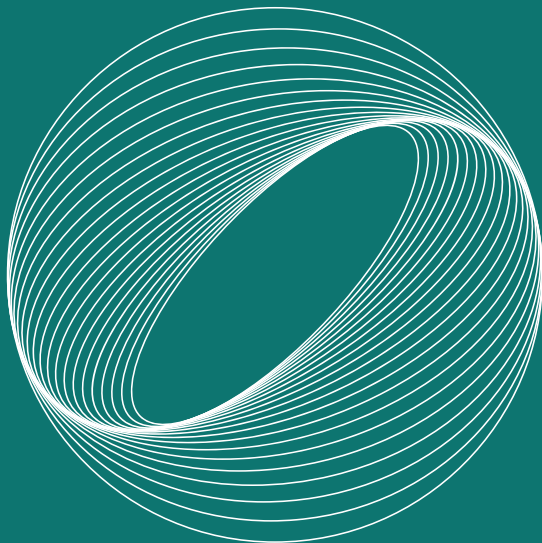




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GLOBAL SOUTH AND THE FUTURE OF AI'S GLOBAL DYNAMIC

Artificial Intelligence (AI) has been one of the central themes in today's digitalized world. It transforms almost every sector of national economies and accelerates global competition among digital platforms and services, thus shaping states' future prosperity and long-term national competitiveness (Schmidt, 2022). Despite the "AI Divide" or AI adaptation gaps between the Global North and South (Yu et al., 2023), it is worth noting that recent updates (a case study of Brazil and Africa) reflect that the Global South countries are experiencing significant opportunities in the arena.

The leading role has recently been represented through Brazil's initiative, since as a 2024 G20 leader, Brazil is trying to shape the international AI discussion by including the AI agenda in its presidency (G20, 2024). On the other hand, Africa, labelled as the "latest frontier" in US-China competition, has benefited from this rivalry by receiving significant aid from the US and infrastructure investments from China in the same time (Okolo in Bartlett, 2024).

These developments show that despite the rapid changes in the global stage, Global South countries can position themselves as a significant player in influencing international affairs. The current dynamic of AI presents a great future and opportunity for the Global South to become an emancipatory power, leading to responsible and inclusive AI governance for all. (Yulia Esti Utami, IR UGM 2020)

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NIGERIA'S ECONOMY CHALLENGE: RISING INFLATION

Nigeria is the largest economy in Africa, with a population of more than 210 million. Its main GDP drivers are services, manufacturing businesses, and agriculture. However, this country still relies heavily on imports, as its economy is insufficient to meet the needs of Nigeria's growing population. Consequently, Nigeria is highly vulnerable to external shocks, including foreign exchange market fluctuations, which impact the prices of goods and services (VOAa, 2024).

Currently, Nigeria is experiencing an economic crisis due to rising inflation. The National Bureau of State Statistics (NBS) data shows Nigeria's inflation reached 34.19% in June 2024. This number increased by approximately 0.24% compared to May 2024 (Egobiambu, 2024). Analysts argued that the major causes of Nigeria's inflation are food cost escalation and a depreciating naira. Under President Bola Tinubu's power, the government implemented economic reforms by cutting the electricity and petrol subsidies and devaluing the naira currency, which resulted in price pressures (VOAb, 2024).

This rising inflation is a severe challenge to Nigeria's economy. It has worsened the socio-economic aspect as many people are living in poor conditions and unemployed. They face difficulties affording primary resources because food inflation has increased from 40.53% to 40.66% (VOAb, 2024). Without immediate action, Nigeria's inflation can cause "stagflation" and lead to widespread protests or political instability (Onyeiwu, 2024). For instance, the labour union went on strike during the past months to demand a new minimum wage, from about \$20 to \$336 per month, because they were forced to buy essential goods at exorbitant prices (VOAc, 2024). To address the challenge, Nigeria needs urgent policy to stabilize the economy, ease the burden on citizens, and prevent further unrest. (Anggita Fitri Ayu Lestari, HI UGM 2020)

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GREATER SOUTH-SOUTH COOPERATION IN THE AI ERA: CHINA-ASEAN CASE STUDY

The convergence of Artificial Intelligence (AI) and geopolitics has ushered in a new era of strategic competition (Vijayakumar, 2022). China, through the State Council (2017), explicitly articulated its ambition to become the world's leading AI power by 2030. Central to this aspiration is increased investment and engagement with ASEAN member states. Hence, AI's era has the potential to draw ASEAN countries closer to China at the expense of the United States (US).

China has strategically engaged ASEAN in AI cooperation, leveraging investments, incentives, and partnerships to capitalize on the region's nascent AI market. Chinese companies have established a strong presence in Singapore, Malaysia, Thailand, and Indonesia, focusing on talent development and capacity building (Zhang & Khanal, 2024). Furthermore, the ASEAN-China Memorandum of Understanding on Cooperation in Communications, Digital and Technology (2024-2029) provides a framework for collaboration in enhancing ICT systems, including AI-related initiatives. Meanwhile, the US government's engagement only occurs through multilateral forums (U.S. Mission to ASEAN, 2024), and investments by US tech giants are still in the planning stage (Poling & Quitzon, 2024). Therefore, concrete plans and investments from the US appear relatively limited compared to China's robust approach in the region (Pan, 2023).

China's substantial investments in AI R&D, coupled with its emphasis on international collaboration, have positioned it as a dominant power in the Southeast Asian region. The burgeoning ASEAN-China partnership in AI serves as a compelling case study for the potential of South-South cooperation in driving technological advancement and economic growth in the Global South. (Made Wirawan, Universitas Indonesia)

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