Introduction and Summary of the Project

The Global AI Index is the first index to benchmark nations on their level of investment, innovation and implementation of artificial intelligence. We have chooen the required dataset which is providing the analysis of multiple indicators affecting the index on 62 countries. The dataset draws upon a wide range of sources, including scientific publications, investment reports, and government documents, to provide a holistic overview of global AI progress. Countries are scored across several key dimensions: AI research (number of publications and citations), investment in AI (private and public spending), AI talent (availability of skilled AI professionals), AI startups and companies, and government strategies (such as national AI policies and regulatory frameworks). This multifaceted approach allows the dataset to capture not just technological advancement but also the broader economic, policy, and social contexts that drive AI development.

We have used predictive analytics to forecast future trends in AI development by analyzing the current data, providing insights into which countries are likely to emerge as AI leaders in the coming years. With the growing importance of AI in shaping industries and economies, datasets like this are crucial for stakeholders looking to understand the competitive AI landscape globally.

Some of the interesting outcome of the research

- 1. Research, Development, Talent, and Commercial variables have the most tangible contribution to Total score of Al Index
- 2. Government Strategy and Infrastructure have less impact on the overall Al Index
- 3. The United States is the top country in the number of AI talents (an average score of all factors is 100)
- 4. India does not fit into the top ten list of the countries by Total score, although it holds the second position in terms of Al Talent score
- 5. The Top 5 countries with the highest AI implementation level are the United States, The Netherlands, Canada, China, and Great Britain.
- 6. Only 35% of analyzed countries have an AI implementation score higher than 50.
- 7. China's Infrastructure Is Most Appropriate for Al
- 8. The Top 5 countries with the highest level of innovation in AI are the United States, China, South Korea, Australia, and Switzerland.

9. However, only the first two ones from the point above have an innovation score higher than 50. It testifies to the low level of AI development among the countries (in comparison with the leader - the USA) despite the shreds of evidence of AI worldwide exponential growth.

US-based specialists generate more AI ideas

- 1. Al development in the USA is at the highest Level
- 2. Almost 70% of the countries in the dataset are ready for AI evolution at the governmental level; their Government Strategy indicator score is higher than 50.
- 3. The Top 5 countries in the Government AI Strategy rate are Canada, China, Saudi Arabia, Spain, and France (it is 5 out of 6 countries with a score higher than 90).
- 4. The United States is leading in the commercialization of AI and has no direct competition in this field

As researchers, this dataset is valuable in analyzing how nations are advancing Al. It helps identify areas where countries excel or need improvement, supporting informed decisions regarding Al policies, research funding, and international collaboration.

About the Data

The Dataset "AI Global index" includes The Global AI Index itself and seven indicators affecting the Index on 62 countries, as well as general information about the countries (region, cluster, income group and political regime).

The **Global Al Index** is the first index to benchmark nations on their level of investment, innovation and implementation of artificial intelligence.

Talent, Infrastructure and Operating Environment are the factors of **AI Implementation** group of indicators, which represents the application of artificial intelligence by professionals in various sectors, such as businesses, governments, and communities.

- **Talent** indicator focuses on the availability of skilled practitioners for the provision of artificial intelligence solutions.
- **Infrastructure** indicator focuses on the reliability and scale of access infrastructure, from electricity and internet, to super computing capabilities.
- **Operating Environment** indicator focuses on the regulatory context, and public opinion surrounding artificial intelligence.

Research and Development are the factors of **Innovation** group of indicators, which reflects the progress made in technology and methodology, which signify the potential for artificial intelligence to evolve and improve.

- Research indicator focuses on the extent of specialist research and researchers; investigating the amount of publications and citations in credible academic journals.
- **Development** indicator focuses on the development of fundamental platforms and algorithms upon which innovative artificial intelligence projects rely.

Government Strategy and Commercial are the factors of **Investment** group of indicators, which reflects financial and procedural commitments to artificial intelligence.

- **Government Strateg**y indicator focuses on the depth of commitment from national government to artificial intelligence; investigating spending commitments and national strategies.
- **Commercial indicator** focuses on the level of startup activity, investment and business initiatives based on artificial intelligence.

```
In [1]: import pandas as pd
import numpy as np

import matplotlib.pyplot as plt
import matplotlib.cm as cm
import seaborn as sns

import plotly.graph_objects as go
from plotly.subplots import make_subplots
import plotly.express as px
import plotly.offline
```

Initial Data Inspection

```
In [2]: #from google.colab import drive
    #drive.mount('/content/drive')

import pandas as pd
import gdown

# Modify the Google Drive link to a downloadable format
file_url = "https://drive.google.com/uc?id=1JIF7XyyL0fhe8vGds6UB_DayYhlPtJKz

# Download the file using gdown
gdown.download(file_url, 'data.csv', quiet=False)
```

```
# Read the downloaded CSV file
df = pd.read_csv('data.csv')
# Display the first few rows of the dataframe
df.head()
```

Downloading...

