

AI More Powerful Than Ukraine and Taiwan

By [Karsten Riise](#)

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AI Turning Losing Path for US

The US is losing. Recently, Ukraine just aired hopes and ideas about a ceasefire. Sanctions are ineffective on Russia. The US is not winning on Taiwan either. The Ukraine war has depleted US and NATO war stocks. The US cannot produce artillery shells and the US hasn't even got anti-ship missiles left for one week of war with China. Every wargame shows that the US will lose a conflict to China. In the Middle East, the US is losing influence to China and Russia. Iran and Saudi Arabia are making friends, Syria is back, and Iran cannot be stopped from acquiring a nuclear bomb with missiles to deliver it as well. Türkiye has de-facto left NATO and the US nemesis Erdogan just won another presidential term. BRICS is de-dollarizing and there are 13 countries applying to join BRISCS. In many ways, the global position of the US is in disarray.

AI is a game changer set to more than compensate the US for all this.

The US is in control of the global AI race. The US controls all the big AI models. The US controls the microchips for building powerful AI data centers. The US controls the data centers for AI as well. The US even dominates the software companies making use of AI.

Coming soon – the impact of AI will be far bigger than Ukraine and Taiwan.

Scale and Speed of AI

Microsoft recently announced it is building 120 mega-big AI data centers **per year**. One every three days. I researched what one such data center might cost. I found one data center at \$ 300 million, and another one at \$ 500 million. Multiply that with 120 data centers, and you get that Microsoft in one year invests \$ 40-60 billion in AI data centers alone.

On top, Microsoft has invested heavily in new technology to design what Microsoft claims are the fastest AI data centers in the World. Microsoft's many data centers are already

divided into 60 “regions” covering all the Globe. Microsoft also recently put \$ 10 billion into OpenAI. And Microsoft is not done yet, so we easily see a figure on the horizon of \$ 100 billion investments by Microsoft alone.

Google is on the same path with DeepMind and Google’s own mega-data centers. Amazon is also into AI and Amazon runs what are perhaps the biggest data centers in the World for the US military and security apparatus – Amazon is definitely following up too with mega-investments in the AI and data center development. Due to the need to supply chips to the data centers of Microsoft and others, the value of NVIDIA just jumped to nearly \$ 1 trillion. Add to this the enormous public and private investments in chips etc. in the US, EU, and East Asia. We also see how all the big software companies in the West invest heavily to incorporate Microsoft’s AI into their products. Don’t be surprised if the total investments in AI and AI-driven technologies (incl. chips) over just a couple of years run up to \$ 1 trillion.

Impact

Take the announcements of one study that already-existing AI will increase productivity by 40%. Add a report that already-existing AI increases programming productivity by 1200%. And then read reports that soon doctors with AI-systems will outcompete doctors without AI. Lawyers with AI-systems will outcompete lawyers without. And we must conclude: Military officers with AI-systems to support them will also “outcompete” military officers without. This is just the beginning. Nobody can imagine even 2 years from now. AI is a complete game changer. There is a reason why Western societies may invest even \$ 1 trillion in AI. And that is because AI is worth many more trillions. Each trillion gained by AI is 5% additional GDP to the US or the EU, UK. The productivity gains of AI are enormous, and the impact is everywhere.

And it’s already happening now.

ChatGPT is already here, the fastest growing application in history. The 120 big data centers are already being built. A plethora of AI systems are already being prepared for use in 2024.

US Hope

The US is hard pressed geopolitically.

But AI technology changes the game. If the US can tighten its control on the EU long enough, the US can expect to reap huge competitive advantages already in 2025. There can come a downturn for the US due to geopolitical losses etc. 2023-2025, but already in 2026, the power of these new technologies could already outweigh those losses. Nobody knows, but there is a very real possibility that that could happen. Beijing will get Taiwan but not the chip production or the AI. There is a scenario where the US loses in the short term but wins already on the mid-term due to extremely powerful technological AI and other capabilities which are underway.

Which development will prevail? Will the short-term pressure on the US prevail, or will the mid-term US superiority in AI, chips, Quantum Computing, and Industrial use of Space turn the tides for the US?

Nobody can answer that question for sure, but there is a viable scenario how the US can pull it off. The more information about AI comes to light, the more it becomes evident that the AI

technology which the US leads is extremely powerful – enough to change power in the World.

Productivity gains of 40% to 1200% in everything will only be reaped by the US and friends of the US. Without access to AI, China will sink behind and Russia will drop. US President Biden dreams that China will never overtake the US in GDP: AI may lead to that. Imagine a country without Internet. Soon, countries without AI will be in a similar situation. Nobody will invest in a country without AI. Countries without AI will lose exports to countries with.

Dangerous Bet for China and Russia

China and Russia can choose to continue as if what I point out were not an existential risk to take seriously. India too. Their leaders may perhaps have good information to believe that these technologies will not be sufficiently game-changing, and that they will at any rate have time enough to catch up. And then they can just complacently hope that what they already do on autopilot will help them achieve their objectives. China may have a lot of big projects up its sleeve in UV lithography, chip technology, AI, Quantum Computing etc. which they have reason to believe will overtake the US in a few years. Who knows? But it is much more likely otherwise, in which case their bet can be so terribly wrong that they can lose the farm.

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Karsten Riise is a Master of Science (Econ) from Copenhagen Business School and has a university degree in Spanish Culture and Languages from Copenhagen University. He is the former Senior Vice President Chief Financial Officer (CFO) of Mercedes-Benz in Denmark and Sweden.

He is a regular contributor to Global Research.

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