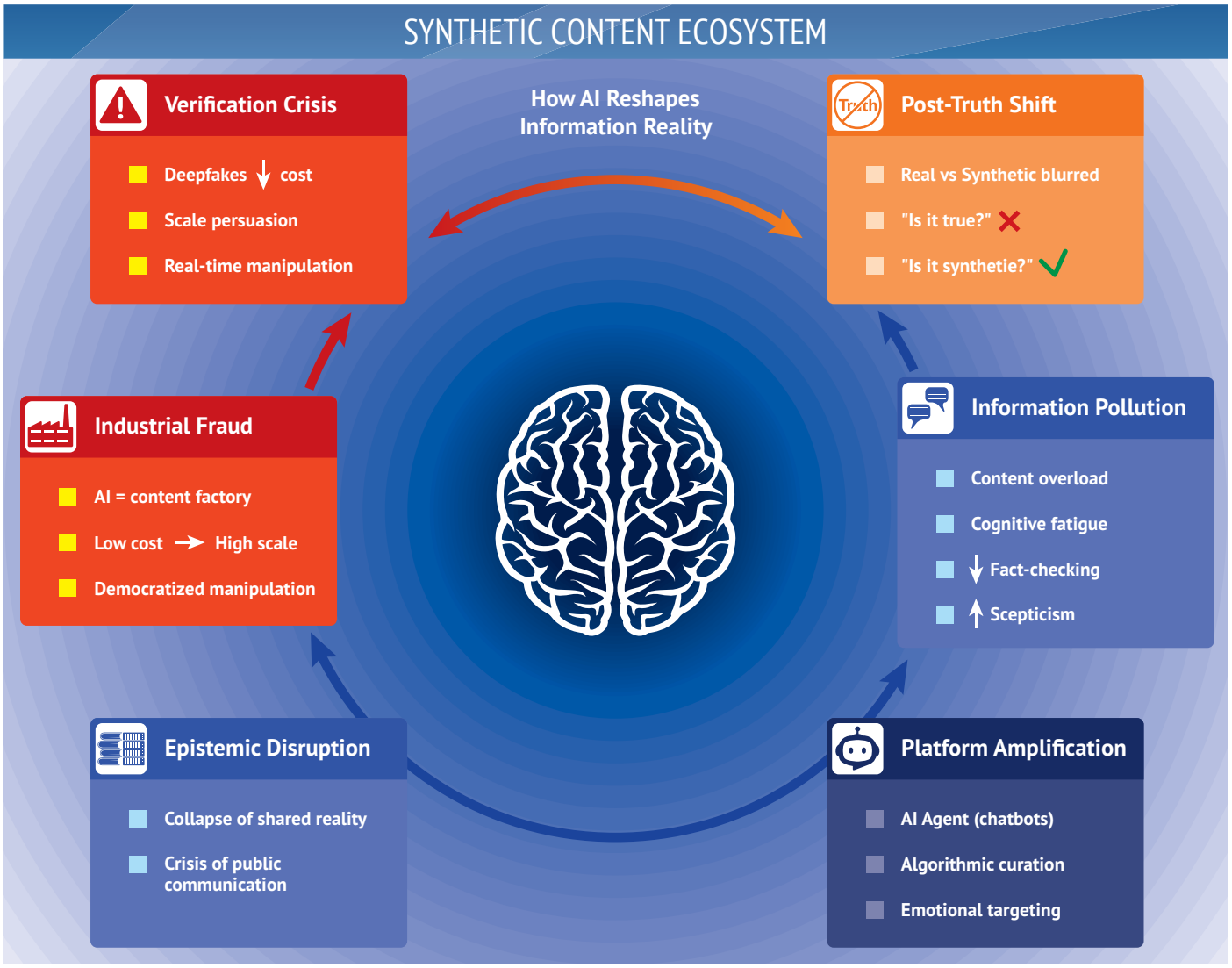
AI is rapidly changing how information spreads and shapes human perception, acting as a new form of cognitive and media power. Unlike traditional media, AI-driven platforms influence decision-making and public opinion at unprecedented speed and scale. Tools like LLMs and diffusion models make it easy to create synthetic media, from deepfakes to casual AI-generated content, making it increasingly difficult to verify truth.

This crisis has several layers. *For users*, AI-driven persuasion and synthetic content threaten information integrity and social cohesion. *For businesses*, changing algorithms alter economic incentives and disrupt media models. *For states*, governmental control of AI systems prompts concerns over sovereignty, censorship, and public discourse.

Information control in AI ranges from explicit government regulations, such as China's requirement for generative models to reflect "core socialist values," to subtler forms like political biases found in Western language models[33]. Ultimately, every AI model reflects the views of its creators and training data. True political neutrality is unattainable.

Direct evidence of AI's cognitive influence is limited, with many claims lacking conclusive scientific proof. While real cases of information distortion—like deepfakes or misleading chatbots—exist, most discussions focus on possible problems rather than solid patterns. Modern society faces not information scarcity, but an overload of information and a lack of trust. While artificial intelligence can address

[33] Potter Y. et al. Hidden persuaders: Llms' political leaning and their influence on voters // Proceedings of the 2024 Conference on Empirical Methods in Natural Language Processing. 2024. Pp. 4244-4275; Rettenberger L., Reischl M., Schutera M. Assessing political bias in large language models // Journal of Computational Social Science. 2025. V. 8. N 2. P. 1–17.