From: https://drive.google.com/uc?id=1JIF7XyyL0fhe8vGds6UB DayYhlPtJKz

To: c:\SanDiago\Project\data.csv

100% | 6.38k/6.38k [00:00<00:00, 6.20MB/s]

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U	и	L.	\angle	- 1	

	Country	Talent	Infrastructure	Operating Environment	Research	Development	Gov
0	United States of America	100.00	94.02	64.56	100.00	100.00	
1	China	16.51	100.00	91.57	71.42	79.97	
2	United Kingdom	39.65	71.43	74.65	36.50	25.03	
3	Canada	31.28	77.05	93.94	30.67	25.78	
4	Israel	35.76	67.58	82.44	32.63	27.96	

After the initial data inspection, we can confirm what conveys on the dataset

The Global AI Index (GAII) is an indicator to rank countries based on the capacity for AI, specifically by measuring investment, innovation, and implementation levels. According to the previous and current values of the GAII, Tortoise Media divides countries into five clusters - power players, traditional champions, rising stars, waking-up players, and nascent players.

According to the outcome of the above program you can see the two power players are on the map - the United States and China

The following two countries, the United Kingdom and Canada are traditional champions .

Germany and France are the other two traditional champions

The other rising stars are Australia, Irlandia, Finlandia, Denmark, Japan, and Spain, Israel, Singapore, South Korea, and the Netherlands

All the other countries (among the analyzed 62 countries) except Sri Lanka, Egypt, Kenia, Nigeria, and Pakistan are the waking-up

players; the last are nascent AI market players.

In [3]: df.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 62 entries, 0 to 61
Data columns (total 13 columns):

#	Column	Non-Null Count	Dtype
0	Country	62 non-null	object
1	Talent	62 non-null	float64
2	Infrastructure	62 non-null	float64
3	Operating Environment	62 non-null	float64
4	Research	62 non-null	float64
5	Development	62 non-null	float64
6	Government Strategy	62 non-null	float64
7	Commercial	62 non-null	float64
8	Total score	62 non-null	float64
9	Region	62 non-null	object
10	Cluster	62 non-null	object
11	Income group	62 non-null	object
12	Political regime	62 non-null	object

dtypes: float64(8), object(5)

memory usage: 6.4+ KB

In [4]: df.describe()

Out[4]:

	Talent	Infrastructure	Operating Environment	Research	Development	Go
count	62.000000	62.000000	62.000000	62.000000	62.000000	
mean	16.803065	63.503710	66.925484	16.610000	14.824677	
std	15.214963	20.217525	20.000424	17.413996	19.419279	
min	0.000000	0.000000	0.000000	0.000000	0.000000	
25%	7.365000	55.857500	58.107500	3.032500	1.202500	1
50%	13.445000	65.230000	69.505000	12.930000	9.005000	
75 %	24.567500	75.947500	80.500000	25.412500	19.980000	
max	100.000000	100.000000	100.000000	100.000000	100.000000	1

We can see that

- There are no missing values in the dataset, with 62 countries (records) presented there to describe their AI potential as of 2023
- There are 8 numeric and 4 categorical variables in the dataset
- All numeric variables have their values in the range from 0 to 100
- *Total score* variable can be considered to be the *target* variable whereas other variables can describe the various effects on it

Express EDA of Numeric Variables

numeric variables in our dataset.

Univariate Analysis: Numerical variables

Let's look at the distribution of the numeric variables

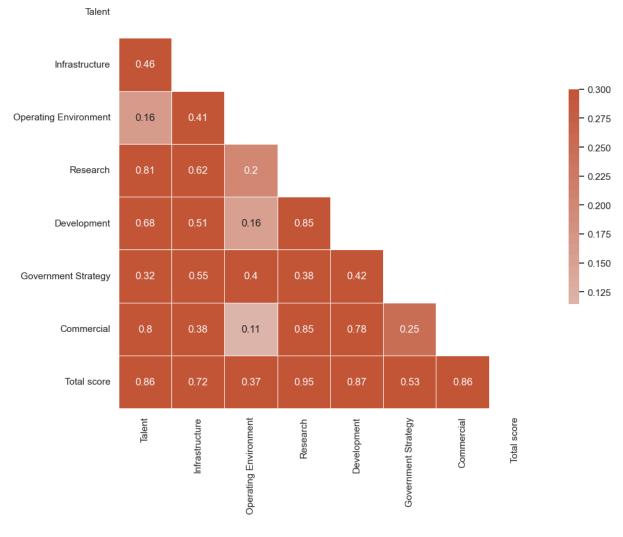
```
In [5]: fig = make subplots(rows=2, cols=4, subplot titles=('<b>Distribution of Tale
                                                              '<b>Distribution of Infr
                                                              '<b>Distribution of Oper
                                                              '<b>Distribution of Res∈
                                                             '<b>Distribution of Devε
                                                             '<b>Distribution of Gov€
                                                             '<b>Distribution of Comm
                                                             '<b>Distribution of Tota
                                                            ))
        fig.add trace(go.Histogram(x=df['Talent'], nbinsx=30), row=1, col=1)
        fig.add trace(go.Histogram(x=df['Infrastructure']), row=1, col=2)
        fig.add_trace(go.Histogram(x=df['Operating Environment'], nbinsx=30), row=1,
        fig.add trace(go.Histogram(x=df['Research'], nbinsx=30), row=1, col=4)
        fig.add trace(go.Histogram(x=df['Development'], nbinsx=30), row=2, col=1)
        fig.add trace(go.Histogram(x=df['Government Strategy']), row=2, col=2)
        fig.add trace(go.Histogram(x=df['Commercial'], nbinsx=30), row=2, col=3)
        fig.add trace(go.Histogram(x=df['Total score'], nbinsx=30), row=2, col=4)
        # Update visual layout
        fig.update layout(
            showlegend=False,
            width=800,
            height=500,
            autosize=False,
            margin=dict(t=15, b=0, l=5, r=5),
            template="plotly white",
        # update font size at the axes
        fig.update coloraxes(colorbar tickfont size=10)
        # Update font in the titles: Apparently subplot titles are annotations (Subp
        fig.update annotations(font size=10)
        # Reduce opacity
        fig.update traces(opacity=0.75)
        fig.show()
```

