The AI Infrastructure Leverage Framework

13 JULY 2026

Youssef Eldershabi

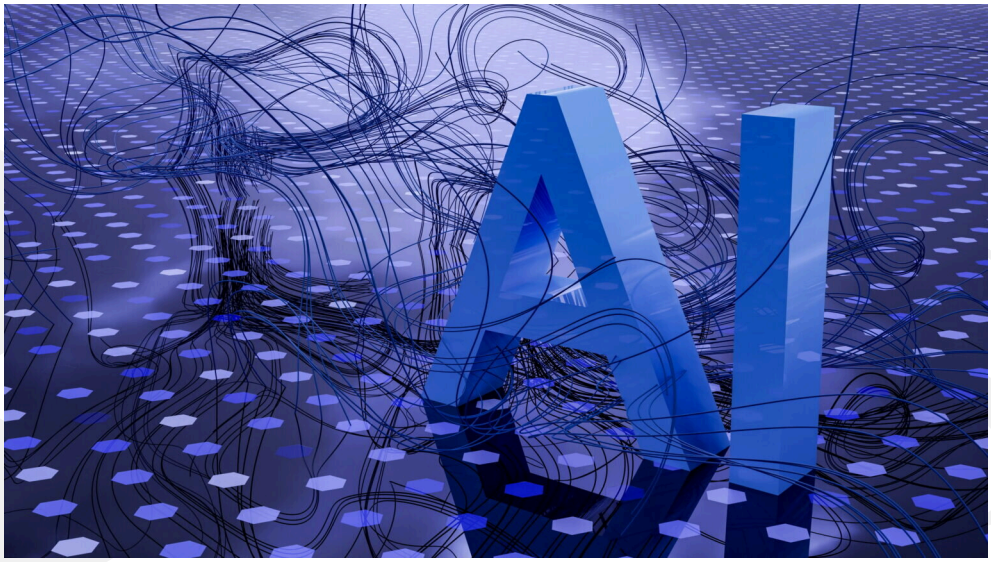


Photo by Steve A Johnson on Unsplash

Thematic Working Group Briefs – 2026

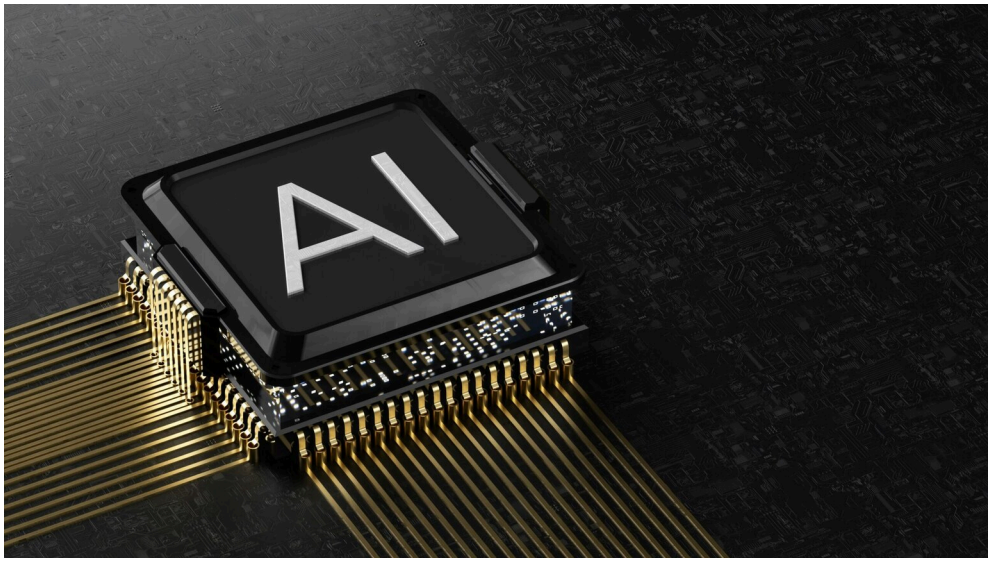


Photo by Igor Omilaev on Unsplash

The AI Infrastructure Leverage Framework

This model also resolves the grid externality directly. Data centers should be required, as a condition of the compact, to fund proportional contributions to grid reinforcement and resilience infrastructure serving affected zones — not as a tax, but as an obligation attached to the equity arrangement.

The US has largely ceded fiscal value without governance leverage: states gave away revenue and received no binding public-interest conditions. China's model achieves compute sovereignty through a different mechanism: direct state equity and policy direction over private AI companies, with subsidies conditioned on compliance with ideological content requirements, surveillance mandates, and research restrictions. China's model has produced the second-largest domestic computing capacity. However, its structural cost to research autonomy and ecosystem integrity is not transferable to pluralist democratic contexts. The ILF proposes a middle path: equity co-ownership of physical infrastructure, not state direction of research agendas, but rather to facilitate its deployment in government sectors.