Source: authors' research

the issue of information overload, it may simultaneously exacerbate concerns regarding trust.

The intersection of AI bias, economic interests, and sovereign priorities makes AI governance a key issue for future informational resilience. To navigate this complex landscape, it is useful to examine how the cognitive power of AI manifests across three distinct domains: the synthetic content, the information visibility, and model-based information control.

Synthetic Content

Deepfakes and AI-generated content have led to a verification crisis in social media. Generative models streamline content creation, variation, and real-time engagement, enabling rapid production of persuasive

material. This results in a mix of real and artificial information, fuelling a "post-truth" environment. Identifying synthetic content is now as crucial as assessing truth, and fraud can be executed at industrial scale.

The large amount of generative content from users, platforms, and chatbots creates information pollution and cognitive overload. Constant exposure to ambiguous or conflicting information makes verification difficult. This breeds scepticism and undermines society's shared reality. UNESCO has flagged this as a systemic threat to public communication beyond conventional disinformation[34].

Platforms worsen the crisis by using AI-driven personalization. They act as conversational agents, like Grok on X, and as recommendation engines, such as TikTok's "For You" page. Both types adjust in real time based on users' behaviour and emotions.

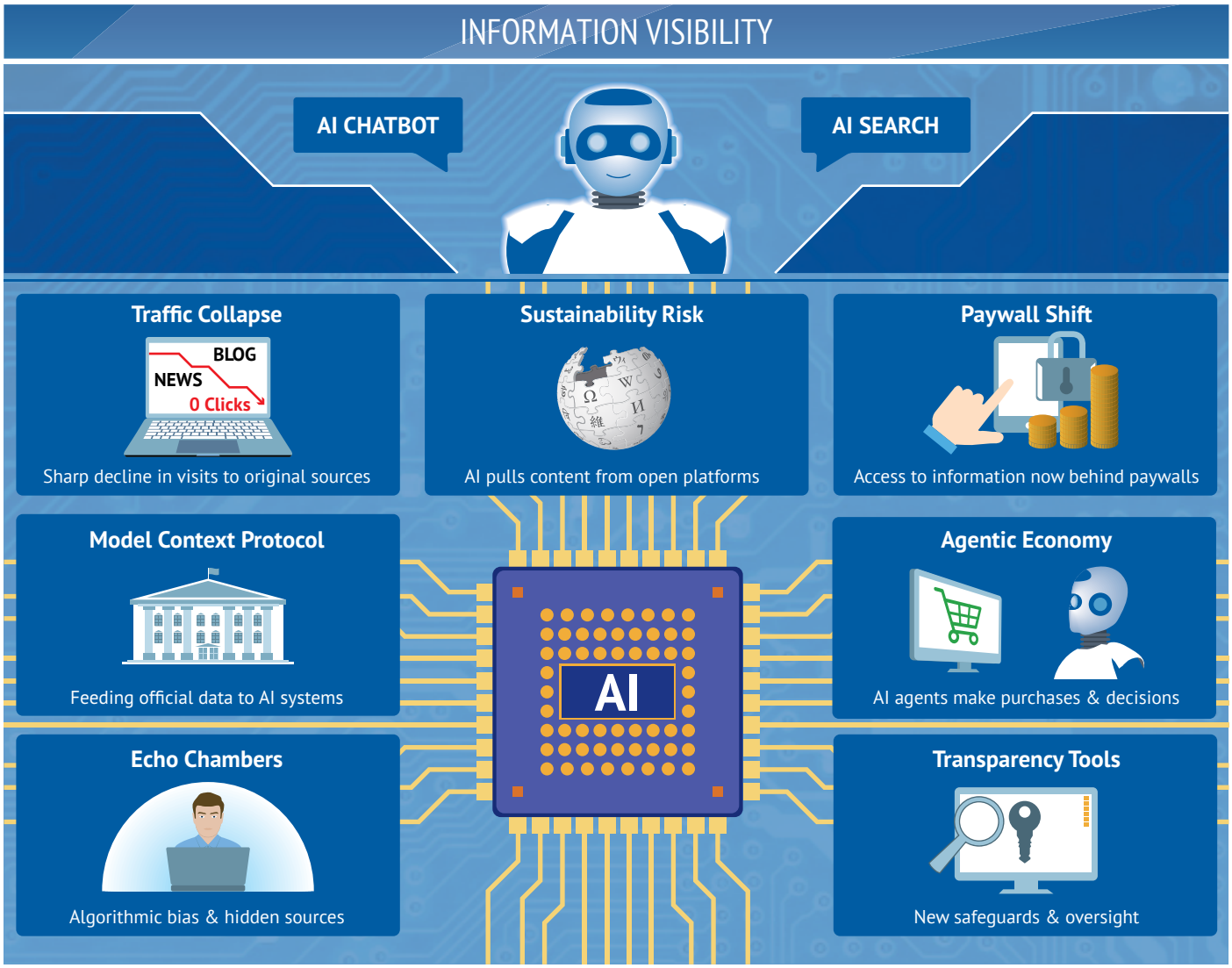
Information Visibility

As AI systems become central to information access, chatbots and search assistants are now primary gateways to knowledge. Unlike traditional platforms that display existing content, these tools generate responses, reshaping how information reaches users and impacting online visibility. By 2025, AI-driven search further reduced click-through rates, causing significant traffic drops for news and reference. Platforms like Wikipedia raise concerns about sustainability for open knowledge sites[35].