We find that

- Infrastructure and Operating Environment are skewened to the right a little
- Other numeric variables are significantly left-skewed
- The values of Talent, Research, Development, Commercial and Total score have clear outliers to the right side of the distribution (it is related to two countries in Power players cluster)

Multivariate Analysis: Correlation between numerical variables

Out[6]: <Axes: >



We find that

- Total score is highly correlated with Research (0.95), Development (0.87), Talent (0.86), and Commercial (0.86) variables
- Total score displays mediuum correlations with Government Strategy and Operating Environment variables (that is, the contribution of such variables to the Total score is less then the highly correlated variables)

Express EDA of Categorical Variables

Let's briefly look at the categorical variables in the dataset.

Univariate Analaysis: Categorical variables

We find that the dataset contains the information about

- 29 countries in Europe
- 14 countrie in Asia-Pacific region
- 8 countries in Americas region
- 6 countries in the Middle East
- 5 countries in Africa

Note: The data in this dataset is presented for the countries that decided to start serious efforts to adopt AI technologies. Countries that, are not on the way to adapt AI technologies are not listed there.

We find that

- Power players cluster contains two leading nations in terms of adopting the Al on a serious scale (these are USA and China)
- Traditional champions cluster unites 4 nations (UK, Canada, France, and Germany) that follow the power players
- Rising stars cluster aggregates 11 countries that are on a serious rise in terms of the AI development/commercializing progress
- Waking up cluster comprises 40 countries that just started smooth progress in Al
- Nascent cluster is a union of 5 countries that are at the very beginning of their way to adapt AI on the national level

We find that

- There are 43 countries with *High* income level (out of 62 presented in the dataset)
- There are 9 countries with *Upper middle* level of incomes
- There are 8 countries with Lower middle level of incomes

Note: As we can see, AI is expensive. Only countries with High- or Middle-level incomes can afford to participate in the AI races at the moment.

We find that

- 27 countries listed in the dataset operate under *Liberal democracy* regime
- 20 countries listed in the dataset operate under *Electoral democracy* regime
- 8 countries listed in the dataset operate under *Electoral autocracy* regime
- 7 countries listed in the dataset operate under *Closed autocracy* regime

Multivariate Analaysis: Associations between categorical variables

Let's look at the associations between Region, Cluster, and Income groups first.

We find that

- the biggest group of the countries in the dataset are European countries with High income level, fitting into Waking Up cluster
- countries with High income level, fitting into Waking Up cluster, are the most numerous group in Aasia-Pacific and Middle East regions, too
- the most 'crowdy' group in Americas is Waking Up, with Upper middle income level
- Traditional champions and Raising star countries are all with High level of incomes
- One of the Power players (USA) is with the High level of incomes, and another Power player (China) in Uppper middle income group

Now, let's look at the separation of the countries in Al Index dataset by the income group and political regimes.

```
In [12]: agg_data = df[["Region", "Income group", "Political regime"]].groupby(["Regi
# define figure element
fig = px.sunburst(
    agg_data,
    values='Count',
    path=["Region", "Income group", "Political regime"],
    title="Number of countries by region, income group, and political regime
    color="Region",
    height=800,
    color_discrete_sequence=px.colors.qualitative.Pastel
)
# display the figure
fig.show()
```

We find that

- the biggest groups in Europe and Asia-Pacific regions represent the countries with High income and either Liberal or Electoral democracy
- the biggest group of countries in Americas contains the countries with High income level and Liberal democracy as a political regime
- the biggest group of countries in Middle East contains the countries with High income level and Closed autocraty as a political regime

Now, let's look at the associations between Region, Cluster, and Political regime.

```
In [13]: agg_data = df[["Region", "Cluster", "Political regime"]].groupby(["Region",
    # define figure element
fig = px.sunburst(
    agg_data,
    values='Count',
    path=["Region", "Cluster", "Political regime"],
    title="Number of countries by region, cluster, and political regime",
    color="Region",
    height=800,
    color_discrete_sequence=px.colors.qualitative.Pastel
```

```
# display the figure
fig.show()
```

We find that

- Rasing stars and Traditional champions operate under Liberal or Electoral democracy, in every region
- One of the Power players (USA) operates under Liberal democracy, and another Power player (China) operates under Closed autocracy political regime

Deeper-Dive Insights

In the chapters below, we are going look deeper at the business-level and public administration insights drawn from the data in Al dataset.