Pillar B: From Procurement Consumer to Service Investor

State purchasing power is conventionally framed as a demand-side instrument: governments buy AI services and can attach conditions to those purchases. Though implementing ILF state has already provided infrastructure investment and equity under Pillar A, it is not a consumer negotiating a price—it is an investor whose equity entitles it to preferred AI service terms for public sector applications, as a dividend on the infrastructure contribution rather than as a market transaction.

Accordingly, incentives shift for both sides: AI companies operating on state-enabled infrastructure have a reciprocal obligation to serve public sector needs at rates and under transparency conditions that reflect the state's foundational investment.

Pillar C: The Nationalization Anchor

With equity stakes and service compacts in place, the nationalization anchor is less about outright seizure and more about escalation rights. If an operator exits a jurisdiction, transfers ownership to a foreign entity not subject to host-state jurisdiction, or materially breaches public-interest obligations, the state's equity position converts into preemption rights—the ability to purchase out the private share at a pre-agreed valuation, or to trigger utility classification that brings the facility under regulatory rate control.

The anchor is not a guarantee of independence. It's the convergence of corporate growth and the public's priorities, which is not expected to be optimal.[c]

References

Acemoglu, D. (2025). The simple macroeconomics of AI. *Economic Policy, 40*(121), 13–58. https://doi.org/10.3386/w32487

African Union. (2022). *Digital transformation strategy for Africa (2020–2030)*. AU. https://au.int/en/documents/20200518/digital-transformation-strategy-africa-2020-2030

AI4D. (2025). *Digital sovereignty or data colony? AI and Africa's place in the global economy*. Artificial Intelligence for Development Programme. https://www.ai4d.ai/research/digital-sovereignty-or-data-colony-ai-and-africa-s-place-in-the-global-economy

Aidata Insider. (2026, March 30). *The Middle East's playbook for sovereign AI infrastructure*. https://aidatainsider.com/ai/the-middle-easts-playbook-for-sovereign-ai-infrastructure/

Anthropic. (2026, June 12). *Statement on the US government directive to suspend access to Fable 5 and Mythos 5*. https://www.anthropic.com/news/fable-mythos-access

Bloomberg. (2026, May 14). *Data centers push power bills up 76% on largest US grid*. https://www.bloomberg.com/news/articles/2026-05-14/data-centers-drive-76-rise-in-power-bills-on-largest-us-grid

Bureau of Industry and Security. (2023). *Export controls on advanced computing and semiconductor manufacturing items*. U.S. Department of Commerce. https://www.bis.doc.gov/index.php/documents/about-bis/newsroom/press-releases/3211-2023-10-17-bis-press-release-acs-fy24-controls-final/file

Business Model Analyst. (2026, June 25). *States are pulling back data center tax breaks in 2026*. https://businessmodelanalyst.com/data-center-tax-break-rollback/

Center for a New American Security. (2026, January). *Sovereign AI Index 2026*. CNAS.

Counterpoint Research. (2025, December). *Global foundry market share Q3 2025*. Counterpoint Technology Market Research.

Daniel, M. L. (2026, June 7). What does AI sovereignty mean for Latin America? *Tech-Policy Press*. https://www.techpolicy.press/what-does-ai-sovereignty-mean-for-latin-america/

France 24. (2026, June 16). *French spies break with data-analysis giant Palantir, wary of relying on US tech*. https://www.france24.com/en/europe/20260616-french-spies-break-with-data-analysis-giant-palantir-wary-of-relying-on-us-tech

Goldman Sachs. (2023). *Generative AI could raise global GDP by 7 percent*. Goldman Sachs Research. https://www.goldmansachs.com/insights/pages/generative-ai-could-raise-global-gdp-by-7-percent.html

Goldman Sachs. (2025, August). *How will AI affect the global workforce?* Goldman Sachs Research. https://www.goldmansachs.com/insights/articles/how-will-ai-affect-the-global-workforce

Goldman Sachs. (2026, March). *How will AI affect the US labor market?* Goldman Sachs Research. https://www.goldmansachs.com/insights/articles/how-will-ai-affect-the-us-labor-market

Gmyrek, P., Berg, J., Kamiński, K., Konopczyński, F., Ładna, A., Nafradi, B., Rosłaniec, K., & Troszyński, M. (2025). *Generative AI and jobs: A refined global index of occupational exposure* (ILO Working Paper 140). International Labour Organization. https://doi.org/10.54394/HETP0387

Hogarth, I. (2018, June 13). *AI nationalism* [Blog post]. Ian Hogarth. https://www.ian-hogarth.com/blog/2018/6/13/ai-nationalism

IMD. (2019, November 17). *Whoever leads the AI race will lead the future, UAE minister says at IMD's signature programme*. International Institute for Management Development. https://www.imd.org/news/digital/updates-whoever-leads-the-ai-race-will-lead-the-future-uae-minister-says-at-our-signature-programme-in-dubai/

International Energy Agency. (2025). *Energy and AI*. IEA. https://www.iea.org/reports/energy-and-ai

International Monetary Fund. (2025). *The global impact of AI* (Working Paper No. WP/25/76). IMF. https://www.imf.org/en/Publications/WP/Issues/2025/04