Some institutions are adopting technical standards for data provenance. In 2026, US federal agencies began using the Model Context

[34] Deepfakes and the crisis of knowing // UNESCO, 01.10.2025 URL: https://www.unesco.org/en/articles/deepfakes-and-crisis-knowing

[35] Ha A. Wikipedia says traffic is falling due to AI search summaries and social video // TechCrunch, 18.10.2025 URL: https://techcrunch.com/2025/10/18/wikipedia-says-traffic-is-falling-due-to-ai-search-summaries-and-social-video/



Source: authors' research

Protocol (MCP) [36] to link AI models directly to official datasets, ensuring chatbot responses rely on trusted sources. Publishers, facing decreased ad revenue and referrals, are switching to paywalls and subscriptions, fragmenting information access and concentrate knowledge.

[36] Alder M. Federal officials tap open-source standard to improve GenAI access to public data // FedScoop, 04.02.2026 URL: https://fedscoop.com/federal-goverment-mcp-improve-ai-access-public-data/

Agentic traffic also changes the landscape. The transition from human-driven to AI agent information processing shifts competition from people to algorithms, leading to an "agent economy" dominated by a few models. Users rarely know how answers are generated or which sources are omitted, as visibility is determined by model data and weights.

The balance of AI visibility and state control will determine who influences users' access to information. Emerging responses include transparency protocols, watermarking, audit frameworks (e.g., risk-based categories), while digital literacy and journalism funding are still debated.

AI-Control and State Intervention

As LLMs are by now adopted in almost every digital tool, their credibility faces geopolitical challenges. States increasingly view generative models as strategic infrastructure, incorporating them into national security for tasks like data analysis and narrative monitoring. This marks a shift toward information control via AI models, as states influence access to knowledge.

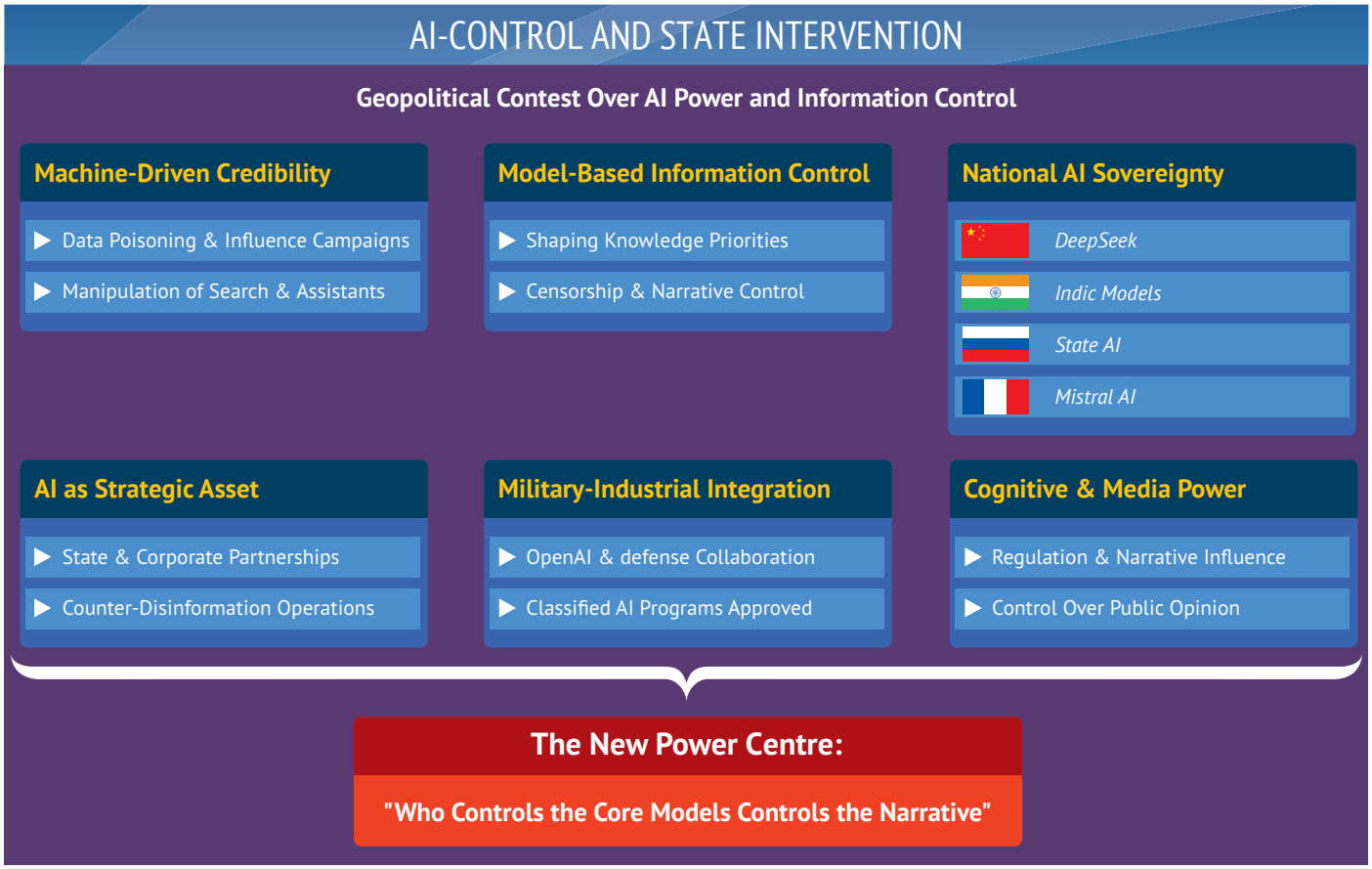
AI developers are increasingly partnering with governments. By 2026, OpenAI's models were approved for use in classified US Department of War networks[37], and Mistral AI secured a deal with the French Ministry of Defence[38], showing generative AI's integration into state security.