First of all, we are going to look at the relations between *Total score* and other variables in the dataset

Then we are going to outline the holistic insights on

- Al Implementation
- Al Research and Development
- Al Governance and Commercial contexts

Total Score Insights

```
In [14]: total_df = df[['Country','Region', 'Cluster', 'Income group', 'Political reg
```

Total Score: Geospacial View

```
In [15]: # set the size of the geo bubble
def set_score_size(value):
    Takes the numeric value of a parameter to visualize on a map (Plotly Geo
Returns a number to indicate the size of a bubble for a country which nu
was supplied as an input
    result = np.log(1+value/1200)
```

```
if result < 0:</pre>
         result = 0.001
     return result
 total df['Size'] = total df.apply(lambda x: set score size(x['Total score'])
 fig = px.scatter geo(
     total df, locations="Country", locationmode='country names',
     color="Total score",
     size='Size', hover name="Country",
     range color= [0, 100],
     projection="natural earth",
     title='AI Total Score Across the Globe',
     color continuous scale="portland r")
 # Update visual layout
 fig.update layout(
     showlegend=True,
     width=800,
     height=400,
     autosize=False,
     margin=dict(t=40, b=0, l=5, r=5),
     template="plotly white",
 fig.show()
C:\Users\andani\AppData\Local\Temp\ipykernel 33208\2870983846.py:14: Setting
```

```
C:\Users\andani\AppData\Local\Temp\ipykernel_33208\2870983846.py:14: Setting
WithCopyWarning:

A value is trying to be set on a copy of a slice from a DataFrame.
Try using .loc[row_indexer,col_indexer] = value instead

See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
stable/user_guide/indexing.html#returning-a-view-versus-a-copy
```

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Country Total score

0	United States of America	100.000000
1	China	62.920000
2	United Kingdom	40.930000
3	Canada	40.190000
4	Israel	39.890000
5	Singapore	38.670000
6	South Korea	38.600000
7	The Netherlands	36.350000
8	Germany	36.040000
9	France	34.420000

We find that

- the Power players (USA, China) lead the ranks , although the gap between the total score of USA and China is significant
- some of the countries in Rasing stars cluster (Israel, Singapore, South Korea, The Netherlands) outperform some of the traditional champions (that is, Germany and France), in terms of the total score
- India does not fit into the top ten list of the countries by Total score, although
 it holds the second position in terms of Al Talent score

Total Score by Regions

```
In [17]: fig = px.violin(total_df, y="Total score", x="Region", box=True, points="all
fig.show()

In [18]: # implement binning by Total Score categories

def set_score_level(x):
    res = "N/A"
    if x >= 80:
        res = "1 - Very high"
    elif x >= 60 and x < 80:
        res = "2 - High"
    elif x >= 40 and x < 60:
        res = "3 - Moderate"
    elif x >= 20 and x < 40:
        res = "4 - Low"
    else:
        res = "5 - Very low"
    return res</pre>
```

```
total df["Score level"] = total df["Total score"].apply(set score level)
 agg data = total df.groupby(['Region', 'Score level']).size().reset index(na
 agg data = agg data.sort values(by=["Score level", "Country count"])
 fig = px.bar(
     agg data,
     x='Region',
     y='Country count',
     color='Score level',
     title="Countries by Region and Total Score level",
     color discrete sequence=px.colors.qualitative.Prism,
     height=600)
 fig.show()
C:\Users\andani\AppData\Local\Temp\ipykernel 33208\1587877859.py:17: Setting
WithCopyWarning:
A value is trying to be set on a copy of a slice from a DataFrame.
Try using .loc[row indexer,col indexer] = value instead
See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
stable/user quide/indexing.html#returning-a-view-versus-a-copy
```

We find that

- There is just one country with the Very high-level Total score (USA, in Americas region)
- There is just one coutnry with the High-level Total score (China, Asia-Pacific region)
- There are just two countries with the moderate-level Total score (Canada, UK); however, they are less than 1-2 units above the bunch of traditional champions and raising star countries with the Total score of 38+ or 39+ (the latter countries classified as Low-level in terms of their Total score)
- the distribution of Total score in Middle East and Africa shows these regions has more countries with lower Total score vs. Americas, Europe, and Asia-Pacific

Total Score by Clusters

```
In [19]: fig = px.violin(total_df, y="Total score", x="Cluster", box=True, points="al
fig.show()
In [20]: agg_data = total_df.groupby(['Cluster', 'Score_level']).size().reset_index(r
agg_data = agg_data.sort_values(by=["Score_level", "Country_count"])
```

```
fig = px.bar(
    agg_data,
    x='Cluster',
    y='Country_count',
    color='Score_level',
    title="Countries by Region and Total Score level",
    color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()
```

We find that

- the average Total score is higher in Power players and Traditional champions clusters
- some of the countries in Raising stars cluster are still scored higher then two of the traditional champions (Germany, France)

Total score by Income groups

```
In [21]: g = px.violin(total_df, y="Total score", x="Income group", box=True, points=
g.show()

In [22]: agg_data = total_df.groupby(['Income group', 'Score_level']).size().reset_ir

agg_data = agg_data.sort_values(by=["Score_level", "Country_count"])

fig = px.bar(
    agg_data,
    x='Income group',
    y='Country_count',
    color='Score_level',
    title="Countries by Income group and Total score level",
    color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()
```

We find that

- the overall trend is, the countries with High income level have higher average Total score vs. other income groups
- there are notable outliers in every income group
- USA, one of the Power players, stands out of the 'crowd' of the countries with the High income level
- China, another Power player, severely outperforms the rest of the countries in Upper middle income group
- India strongly outperforms the rest of the nations in Lower middle income group; actually, its score is higher then the score of all countries in Upper

middle income group (except for China), and 75% of the countries in High income group

