

Issue Brief

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The Implications of the
San Francisco AI Declaration

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Abstract

President Lee Jae Myung attended the San Francisco AI Summit on July 24, 2026, and announced the San Francisco AI Declaration. In the declaration, President Lee stated that South Korea will: a) emerge as an irreplaceable key node in the global AI supply chain; b) become a country that leverages AI most rapidly and effectively, creating new markets for shared global growth; c) become a global hub that expands the world's AI market; and d) usher in an era of accountable and human-centered AI that creates new opportunities for all.

The San Francisco AI Declaration is significant in that it articulates the strategic foundations of South Korea's AI policy aimed at maximizing the country's interests amid intense US-China competition for dominance over the global AI ecosystem. An even greater significance can be found in the fact that South Korea has generated real competitive strength by integrating into its AI strategy its manufacturing prowess, an asset that neither the US nor China possesses. Also noteworthy is its emphasis on "AI Basic Society." AI can become a present-day vehicle for carrying past discrimination into the future. AI Basic Society must function as a universal mechanism for all of humanity, ensuring that disparities in AI utilization, or even access to AI itself, do not translate into discrimination or social inequality. Through AI Basic Society, all citizens will be better guaranteed fundamental rights in education and healthcare, and no one will be left behind, including SMEs, small business owners, or vulnerable groups. This could counter monopolization, guarantee political diversity, and lay the groundwork for lasting democratic resilience. The declaration's call for "accountable and human-centered AI" also warrants attention.

Keywords

San Francisco AI Declaration, irreplaceable key node in the global AI supply chain, global AI hub, AI Basic Society, democratic resilience, accountable and human-centered AI

The Implications of the San Francisco AI Declaration

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The San Francisco AI Declaration

President Lee Jae Myung attended the San Francisco AI Summit on July 24, 2026, and announced the San Francisco AI Declaration. President Lee stated that "South Korea will emerge as an irreplaceable global AI cooperation platform," adding that South Korea aspires to be "a country that takes the lead in presenting a future AI vision, cooperates with the world, and works to build a better future for humanity¹⁾."

At the beginning of the declaration, President Lee emphasized the meaning of AI competition, the importance of supply chains, human-centered values, and global cooperation. He first stressed that the AI revolution is not a distant prospect but a reality we are all building together, and underscored that AI cannot merely be reduced to a technology or an industry. He noted that competitiveness is no longer determined simply by the race to develop superior software algorithms. It now hinges instead on the ability to secure more computing resources, ensure stable energy supply, harness vast quantities of data, and apply all of this to industry and daily life as rapidly as possible. Consequently, he noted that even the world's most advanced AI models cannot function without a stable supply of leading-edge semiconductors. Conversely, even the most exceptional semiconductors can only generate value when backed by the enormous demand that AI represents. He further described the AI era as one shaped by a single vast supply chain connecting technology and production capacity, data and energy, and markets and talent. He added that, therefore, the most critical challenge the world must now tackle together is building a resilient supply chain. He concluded that facing this challenge, South Korea will become a global production base for AI and a hotbed of innovation, emerging as an irreplaceable global AI cooperation platform through which the world's technology, capital, talent, and ideas converge.

Meanwhile, President Lee also raised questions about the new challenges accompanying advances in AI. How can South Korea go beyond simply making AI smarter and apply it rapidly across industries and daily life to create new markets? How can the country build a vast global AI market shaped by every country, rather than one dominated by a handful of nations? And how can it ensure that AI development is grounded in human-centered values and that AI's benefits are distributed equitably?

1) <https://www.korea.kr/news/policyNewsView.do?newsId=148968777>

Key Substance

In response to the questions he himself posed, President Lee set forth South Korea's answers: it will a) emerge as an irreplaceable key node in the global AI supply chain; b) become a country that leverages AI most rapidly and effectively, creating new markets for shared global growth; c) become a global hub that expands the world's AI market; and d) usher in an era of accountable and human-centered AI that creates new opportunities for all.

First, regarding the country's emergence as an irreplaceable key node in the global AI supply chain, President Lee stated that South Korea will become a trusted AI semiconductor production base and supply chain partner, drawing on its world-class competitiveness and production capacity in memory semiconductors. He added that it will also ensure that, whatever the circumstances, companies worldwide can steadily build AI infrastructure and continue advancing technological innovation. He further explained that it will link AI's brain with its body in the real world, i.e., data centers and Physical AI, respectively, establishing a world-class AI hub that reliably supplies the core infrastructure for the global AI ecosystem.

Second, regarding AI utilization and markets for shared growth, President Lee noted that South Korea will become a country that diffuses AI most rapidly across industrial sites, public services, and citizens' daily lives, generating new demand and markets. The aim is to make South Korea a global AI testbed and production platform where artificial intelligence actually operates not only in research labs and digital spaces but across manufacturing plants, cities, and logistics hubs. Beginning in late 2026, it will also fully roll out the "AI for All" project, actively deploying AI not only in its citizens' daily lives but across public services including administration, welfare, and education, with the goal of building the world's most dynamic AI market.

Third, regarding the global hub, President Lee explained that South Korea will build horizontal cooperation networks with diverse countries to create new AI markets and enable more countries to participate in AI innovation. He emphasized that cooperation must be an investment in the shared prosperity of the global AI ecosystem, one in which new talent can grow, new ideas take shape, and new services and markets emerge. Accordingly, Seoul is pursuing the "Global AI Hub Initiative" together with international organizations, under the vision of "AI for All, AI to Solve Humanity's Grand Challenges."