Many governments are developing national AI ecosystems to reduce reliance on foreign providers. China, India, Russia, Europe, Gulf states, and East Asian countries back domestic models to manage data and maintain political independence.

Governments see control of core AI models as a strategic way to influence media and public priorities. By partnering with private companies, they share infrastructure costs and gain tools to shape information environments. As AI governance has become a geopolitical battle over both narrative and algorithmic control, control of AI model design and deployment will be a key power source in global politics.

[37] Our agreement with the Department of War // OpenAI, 28.02.2026. URL: https://openai.com/index/our-agreement-with-the-department-of-war/

[38] France's armed forces ministry awards Mistral AI framework agreement // Reuters, 08.01.2026. URL: https://www.reuters.com/business/frances-armed-forces-ministry-awards-mistral-ai-framework-agreement-2026-01-08/



Source: authors' research

What's Next?

AI models advance government interests and blur lines between private and public sectors. Information management is now central to global power, while the long-term psychological and social impacts of AI are still unknown. Current trends suggest three possible paths for AI's future influence on society and thought.

1. **Crisis Scenario:** Shared reality collapses as AI-generated fakes and disinformation become widespread. Unable to distinguish real from fake, society descends into radical distrust, making agreement impossible. This is the likely outcome of unchecked generative AI, where even the existence of facts is questioned.

2. **Continuation Scenario:** Society passively adapts to AI without changing core behaviours. AI is used for convenience and efficiency, but its cognitive effects are ignored. Truth becomes slightly flexible, yet social norms adjust just enough to cope—driven more by apathy than awareness.

3. **Intervention Scenario:** Governments actively regulate AI through licenses, watermarks, and localized systems to protect truth and security. Drawbacks include potential misuse of regulations, information control, and fragmented "splinternets" that limit open discourse.

Crisis, Continuation, and Intervention are overlapping, not separate paths. Some governments will tightly control AI, other societies will absorb it indifferently, and in unregulated spaces, synthetic content will erode trust. As digital ecosystems fragment, users face vastly different realities. The real challenge lies in managing these intersections and maintaining a global conversation across divided digital worlds.

Chapter 4. Normative Power of AI

Regulating AI is now a major source of power in global politics, shaping both technological sovereignty and geopolitical influence. Countries that set norms reduce external dependencies and define global rules, but rapid AI advancement outpaces legal frameworks. Two competing approaches are emerging: an exclusive **club-based format** pushing rules that favour coalition members, and a **universal format** under the UN structure that challenges Western dominance by representing the World Majority.

Club-Based Approach

A club-based approach to AI regulation involves a small group of technologically advanced countries collaborating within OECD.AI, Hiroshima AI Process, G7 AI Toolkit to set global AI rules, reflecting their own economic and geopolitical interests, prioritizing Western agenda. However, while those platforms attempt to establish unified standards, national policies diverge significantly, complicating consensus.

The EU treats AI as a high-risk technology, especially in healthcare, law enforcement, and critical infrastructure**.** Its EU AI Act[39] enforces

[39] EU Artificial Intelligence Act // Future of Life Institute. 2026. URL: https://artificialintelligenceact.eu/

strict regulation and algorithm transparency. The approach is risk-based: higher societal risks of an AI system trigger stricter developer requirements**.** However, partners fear the Act's wording enables political manipulation and financial abuse, while European companies worry it will stifle innovation, deter investment, and weaken the EU's global AI competitiveness. The EU aggressively promotes its AI standards globally, leveraging tools like the Code of Practice on marking and labelling of AI-generated content[40] as a global transparency standard but exempting its internal governmental bodies from compliance requirements. Through Global Gateway[41] the EU promotes its AI norms globally which limits local tech growth and centralizes AI decision-making in Europe. While framed as protecting human rights and democratic values, EU regulation can be used as geopolitical leverage.

The US dominates AI through control over critical technologies so others have to follow the de facto rules set by US tech giants like Google, Microsoft, and OpenAI (e.g., the US-India AI Summit declaration[42] emphasized minimal regulation, while binding India to the Pax Silica alliance). The US "voluntary consensus model" prioritizes market self-regulation and flexible, non-binding guidelines (as the AI Bill of Rights[43]) over strict legislation as a prerequisite for innovation. By designing numerous[44] recommendations for national regulation federal agencies envision global influence of US standards (e.g., NIST's AI Agent Standards Initiative[45]). Trump's executive order[46] centralized AI regulation, accelerating innovation but creating long-term risks in security and data control. Responsibility shifts to corporations,

[40] Commission publishes first draft of Code of Practice on marking and labelling of AI-generated content // Eureporter. 19.12.2025. URL: https://eureporter.co/internet-2/2025/12/19/commission-publishes-first-draft-of-code-of-practice-on-marking-and-labelling-of-ai-generated-content/

[41] Investment Hub - Disclaimer // European Commission. 20.03.2026. URL: https://international-partnerships.ec.europa.eu/investment-hub_en

