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TECHNOLOGY

INSIGHT

United States AI Action Plan Aims for Global Dominance

Copyright Battles and AI Governance Take Centre Stage



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United States AI Action Plan Aims for Global Dominance

In July 2025, the U.S. government unveiled its AI Action Plan, a sweeping framework with over 90 federal actions designed to secure American leadership in AI. The Plan rests on three pillars: accelerating innovation, building AI infrastructure, and asserting leadership in international diplomacy and security.

Policies include large investments in data centres and compute capacity, scaling a skilled AI workforce, reducing regulatory "friction," and promoting free speech in frontier models. While the U.S. push highlights its innovation-first model, critics caution that the emphasis on energy-intensive infrastructure risks undermining sustainability and global climate goals.

The Action Plan stands in sharp contrast to the EU's AI Act, which comes into force in August 2026, underlining the divergent global approaches to AI governance.

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July also saw intensifying disputes at the intersection of AI and intellectual property. Disney and Universal filed a landmark lawsuit against Midjourney, alleging infringement through the replication of protected characters such as Darth Vader, Elsa, and the Minions.

Meanwhile, the New York Times v. OpenAI case reached a critical phase, with a U.S. court ordering OpenAI to preserve all ChatGPT user interactions—including deleted conversations—raising major privacy and data retention concerns.

At the same time, European regulators confirmed the EU AI Act will take effect from August 2025, alongside a new Code of Practice for General-Purpose AI Models. However, Meta has refused to sign, citing legal overreach. Reports suggest that nearly two-thirds of European businesses struggle to interpret the Act, highlighting the practical challenges of compliance.

Together, these developments illustrate the growing collision between innovation, regulation, and rights—and foreshadow protracted legal and policy battles that will shape the AI industry.



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