Finally, regarding accountable, human-centered, and opportunity-creating AI, President Lee affirmed that South Korea wishes to work with the global community to ensure that safe and trustworthy AI can operate in industrial settings and in people's daily lives. The

country is also exploring new distribution models to spread AI's benefits across society instead of letting them concentrate among certain groups. This is because technological progress and economic gains alone are not enough for AI's future to be complete. Consequently, President Lee pledged that South Korea will build an "AI Basic Society" in which all citizens are better guaranteed fundamental rights in education and healthcare, and that no one will be left behind, including SMEs, small business owners, or vulnerable groups.

Implications

The San Francisco AI Declaration is significant in that it articulates the strategic foundations of South Korea's AI policy aimed at maximizing the country's interests amid intense US-China competition for dominance over the global AI ecosystem.

An even greater significance can be found in the fact that South Korea has generated real competitive strength by integrating into its AI strategy its manufacturing prowess, an asset that neither the US nor China possesses. The country prides itself on being the world's third-ranked AI nation, yet in the AI ecosystem as a whole, it still lags far behind the United States and China. The disparities manifest in several areas: development of independent frontier AI models; accumulation and operation of large-scale data; cultivation of core talent; and scale of related industries and budgetary investment. Attempting to catch up with the United States and China across their entire AI ecosystems would therefore be a largely futile endeavor and could in fact erode AI competitiveness. Hence, by drawing on the country's competitiveness and production capacity in semiconductors and linking Physical AI to reliably supply the core infrastructure for the AI ecosystem, the "AI Hub-Building Strategy" should maximize South Korea's AI competitiveness.

Built on the nation's cultural competitiveness in AI utilization, the declaration confidently affirms South Korea's ample value as a global AI testbed, production platform, and emerging AI market. Through digital innovation, the country has achieved efficiency and reliability across manufacturing and logistics, as well as public services including administration, education, healthcare, and welfare. In addition, speed in Korean manufacturing, logistics, and public services has become the country's trademark, internationally recognized as the *ppalli-ppalli* spirit. This cultural competitiveness, underpinned by digital infrastructure and innovative services, positions the country as an appealing candidate for a global AI testbed and production platform. If South Korea actively deploys AI not only in daily life but across public services as a whole through the AI for All project, it should rapidly generate new AI demand and drive market dynamism.

The declaration reaffirms the importance of international cooperation in AI. It emphasizes cooperation aimed at shared prosperity through AI, not at partnership among technology-leading nations or assistance to developing countries. The declaration is also significant in underscoring the use of AI to address humanity's most pressing challenges.

Harnessing AI to achieve shared prosperity and resolve the most pressing challenges will foster shared interests in survival and prosperity for all of humanity, which should bring peace to today's world experiencing tension, conflict, and war. This is because the AI era makes "growth through people" possible. That is, AI generates new value from the quantity and quality of data that people produce simply by using it, including movement, contacts, preferences, medical services, financial information, and searches for specialized knowledge. Therefore, joint investment in AI infrastructure, together with exchange and cooperation in personnel and materials, will generate shared interests, while sharing information through AI infrastructure and technology will deepen mutual understanding. Shared interests, mutual benefits, and information sharing will reduce tension and conflict. Furthermore, using AI to address humanity's most pressing challenges, including infectious disease, natural disasters, and climate change, will contribute to world peace. AI cooperation will also enable humanity to access advanced services in administration, finance, distribution, transportation, and public safety, which may help form a political, social, and cultural foundation centered on people.

Also noteworthy is the declaration's emphasis on AI Basic Society. AI can become a present-day vehicle for carrying past discrimination into the future. AI Basic Society must function as a universal mechanism for all of humanity, ensuring that disparities in AI utilization, or even access to AI itself, do not translate into discrimination or social inequality. AI Basic Society warrants support and attention, both to advance it further as a concept by incorporating discussions on basic income and to put it into practice.

The efficiency and economic gains yielded by AI can concentrate AI's benefits among specific platform companies, thereby facilitating economic monopolization. Such monopolization, which seeks to introduce systems that circumvent political and institutional checks and sustain the monopoly, can lead to authoritarianism. Failing to diffuse AI's benefits across society as a whole heightens the risk that AI's future will result in authoritarianism. Through AI Basic Society, all citizens will be better guaranteed fundamental rights in education and healthcare, and no one will be left behind, including SMEs, small business owners, or vulnerable groups. This could counter monopolization, guarantee political diversity, and lay the groundwork for lasting democratic resilience.

The declaration's emphasis on "accountable and human-centered AI" likewise demands attention. Magnifica Humanitas, issued by Pope Leo XIV on May 25, 2026, appears to resonate with this emphasis in terms of universality and normative character. The encyclical cautions against AI being used for military purposes, the concentration of power, or the exclusion of human beings. The Pope highlights that AI must be used for the benefit of all and for the common good.

Likewise, this focus on accountable and human-centered AI can be seen as echoing the Rome Declaration signed on July 16, 2026 by Nobel laureates, religious leaders, and AI experts. The Rome Declaration underlines that the concentration of AI technology in the hands of a few countries and giant corporations could create severe asymmetries of power. It also stresses that the unprecedented pace of AI development will bring about sweeping change across the economic, military, and social domains. The Rome Declaration notes that the escalating nuclear arms race is converging with an equally dangerous AI competition. It calls for an international treaty ensuring that the decision to launch nuclear weapons is never delegated to automated systems and that human beings retain effective control.

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