[42] India, United States Sign Pax Silica Declaration at India AI Impact Summit // IBEF. 23.02.2026. URL: https://www.ibef.org/news/india-united-states-sign-pax-silica-declaration-at-india-ai-impact-summit

[43] Blueprint for an AI Bill of Rights // WH.GOV. URL: https://bidenwhitehouse.archives.gov/ostp/ai-bill-of-rights/

[44] Marslej N. et all. Artificial Index Report // Stanford University HAI. 04.2025. URL: https://www.researchgate.net/publication/390670790_Artificial_Intelligence_Index_Report_2025

[45] AI Agent Standards Initiative // NIST. 18.02.2026. URL: https://www.nist.gov/caisi/ai-agent-standards-initiative

[46] Trump D.J. Ensuring a National Policy Framework for Artificial Intelligence. Executive Order // The White House Washington. 11.12.2025. URL: https://www.whitehouse.gov/presidential-actions/2025/12/eliminating-state-law-obstruction-of-national-artificial-intelligence-policy/

as the US prioritizes maintaining its companies' global edge over comprehensive oversight.

The UK favours a principles-based approach aligned with the OECD, avoiding excessive bureaucracy to keep its AI sector competitive. By positioning itself as both a pioneer of the AI safety initiative (the Bletchley Declaration[47]) and a global tech hub, the UK prioritizes voluntary codes and sectoral standards over rigid GDPR-style regulation**.** The UK influences the G7 and OECD by pushing "regulatory sandboxes"[48] to test AI in controlled settings and balances global influence with flexibility by sidestepping rigid international agreements that could limit its national interests.

Singapore leads a pragmatic, innovation-driven AI model, favouring flexible, principle-based guidelines over rigid rules to boost tech growth and start-ups. Its Model AI Governance Framework[49], including 2026 updates for generative[50] and agentic[51] AI, sets a regional benchmark, appealing to Southeast Asia as an alternative to the Western models. Singapore leverages its OECD partnership and GPAI[52] membership to shape global standards, advocating adaptability and openness in regulation to diverse economies. This approach lets tech-savvy smaller nations shape global AI governance through club-based formats.

Between Club-Based and Universal Approaches

BRICS represents an intermediate step between the club-based and universal UN-led regulation by advancing AI cooperation through education, tech, and digital infrastructure, reflected in the 2025 Rio

[47] AI Safety Summit 2023: The Bletchley Declaration // GOV.UK. 13.02.2025. URL: https://www.gov.uk/government/publications/ai-safety-summit-2023-the-bletchley-declaration

[48] Crouch J. Sandboxing 2.0: an alternative to tearing up the rulebook // Re:State. 27.08.2025. URL: https://re-state.co.uk/rethink/sandboxing-2-0-an-alternative-to-tearing-up-the-rulebook/

[49] Model Artificial Intelligence Governance Framework Second Edition // PDPC. 2020. URL: https://www.pdpc.gov.sg/-/media/files/pdpc/pdf-files/resource-for-organisation/ai/sgmodelaigovframework2.pdf

[50] Model AI Governance Framework (Generative AI) // Infocomm Media Development Authority. 30.05.2024. URL: https://www.imda.gov.sg/resources/press-releases-factsheets-and-speeches/factsheets/2024/gen-ai-and-digital-foss-ai-governance-playbook

[51] Model AI Governance Framework for Agentic AI // Infocomm Media Development Authority. 22.01.2026. URL: https://www.imda.gov.sg/-/media/imda/files/about/emerging-tech-and-research/artificial-intelligence/mgf-for-agentic-ai.pdf

[52] Global Partnership on Artificial Intelligence // OECD. URL: https://www.oecd.org/en/about/programmes/global-partnership-on-artificial-intelligence.html

de Janeiro summit statement[53]—the first intergovernmental push for inclusive AI governance based on national legal systems. The bloc promotes data sovereignty, equitable tech access, and South-South collaboration, offering alternatives to Western models via initiatives like the BRICS AI Success Hub[54] and AI Ethics Charter[55]. Yet, BRICS struggles with institutional fragmentation, unclear mandates, and redundancy, reflecting its sovereign-state structure. An AI development gap—China holds 86% of the bloc's generative AI influence, while India, Brazil, and Russia share 12%, and others just 2%—further complicates unified policy-making[56].

China aims for innovative superiority, but avoids adopting a comprehensive internal AI law, opting for targeted measures like mandatory labelling of AI-generated content (2025)[57] and its AI+ strategy[58] to transform the economy by 2035. The rise of OpenClaw, an open-source AI agent, spurred plans for reliability testing and usage standards. Through the Digital Silk Road, China exports its norms globally, but unlike the US or EU, it pushes for sovereignty-focused, inclusive governance via proposals like the Global AI Governance Action Plan[59], advocating a new international body for global AI regulation.