Total score by Political regime

```
In [23]: g = px.violin(total_df, y="Total score", x="Political regime", box=True, poi
g.show()

In [24]: agg_data = total_df.groupby(['Political regime', 'Score_level']).size().rese
    agg_data = agg_data.sort_values(by=["Score_level", "Country_count"])

fig = px.bar(
    agg_data,
    x='Political regime',
    y='Country_count',
    color='Score_level',
    title="Countries by Political regime and Total score level",
    color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()
```

We find that

- There are much more countries with political regimes of Liberal democracy and Elecrotal democracy that ranked higher Total score in the list (the leading Power player, USA, is amoung them)
- At the same time, we can see some of the countries with autocratic regimes to be quite successful in AI, too (China, another Power player, is an example of that)

Holistic View on Al Implementation

Implementation metrics represent the application of artificial intelligence by professionals in various sectors, such as businesses, governments, and communities. The implementation factors group may be divided into three smaller groups

- Talent.
- Infrastructure, and
- Operating Environment.

After the analysis of the visualizations above, we can confirm what [Global Al Race: Dominant Players and Aspiring Challengers] conveys on the Al Implementation indicators

Americans Are Most Talented in AI The talent factors group emphasizes the presence of proficient experts who can deliver artificial intelligence solutions. They include the absolute and relative numbers of AI engineers, Data Scientists, and Machine engineers, commits related to AI on GitHub, and IT graduates, etc.

According to the provided dataset, the **United States** is the top country in the number of Al talents (an average score of all factors is 100). The following country with the lower score is India (a score of 45,3). The other three countries in the top-5 countries with skilled practitioners in Al are Great Britain, Singapore, and Israel, with almost equal scores (~40). The law scores of leaders and score median of 13.45 demonstrate an **unfavorable state** of the Al experts market for most countries.

✓ China's Infrastructure Is Most Appropriate for AI

Infrastructure factors focus on the dependability and scalability of the access infrastructure, ranging from electricity and internet to supercomputing capabilities. These factors include the ratio of the total population with access to electricity, the internet, the level of 5G implementation, etc.

As data say, China is better prepared for AI technologically (a score is 100). Hong Kong, Luxemburg, and the United States are just a little behind, with scores higher than 90. Ireland ends the top-5 rating with a score of 89.5. 80% of the analyzed countries have an Infrastructure indicators score higher than 50, while just one country has a total score of the Talent group indicators higher than 50. It illustrates the high global level of infrastructural capacity in comparison with the deficit of AI specialists.

✓ Saudi Arabia's Society Is Most Friendly to AI The

Operating Environment group of factors concentrates on the regulatory environment and the public perception of artificial intelligence. The group consists of such factors as the level of data privacy legislation, gender diversity of AI professionals, the share of people who trust AI, etc.

Generally, the world society is optimistic about AI (85% of the analyzed countries have an Operating Environment group score higher than 50); the five most benevolent countries are Saudi Arabia (a score is 100), Poland, Mexico, Slovenia, and Canada.

Generic note: Under weights for each indicator group, the Top 5 countries with the highest Al implementation level are the

United States, The Netherlands, Canada, China, and Great Britain. Only 35% of analyzed countries have an implementation score higher than 50.

Holistic View on Al Innovations

Innovation metrics reflect the progress made in technology and methodology, which signify the potential for artificial intelligence to evolve and improve.

According to Tortoise Media, the innovation metrics are divided into two smaller groups

- Research
- Development

```
autosize=False,
  margin=dict(t=35, b=35, l=5, r=5),
  template="plotly_white",
)
fig.show()
```

The charts above confirms what [Global Al Race: Dominant Players and Aspiring Challengers]conveys on the Al Innovation indicators

US Specialists Are Generating More Al Ideas. The Research indicator analyzes the degree of specialization among researchers and their research activities, specifically focusing on quantifying the number of publications and citations in reputable scholarly journals. This complex indicator accounts for total spending on research and development, the absolute and relative number of Al-related articles, researchers, and universities with Al-related courses.

The global state of the AI Research indicator is unpleasant — only two countries have scored higher than 50, one of which is the United States (a score is 100). It's not surprising since we have already found that the country has the most specialists related to AI. The second country is China (a score of 71,4); it has been investing heavily in AI and technology education in recent years to become a global leader in the AI sphere. The following three countries on the top-5 list are Switzerland, Singapore, and the United Kingdom.

Al Development in the USA is at the Highest Level. The group of Development indicators focuses on fundamental platforms and algorithms development upon which innovative artificial intelligence projects rely. It includes the absolute and relative number of software developers who are core creators of

open-source "AI packages," the number of commits to "open-source AI packages," the number of patents relating to "AI," etc. Globally, only three countries are on a high level of development in the AI field; they are the USA (a score is 100), China (a score is 80), and South Korea (a score is 77,3). The score of other countries is lower than 50. To complete the top-5 list, - the last two countries are Australia and Japan.

Generic note: The Top 5 countries with the highest level of innovation in AI are the United States, China, South Korea, Australia, and Switzerland. However, only the first two have an innovation score higher than 50. It testifies to the low level of AI development among the countries (in comparison with the leader - the USA) despite the shreds of evidence of AI worldwide exponential growth.