Jennings, C. (2023, August 31). As AI becomes more powerful, Portland tech expert urges federal regulation. *Oregon Public Broadcasting*. https://www.opb.org/article/2023/09/01/artificial-intelligence-charles-jennings/

Levy Yeyati, E. (2025, June 3). Smart AI regulation strategies for Latin American policymakers. *Brookings Institution*. https://www.brookings.edu/articles/smart-ai-regulation-strategies-for-latin-american-policymakers/

McKinsey Global Institute. (2023). *The economic potential of generative AI: The next productivity frontier*. McKinsey & Company. https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier

Molle, C. (2026, June 16). *French spy service drops Palantir in favour of French company, says Lecornu*. Yahoo Finance UK. https://uk.finance.yahoo.com/news/dgsi-drops-palantir-french-firm-145948295.html

Mubadala Investment Company. (2024). *Annual review 2024*. https://www.mubadala.com/en/news/mubadala-annual-review-2024

Pew Research Center. (2025, October 24). *What we know about energy use at US data centers amid the AI boom*. https://www.pewresearch.org/short-reads/2025/10/24/what-we-know-about-energy-use-at-us-data-centers-amid-the-ai-boom/

PricewaterhouseCoopers. (2023). *Sizing the prize: What's the real value of AI for your business?* PwC. https://www.pwc.com/gx/en/issues/analytics/assets/pwc-ai-analysis-sizing-the-prize-report.pdf

Sacks, D. (2026, June 5). David Sacks criticizes proposed AI nationalization. *Letsdatascience*. https://letsdatascience.com/news/david-sacks-criticizes-proposed-ai-nationalization-21bb4fba

Sanders, B. (2026, June 1). A.I. is a public resource. You should own half of it. *The New York Times*. https://www.nytimes.com/2026/06/01/opinion/artificial-intelligence-bernie-sanders.html

Sanders, B. (2026, June 17). *News: Sanders introduces legislation to create $7 trillion AI sovereign wealth fund* [Press release]. Office of Senator Bernie Sanders. https://www.sanders.senate.gov/press-releases/news-sanders-introduces-legislation-to-create-7-trillion-ai-sovereign-wealth-fund/

Sanders, B. (2026). *American A.I. Sovereign Wealth Fund Act: Summary*. Office of Senator Bernie Sanders. https://www.sanders.senate.gov/wp-content/uploads/AmericanAISovereignWealthFundActSummary.pdf

Semiconductor Engineering. (2026, April 21). *Annual global IC fabs and facilities report*. https://semiengineering.com/annual-global-ic-fabs-and-facilities-report/

Silicon Analysts. (2025). *AI chip market analysis: NVIDIA data center dominance*. https://siliconanalysts.com/analysis

Stateline. (2026, February 24). *Data center tax breaks are on the chopping block in some states*. https://stateline.org/2026/02/24/data-center-tax-breaks-are-on-the-chopping-block-in-some-states/

Synergy Research Group. (2026, May). *Worldwide cloud infrastructure market share Q1 2026* [Data set]. Statista. https://www.statista.com/chart/18819/worldwide-market-share-of-leading-cloud-infrastructure-service-providers/

Taghizade, E., & Ahmadov, E. (2025). Techno feudalism and the new global power struggle: Echoes of a digital cold war. *International Journal of Research and Innovation in Social Science, 9*(2), 1144–1170. https://dx.doi.org/10.47772/IJRISS.2025.9020093

TechSpot. (2026, June 25). *OpenAI debuts Jalapeño, a custom chip built to cut ChatGPT costs and reduce Nvidia reliance*. https://www.techspot.com/news/112890-openai-debuts-jalapeo-custom-chip-built-cut-chatgpt.html

Time. (2026, June 13). *Anthropic pulls its most powerful AI models after US bars foreign access*. https://time.com/article/2026/06/13/anthropic-fable-mythos-ban-US-security/

United Nations University Institute for Water, Environment and Health. (2026, June 3). *Rising emissions, depleting water and vanishing land: AI is threatening natural resources for billions*. UNU-INWEH. https://unu.edu/inweh/news/environmental-cost-of-AIs-Enrgy-use-carbon-water-and-land-footprints

Virginia Mercury. (2026, April 27). *Data center tax exemption changes still holding up Virginia budget*. https://virginiamercury.com/2026/04/27/data-center-tax-exemption-changes-still-holding-up-virginia-budget/

World Governments Summit. (2025). *His Excellency Omar Sultan Al Olama — Minister of State for Artificial Intelligence, UAE*. https://www.worldgovernmentssummit.org/about/leadership/omar-sultan-al-olama

Xi, J. (2025, April 26). China's Xi calls for self-sufficiency in AI development amid U.S. rivalry. *Reuters*. https://www.reuters.com/world/china/chinas-xi-calls-self-sufficiency-ai-development-amid-us-rivalry-2025-04-26/

Yahoo Finance/Counterpoint Research. (2025, December). *AI chips driving foundry boom: Why TSMC is winning most*. https://finance.yahoo.com/news/ai-chips-driving-foundry-boom-153301101.html