Russia's hybrid AI model blends UN principles with national sovereignty, emphasizing transparency, non-discriminatory tech access, and voluntary ethics codes, including a 2030 AI regulation concept[60]

[53] BRICS leader's statement on the global governance of artificial intelligence // BRICS Brasil. 2025. URL: https://brics.br/en/documents/presidency-documents/250706_brics_ggai_declarationfinal.pdf/@@download/file

[54] BRICS+ AI Success Hub: an international platform for verified examples of AI implementation launched in BRICS+ countries and partners // Biz Development News. 21.11.2025. URL: https://bizdevelopmentnews.com/technology/brics-ai-success-hub-an-international-platform-for-verified-examples-of-ai-implementation-launched-in-brics-countries-and-partners

[55] BRICS' AI Cooperation // BRICS. 12.09.2025. URL: https://infobrics.org/en/post/59329/

[56] Sytnik A. BRICS: Geopolitical Hedging in the AI Race // Valdai Discussion Club. 25.12.2025. URL: https://valdaiclub.com/a/highlights/brics-geopolitical-hedging/

[57] В Китае ввели маркировку ИИ-контента [China introduces AI content labeling] // Sostav. 02.09.2025. URL: https://www.sostav.ru/publication/v-kitae-vveli-markirovku-ii-kontenta-77831.html

[58] Opinion of the State Council on the deeper implementation of the concept of "Artificial Intelligence+" // GOV.CN. 26.08.2025. URL: https://www.gov.cn/zhengce/content/202508/content_7037861.htm

[59] Global AI Governance Action Plan // Ministry of Foreign Affairs People's Republic of China. 26.07.2025. URL: https://www.mfa.gov.cn/eng/xw/zyxw/202507/t20250729_11679232.html

[60] Указ Президента РФ от 10 октября 2019 г. N 490 "О развитии искусственного интеллекта в Российской Федерации" (с изменениями и дополнениями). [Decree of the President of the Russian Federation of October 10, 2019 No. 490 «On the Development of Artificial Intelligence in the Russian Federation» (with amendments and additions)] 15.02.2024. URL: https://www.rst.gov.ru/portal/gost/home/standarts/aistandarts

and financial sector guidelines[61]. A landmark draft law[62] defines rights and obligations for AI developers, operators, and users, introducing "sovereign", "national" and "trusted" AI frameworks. Internationally, Russia rallies partners via the Russian AI Alliance[63], part of the global AI Alliance Network[64], promoting trusted AI standards now backed by over 1,000 entities across 43 countries.

India pursues multi-alignment, deepening BRICS ties while adopting Western AI standards. As a bridge between global power centres, India shapes the AI governance agenda through platforms like the AI Impact Summit, optimizing global decisions to its interests. India's approach balances innovation with ethical governance through Digital India Act[65] and evolving national AI strategy[66]. By engaging both BRICS and the Western frameworks, India crafts a flexible, robust, sovereign-centric framework, positioning itself as a Global South leader in inclusive AI policy.

Universal Approach

Fearful of neo-colonial tech dependence, World Majority nations push for global regulation consensus under UN-led AI governance, addressing the problems of digital divide and digital colonialism through

[61] Кодекс Этики в сфере разработки и применения искусственного интеллекта в финансовом секторе [Code of Ethics in the Development and Application of Artificial Intelligence in the Financial Sector] // Bank of Russia.. URL: https://cbr.ru/Content/Document/File/178667/code_09072025.pdf

[62] Об основах государственного регулирования сфер применения технологий искусственного интеллекта в Российской Федерации [On the Fundamentals of State Regulation of the Use of Artificial Intelligence Technologies in the Russian Federation] // Federal Portal of Draft Normative Legal Acts. 18.03.2026. URL: https://regulation.gov.ru/projects/166424

[63] AI Alliance Russia. URL: https://a-ai.ru/?lang=en

[64] AI Alliance Network. URL: https://aianet.org

[65] Prangya P.J. The Digital India Act: A Comprehensive Overview Of India's New Digital Regulatory Framework // Lawyersclubindia. 22.11.2025. URL: https://www.lawyersclubindia.com/articles/the-digital-india-act-a-comprehensive-overview-of-india-s-new-digital-regulatory-framework--16915.asp

[66] National Strategy For Artificial Intelligence #AIFORALL // NITI Aayog. June 2018. URL: https://www.niti.gov.in/sites/default/files/2023-03/National-Strategy-for-Artificial-Intelligence.pdf

initiatives like the 2025 UN Global Dialogue on AI Governance[67]—a platform for inclusive, rights-based standards and open innovation, backed by an independent international expert group[68].

Yet the US and the UK resist UN oversight, favouring their own platforms to preserve strategic dominance over China. This fragmentation deepens distrust and privacy risks, while AI's militarization in conflicts accelerates demands for urgent norms. Ethical guidelines and frameworks are no longer enough—binding global rules are critical to curb AI risks and ensure stability. Without consensus, threats from unchecked AI will only escalate.

Chapter 5. Strategic and Security Power of Artificial Intelligence: Dual-Use Dynamics and Military Transformation

The strategic and security dimension of AI is defined by its dual-use nature and its rapid integration into military systems. Unlike previous technologies, AI emerges primarily from civilian innovation ecosystems but is immediately transferable into defence, intelligence, and internal security domains. This creates a structural condition in which the boundary between civilian and military spheres is no longer stable. AI becomes not just an enabler of military capability, but a mechanism that transforms how force is generated, organized, and applied. At the highest level, this transformation affects strategic stability by compressing decision cycles,

[67] Global Dialogue on AI Governance // United Nations. URL: https://www.un.org/global-dialogue-ai-governance/en

[68] Independent International Scientific Panel on AI // United Nations. URL: https://www.un.org/independent-international-scientific-panel-ai/en

increasing uncertainty, and introducing new escalation pathways, including in nuclear domains.

Dual-Use as Structural Condition: From Civilian Innovation to Military Capability

State–Corporate Fusion: Civilian Infrastructure as Military Backbone

A critical feature of military AI is the deep integration of state and corporate actors. Defence institutions increasingly depend on private-sector technologies—cloud computing, data analytics, and AI models—developed by major technology firms. This creates a form of structural dependence where military capability is tied to access to civilian infrastructure.