Note: Additionally, we can observe the interesting 'outlier' represented by South Korea. This country demonstrates quite a low value of Al Research while its Al Development index is within the top 5 list for the entire dataset. It can idicate the country to become a powerful hub for prototyping various Alcentric solutions, products, and hardware where the ideas/patents proposed by the specialists from other countries are being 'productized'/validated by the practical applications.

Holistic View on Al Investments

Investment metrics reflect financial and procedural commitments to artificial intelligence. Tortoise Media divides these metrics into two groups of indexes - Government Strategy and Commercial.

```
fig.show()
In [33]: fig = px.scatter 3d(df, x='Cluster', y='Government Strategy', z='Commercial
                             title='AI Investments by Clusters')
         # Update visual layout
         fig.update layout(
             showlegend=True,
             width=800,
             height=400,
             autosize=False,
             margin=dict(t=35, b=35, l=5, r=5),
             template="plotly white",
         fig.show()
In [34]: fig = px.scatter 3d(df, x='Income group', y='Government Strategy', z='Commer
                             title='AI Investments by Income groups')
         # Update visual layout
         fig.update layout(
             showlegend=True,
             width=800,
             height=400,
             autosize=False,
             margin=dict(t=35, b=35, l=5, r=5),
             template="plotly white",
         fig.show()
In [35]: fig = px.scatter 3d(df, x='Political regime', y='Government Strategy', z='Cd
                             title='AI Investments by Political regimes')
         # Update visual layout
         fig.update_layout(
             showlegend=True,
             width=800,
             height=400,
             autosize=False,
             margin=dict(t=35, b=35, l=5, r=5),
             template="plotly_white",
```

The charts above confirms what [Global AI Race: Dominant Players and Aspiring Challengers]conveys on the AI Investment indicators

fig.show()

The Canadian Government Is the Most Inclined Toward the AI Growth. The Government Strategy indicator focuses on the extent of national commitment to artificial intelligence by examining both spending allocations and national-level plans. It factors in the amount of dedicated investment in AI by the government, the level of tax credit for research and

development, dedicated spending on AI, etc.

Almost 70% of the countries in the dataset are ready for Al evolution at the governmental level; their Government Strategy indicator score is higher than 50. The first five countries in the rate are Canada, China, Saudi Arabia, Spain, and France (it is 5 out of 6 countries with a score higher than 90).

The United States Is an Absolute Leader in the Al Commercialisation. Commercial indicators evaluate the degree of startup engagement, investment, and business ventures that rely on artificial intelligence. These indicators include the absolute and relative numbers of Al companies and startups, their total and average funding, etc.

The United States is leading in the commercialization of AI and has no direct competition in this field. China is the closest country to the USA but is 66% behind. The three following countries are Israel, the United Kingdom, and Singapore; their commercial scores are lower than 30.

Although the United States Government Strategy in AI is not even in the top-5 of the strongest ones, it is scoring high on Investment indicators and is ranking first. The following four countries are China, Israel, the United Kingdom, and Canada; their Investment level is far behind the USA.

Talent Insights

```
In [36]: talent_df = df[['Country', 'Region', 'Cluster', 'Income group', 'Political re
```

Talent: Geospacial view

```
In [37]: # set the size of the geo bubble
def set_talent_size(value):
    Takes the numeric value of a parameter to visualize on a map (Plotly Geo
    Returns a number to indicate the size of a bubble for a country which no
    was supplied as an input
```

```
result = np.log(1+value/1200)
             if result < 0:</pre>
                 result = 0.001
             return result
         talent df['Size'] = talent df.apply(lambda x: set talent size(x['Talent']),
         fig = px.scatter geo(
             talent df, locations="Country", locationmode='country names',
             color="Talent",
             size='Size', hover name="Country",
             range color= [0, 100],
             projection="natural earth",
             title='AI Talent Across the Globe',
             color continuous scale="portland r")
         # Update visual layout
         fig.update layout(
             showlegend=True,
             width=800,
             height=400,
             autosize=False,
             margin=dict(t=40, b=0, l=5, r=5),
             template="plotly white",
         fig.show()
        C:\Users\andani\AppData\Local\Temp\ipykernel 33208\2351959951.py:14: Setting
        WithCopyWarning:
        A value is trying to be set on a copy of a slice from a DataFrame.
        Try using .loc[row indexer,col indexer] = value instead
        See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
        stable/user guide/indexing.html#returning-a-view-versus-a-copy
In [38]: talent df.sort values('Talent',
                            ascending=False)[
                                    'Country',
                                    'Talent'
         [:10].style.background gradient(cmap='seismic')
```

Out[38]:		Country	Talent
	0	United States of America	100.000000
	16	India	45.270000
	2	United Kingdom	39.650000
	5	Singapore	39.380000
	4	Israel	35.760000
	7	The Netherlands	33.830000
	3	Canada	31.280000
	11	Ireland	29.930000
	9	France	28.320000
	18	Sweden	28.210000