This dynamic is already visible in concrete public-private partnerships. In the United States, initiatives such as *Project Maven*[69] and the deployment of generative AI environments like *GenAI.mil*[70] illustrate how leading technology companies are directly embedded in defence workflows, providing data processing, model development, and analytical tools. In Europe, France's cooperation with domestic AI companies (*Mistral AI*) reflects a parallel model of embedding private-sector innovation into military structures, albeit with a stronger emphasis on sovereignty[71].

Pentagon partnerships with firms such as *Palantir*[72], *Microsoft, Amazon*[73], and *Google*[74] have integrated commercial cloud infrastructure

[69] Pentagon awards $480 million deal to Palantir for 'Maven' prototype // Reuters. 30.05.2024. URL: https://www.reuters.com/technology/palantir-wins-480-million-us-army-deal-maven-prototype-2024-05-29/

[70] Bringing ChatGPT to GenAI.mil // OpenAI. 09.02.2026. URL: https://openai.com/ru-RU/index/bringing-chatgpt-to-genaimil/

[71] Spirlet T. $14 billion AI startup Mistral—Europe's answer to OpenAI—lands French military deal as the region bets on homegrown tech // Business Insider. 09.01.2026. URL: https://www.businessinsider.com/ai-startup-mistral-lands-french-military-deal-openai-of-europe-2026-1

[72] Exclusive: Pentagon to adopt Palantir AI as core US military system, memo says // Reuters. 21.03.2026. URL: https://www.reuters.com/technology/pentagon-adopt-palantir-ai-as-core-us-military-system-memo-says-2026-03-20/

[73] Cloud Computing for U.S. Intelligence Community // AWS. URL: https://aws.amazon.com/ru/federal/us-intelligence-community/

[74] 'The Business of War': Google Employees Protest Work for the Pentagon // The New York Times. 04.04.2018. URL: https://www.nytimes.com/2018/04/04/technology/google-letter-ceo-pentagon-project.html

and AI capabilities into intelligence analysis, targeting, and command systems.

Networked Military Innovation

A recent example of the institutionalization of AI in military contexts is the United Kingdom's decision to finance the establishment of an AI Center of Excellence within the structure of Ukraine's Ministry of Defence[75].

Within the broader context of NATO, AI is increasingly treated as a key enabling technology for military operations. The alliance has developed a formal NATO Artificial Intelligence Strategy[76] and to support its implementation has launched the Defence Innovation Accelerator for the North Atlantic (DIANA)[77], a network that connects start-ups, research institutions, and defence actors to develop dual-use technologies, including AI.

Under these conditions, civilian AI systems can no longer be treated as neutral: once continuously adapted within conflict environments, they become embedded in military logics and acquire strategic functions.

AI-Enabled Operations

Venezuela

An entry point for understanding the operationalization of dual-use AI is the Venezuelan case, where the United States has employed AI-enabled tools in the context of non-kinetic operations[78] (e.g. cyber attacks, social media influence campaigns, disruption of electromagnetic signals).

During the 2026 Venezuela crisis AI has been applied to intelligence, surveillance, and financial tracking. Notably, advanced

[75] Ukraine Defence Partnership set to boost global production and national security // GOV.UK. 17.03.2026. URL: https://www.gov.uk/government/news/ukraine-defence-partnership-set-to-boost-global-production-and-national-security

[76] Summary of NATO's revised Artificial Intelligence (AI) strategy // NATO. 10.07.2024. URL: https://www.nato.int/en/about-us/official-texts-and-resources/official-texts/2024/07/10/summary-of-natos-revised-artificial-intelligence-ai-strategy

[77] Defence Innovation Accelerator for the North Atlantic // NATO. URL: https://www.diana.nato.int/

[78] Non-kinetic operations refer to actions that affect or degrade an adversary's systems without the use of physical force, targeting instead communication networks, financial infrastructures, and information environments.

generative AI systems such as Claude were reportedly deployed within operational environments, including through integration with Palantir platforms, underscoring how commercial foundation models are becoming embedded in intelligence and targeting processes[79].

The Venezuelan case demonstrates that AI-enabled operations function as part of a persistent geopolitical toolkit, integrating intelligence, sanctions enforcement, and cyber capabilities into a unified, data-driven framework.

Iran

A more escalatory version of this model can be observed in the Iranian case, where military confrontation is increasingly accompanied by intensive activity in the digital domain.

The United States and Israel conducted cyber operations targeting digital platforms used by civilian populations. These operations have reportedly focused on widely used mobile applications, which were compromised to disseminate coordinated messaging aimed at influencing public perception and behaviour.

These two cases can be interpreted as the first instance of an AI-enabled strategic operation at scale, in which artificial intelligence is not merely a supporting tool but a structuring element across the entire operational cycle.

Dual-Use Risks and AI Safety Concerns

A noteworthy example linking AI safety and geopolitical risk is the growing concern that advanced AI systems could assist in such sensitive issues as chemical, biological, or nuclear weapons creation[80]. While current safeguards are said to restrict such outputs, the very nature of AI raises concerns about possible model misuse, advanced prompt engineering, and even the cases of top secret documents leakage. In this

[79] US used Anthropic's Claude during the Venezuela raid, WSJ reports // Reuters. 14.02.2026. URL: https://www.reuters.com/world/americas/us-used-anthropics-claude-during-the-venezuela-raid-wsj-reports-2026-02-13/

[80] The Adolescence of Technology // Dario Amodei. 01.2026. URL: https://www.darioamodei.com/essay/the-adolescence-of-technology

context, AI safety is no longer a purely technical issue but a matter of non-proliferation and international security governance[81].

Military AI Governance Beyond the West: BRICS and World Majority Perspectives

As in the broader field of AI regulation, there are no binding international conventions prohibiting or restricting the use of AI in military applications. This issue is consistently framed as critically important by all major actors, yet in practice remains confined to declaratory politics rather than enforceable commitments.

The latest Responsible AI in the Military domain Summit (REAIM) 2026[82] confirmed that Western-led discussions on military AI remain focused on voluntary commitments rather than binding constraints.

Governance of military AI in the context of BRICS follows a distinct trajectory, shaped by concerns over sovereignty, unequal access to technology, and resistance to monopolization by leading AI powers.

In this context, a key tension emerges. On the one hand, calls for unity and restraint in the military use of AI are consistently voiced across different groups of states. On the other hand, concrete initiatives aimed at limiting or prohibiting such applications repeatedly fail to achieve broad consensus, as major actors find political or strategic grounds to withhold support.

At the same time, the development of military AI capabilities continues across all key players—including Western countries, China, Russia, and others—driven in part by intensifying technological competition. This dynamic reinforces an emerging AI arms race, generating new risks and further complicating prospects for meaningful international regulation.

[81] International AI Safety Report 2026 // UK Department of Science, Innovation & Technology. AI Security Institute. 03.02.2026. URL: https://internationalaisafetyreport.org/publication/international-ai-safety-report-2026

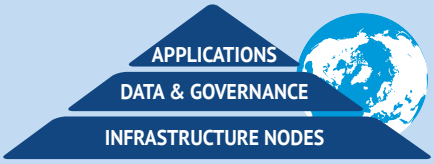
[82] REAIM 2026 Pathways to Action // Responsible AI in the Military Domain Summit. 05.02.2026. URL: https://www.exteriores.gob.es/en/REAIM2026/Paginas/default.aspx

POLICY RECOMMENDATIONS: GOVERNING AI AS POWER INFRASTRUCTURE

AI is a systemic layer of power shaping economies, security and cognition. Policies must treat AI as geopolitical infrastructure, not just a sectoral technology

1 PRIORITIZE SELECTIVE SOVEREIGNTY

Focus on critical parts of the AI stack rather than unattainable full autonomy



KEY ACTIONS

- Identify strategically critical segments
- Develop national capabilities where feasible
- Manage dependencies via diversification, redundancy and interoperability

2 TREAT DATA, ALGORITHMS, COMPUTE & INFRASTRUCTURE AS STRATEGIC ASSETS

Integrate core AI resources into national security and industrial policy

KEY ACTIONS

- Plan long-term energy supply for data centres
- Implement data localization and governance
- Regulate large-scale compute allocation
- Prevent excessive external control of critical infrastructure

3 INVEST IN COGNITIVE RESILIENCE

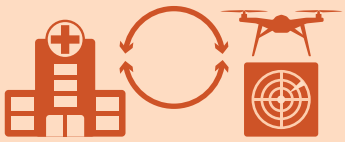
Strengthen societies' ability to manage AI-driven information environments

KEY ACTIONS

- Build verification and fact-checking infrastructures
- Support trusted and independent information channels
- Develop standards for provenance and content authenticity
- Balance security with openness to avoid narrative centralization

4 ESTABLISH MINIMUM GUARDRAILS FOR DUAL-USE AI

Address the fusion of civilian and military AI to reduce escalation risks



KEY ACTIONS

- Pursue transparency on dual-use capabilities
- Create incident-reporting mechanisms
- Adopt confidence-building measures in high-stakes systems (eg, early warning)

5 ADVANCE INCLUSIVE, HYBRIDINTERNATIONAL COOPERATION

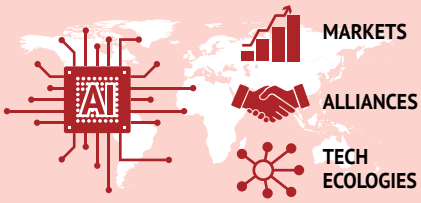
Combine accessibility with enforceability while avoiding fragmentation and exclusion

KEY ACTIONS

- Prioritize capacity-building for the World Majority
- Facilitate infrastructure, talent and technology transfer
- Use a layered governance model: global principles, coalition standards, national rules
- Ensure standards do not become instruments of exclusion

6 ALIGN AI GOVERNANCE WITH GEOPOLITICAL & GEOECONOMIC STRATEGY

Recognize that regulating AI reshapes markets, alliances and technological ecosystems



KEY ACTIONS

- Coordinate regulation with industrial policy
- Integrate security objectives and risk assessments
- Align AI governance with foreign policy priorities

CONCLUSION

The task is not simply to "regulate AI," but to govern the infrastructures, dependencies and power relations through which AI operates

Source: authors' research

Valdai_Club

valdai_club

valdaidiscussionclub

Международный дискуссионный клуб «Валдай»

admin@valdaiclub.com

СОВЕТ ПО ВНЕШНЕЙ И ОБОРОННОЙ ПОЛИТИКЕ

RIAC
Russian International Affairs Council

MGIMO UNIVERSITY

HIGHER SCHOOL OF ECONOMICS
NATIONAL RESEARCH UNIVERSITY