Talent By Regions

```
In [39]: fig = px.violin(talent_df, y="Talent", x="Region", box=True, points="all", t
         fig.show()
In [40]: # implement binning by Talent categories
         def set_talent_level(x):
             res = "N/A"
             if x >= 80:
                 res = "1 - Very high"
             elif x >= 60 and x < 80:
                 res = "2 - High"
             elif x >= 40 and x < 60:
                 res = "3 - Moderate"
             elif x >= 20 and x < 40:
                 res = "4 - Low"
                 res = "5 - Very low"
             return res
         talent_df["Talent_level"] = talent_df["Talent"].apply(set_talent_level)
         agg_data = talent_df.groupby(['Region', 'Talent_level']).size().reset_index(
         agg data = agg data.sort values(by=["Talent level", "Country count"])
         fig = px.bar(
             agg data,
             x='Region',
             y='Country_count',
             color='Talent_level',
             title="Countries by Region and Talent level",
```

```
color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()

C:\Users\andani\AppData\Local\Temp\ipykernel_33208\1648788115.py:17: Setting
WithCopyWarning:

A value is trying to be set on a copy of a slice from a DataFrame.
Try using .loc[row_indexer,col_indexer] = value instead

See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
stable/user_guide/indexing.html#returning-a-view-versus-a-copy
```

Talent by Clusters

```
In [41]: fig = px.violin(talent_df, y="Talent", x="Cluster", box=True, points="all",
    fig.show()

In [42]: agg_data = talent_df.groupby(['Cluster', 'Talent_level']).size().reset_index
    agg_data = agg_data.sort_values(by=["Talent_level", "Country_count"])

fig = px.bar(
    agg_data,
    x='Cluster',
    y='Country_count',
    color='Talent_level',
    title="Countries by Cluster and Talent level",
    color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()
```

Talent by Income groups

```
color_discrete_sequence=px.colors.qualitative.Prism,
height=600)
fig.show()
```

Talent by Political regimes

```
In [45]: fig = px.violin(talent_df, y="Talent", x="Political regime", box=True, point
fig.show()

In [46]: agg_data = talent_df.groupby(['Political regime', 'Talent_level']).size().re
    agg_data = agg_data.sort_values(by=["Talent_level", "Country_count"])

fig = px.bar(
    agg_data,
    x='Political regime',
    y='Country_count',
    color='Talent_level',
    title="Countries by Political regime and Talent level",
    color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()
```

Infrastructure Insights

```
In [47]: infra_df = df[['Country','Region', 'Cluster', 'Income group', 'Political reg
```

Infrastructure by Regions

```
In [49]: # implement binning by Infrastructure categories

def set_infrastructure_level(x):
    res = "N/A"
    if x >= 80:
        res = "1 - Very high"
```

```
elif x >= 60 and x < 80:
        res = "2 - High"
     elif x >= 40 and x < 60:
         res = "3 - Moderate"
     elif x \ge 20 and x < 40:
         res = "4 - Low"
         res = "5 - Very low"
     return res
 infra df["Infrastructure level"] = infra df["Infrastructure"].apply(set infr
 agg data = infra df.groupby(['Region', 'Infrastructure level']).size().reset
 agg data = agg data.sort values(by=["Infrastructure level", "Country count"]
 fig = px.bar(
     agg data,
     x='Region',
     y='Country count',
     color='Infrastructure level',
     title="Countries by Region and Infrastructure level",
     color discrete sequence=px.colors.qualitative.Prism,
     height=600)
 fig.show()
C:\Users\andani\AppData\Local\Temp\ipykernel 33208\4255209223.py:17: Setting
WithCopyWarning:
A value is trying to be set on a copy of a slice from a DataFrame.
Try using .loc[row indexer,col indexer] = value instead
See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
stable/user quide/indexing.html#returning-a-view-versus-a-copy
```

Infrastructure by Clusters

```
agg_data,
x='Cluster',
y='Country_count',
color='Infrastructure_level',
title="Countries by Cluster and Infrastructure level",
color_discrete_sequence=px.colors.qualitative.Prism,
height=600)
fig.show()
```

Infrastructure by Income groups

```
In [52]: fig = px.violin(infra df,
                          y="Infrastructure",
                          x="Income group",
                          box=True,
                          points="all",
                          title="Infrastructure by Income groups",
                          hover data=infra df.columns)
         fig.show()
In [53]: agg data = infra df.groupby(['Income group', 'Infrastructure level']).size()
         agg data = agg data.sort values(by=["Infrastructure level", "Country count"]
         fig = px.bar(
             agg data,
             x='Income group',
             y='Country count',
             color='Infrastructure level',
             title="Countries by Income group and Infrastructure level",
             color discrete sequence=px.colors.qualitative.Prism,
             height=600)
         fig.show()
```

Infrastructure by Political Regimes

```
fig = px.bar(
    agg_data,
    x='Political regime',
    y='Country_count',
    color='Infrastructure_level',
    title="Countries by Political regime and Infrastructure level",
    color_discrete_sequence=px.colors.qualitative.Prism,
    height=600)
fig.show()
```

Infrastructure: Geospacial view

```
In [56]: # set the size of the geo bubble
         def set infrastructure size(value):
             Takes the numeric value of a parameter to visualize on a map (Plotly Ged
             Returns a number to indicate the size of a bubble for a country which nu
             was supplied as an input
             result = np.log(1+value/1200)
             if result < 0:</pre>
                 result = 0.001
             return result
         infra df['Size'] = infra df.apply(lambda x: set infrastructure size(x['Infra
         fig = px.scatter geo(
             infra df, locations="Country", locationmode='country names',
             color="Infrastructure",
             size='Size', hover_name="Country",
             range color= [0, 100],
             projection="natural earth",
             title='AI Infrastructure Across the Globe',
             color continuous scale="portland r")
         # Update visual layout
         fig.update layout(
             showlegend=True,
             width=800,
             height=400,
             autosize=False,
             margin=dict(t=40, b=0, l=5, r=5),
             template="plotly white",
         fig.show()
```

```
C:\Users\andani\AppData\Local\Temp\ipykernel_33208\257039703.py:14: SettingW
ithCopyWarning:

A value is trying to be set on a copy of a slice from a DataFrame.
Try using .loc[row_indexer,col_indexer] = value instead

See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
stable/user_guide/indexing.html#returning-a-view-versus-a-copy
```

Out[57]:

Country Infrastructure

1	China	100.000000
19	Hong Kong	96.110000
14	Luxembourg	94.880000
0	United States of America	94.020000
11	Ireland	89.500000
6	South Korea	85.230000
15	Japan	84.580000
5	Singapore	84.300000
7	The Netherlands	81.990000
33	United Arab Emirates	79.160000

Operating Environment Insights

```
In [58]: ops_df = df[['Country', 'Region', 'Cluster', 'Income group', 'Political regin
```

Operating Environment by Regions

```
title="Operating Environment by Regions",
hover_data=ops_df.columns)
fig.show()
```

```
In [60]: # implement binning by Operating Environment categories
         def set ops level(x):
             res = "N/A"
             if x >= 80:
                 res = "1 - Very high"
             elif x >= 60 and x < 80:
                 res = "2 - High"
             elif x >= 40 and x < 60:
                 res = "3 - Moderate"
             elif x >= 20 and x < 40:
                 res = "4 - Low"
                 res = "5 - Very low"
             return res
         ops df["Ops Environment level"] = ops df["Operating Environment"].apply(set
         agg data = ops df.groupby(['Region', 'Ops Environment level']).size().reset
         agg data = agg data.sort values(by=["Ops Environment level", "Country count"
         fig = px.bar(
             agg data,
             x='Region',
             y='Country count',
             color='Ops Environment level',
             title="Countries by Region and Operating Environment level",
             color discrete sequence=px.colors.qualitative.Prism,
             height=600)
         fig.show()
        C:\Users\andani\AppData\Local\Temp\ipykernel 33208\1132965378.py:17: Setting
        WithCopyWarning:
        A value is trying to be set on a copy of a slice from a DataFrame.
        Try using .loc[row indexer,col indexer] = value instead
        See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/
        stable/user guide/indexing.html#returning-a-view-versus-a-copy
```

Operating Environment by Clusters

Operating Environment by Income Groups

```
In [63]: fig = px.violin(ops df,
                          y="Operating Environment",
                          x="Income group",
                          box=True,
                          points="all",
                          title="Operating Environment by Income Groups",
                          hover data=ops df.columns)
         fig.show()
In [64]: agg data = ops df.groupby(['Income group', 'Ops Environment level']).size().
         agg data = agg data.sort values(by=["Ops Environment level", "Country count"
         fig = px.bar(
             agg data,
             x='Income group',
             y='Country count',
             color='Ops Environment level',
             title="Countries by Income Group and Operating Environment level",
             color discrete sequence=px.colors.qualitative.Prism,
             height=600)
         fig.show()
```

Operating Environment by Political Regimes

fig.show()

Operating Environment: Geospacial view

```
In [67]: # set the size of the geo bubble
         def set op_env_size(value):
             Takes the numeric value of a parameter to visualize on a map (Plotly Ged
             Returns a number to indicate the size of a bubble for a country which nu
             was supplied as an input
             result = np.log(1+value/1200)
             if result < 0:</pre>
                 result = 0.001
             return result
         ops df['Size'] = ops df.apply(lambda x: set op env size(x['Operating Enviror
         fig = px.scatter geo(
             ops df, locations="Country", locationmode='country names',
             color="Operating Environment",
             size='Size', hover name="Country",
             range color= [0, 100],
             projection="natural earth",
             title='AI Operating Environment Across the Globe',
             color continuous scale="portland r")
         # Update visual layout
         fig.update layout(
             showlegend=True,
             width=800,
             height=400,
             autosize=False,
```

```
margin=dict(t=40, b=0, l=5, r=5),
  template="plotly_white",
)
fig.show()
```

C:\Users\andani\AppData\Local\Temp\ipykernel_33208\1725242863.py:14: Setting
WithCopyWarning:

A value is trying to be set on a copy of a slice from a DataFrame. Try using .loc[row indexer,col indexer] = value instead

See the caveats in the documentation: https://pandas.pydata.org/pandas-docs/stable/user_guide/indexing.html#returning-a-view-versus-a-copy

Out [68]: Country Operating Environment

25	Saudi Arabia	100.000000
27	Poland	99.560000
43	Mexico	97.030000
28	Slovenia	94.550000
3	Canada	93.940000
1	China	91.570000
29	New Zealand	90.350000
40	Slovakia	88.710000
22	Estonia	88.670000
7	The Netherlands	88.050000

References

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- Al is supposedly the new nuclear weapons but how similar are they, really? (Jun 29, 2023) https://www.vox.com/future-perfect/2023/6/29/23762219/ai-artificial-intelligence-new-nuclear-weapons-future
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This notebook was converted with convert.ploomber.io