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BEACONING THE ETHICAL AND LEGAL COMPLEXITIES OF AI REGULATION: A COMPARATIVE ANALYSIS IN INDIA AND CHINA

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I.   ABSTRACT

The relatively quick development of artificial intelligence (AI) has generated discussions about the advantages and disadvantages of this technology on a global scale. In a subsequent warning, *the UN Secretary-General acknowledged that the "runaway development of AI without safety barriers" posed an "existential threat" that, if unchecked, could intensify global inequality.*[3] This demonstrates the pressing need for strong governance frameworks to guarantee that the advancement of AI reduces risks while promoting societal benefits. China and India are two new AI research and development superpowers with different regulatory strategies influenced by their respective sociopolitical, cultural, and economic environments. India has taken a cautious and well-rounded approach to regulating AI, seeking to promote innovation while tackling moral issues like data security and privacy. Programs such as the National AI Strategy by NITI and the Digital India initiative. In order to promote innovation while addressing ethical concerns like privacy and data security, India has taken a watchful and well-rounded approach to AI regulation. Initiatives such as the Personal Data Protection Bill, the Digital India program, and NITI Aayog's National AI Strategy clearly show India's dedication to establishing a regulatory framework that protects individual rights while fostering the development of AI.

Issues like poor infrastructure, a lack of funding, and a lack of digital literacy continue to be major obstacles to India's full AI potential. China, on the other hand, has adopted

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[3] António Guterres, Address at the World Economic Forum Annual Meeting, Davos (2024).

a more persuasive, state-driven strategy and roadmap to become the world leader in AI technology by 2030. Prioritizing national security, the Chinese government has created thorough regulatory frameworks, such as the Deep Synthesis Provisions and the Generative AI Measures.

The ethical repercussions of AI, algorithmic bias, and the potential for AI to fundamentally alter labor markets and worsen societal issues are among the challenges that both nations face, despite having clearly different regulatory frameworks. In order to ensure the ethical, responsible, and inclusive development of AI globally, this paper examines the regulatory differences between China and India and makes the case that international cooperation and the creation of sustained, accommodating governance frameworks are pivotal.

II.   KEYWORDS

Artificial Intelligence, AI Regulation, Global AI Governance, AI Ethics, AI and Inequality, Privacy and Data Security, Ethical AI Development, International Cooperation in AI.

III.   INTRODUCTION

"The rise of powerful AI will be either the best or the worst thing ever to happen to humanity" – Stephen Hawking.

Artificial intelligence, as Stuart Russell explains, is more than just a technology it's a field of study focused on the challenge of creating machines that can perform tasks typically requiring human intelligence[4]. This view highlights that AI is not simply about building tools but about tackling complex questions about intelligence itself. In the context of countries like India and China, this perspective is important, as their approach to AI regulation goes beyond the technical aspects, addressing the broader

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[4] **World Economic Forum**. *Move Beyond the Idea that AI is the Solution to Everything* (Oct.2023), https://www.weforum.org/stories/2023/10/move-beyond-idea-that-ai-is-the-solution-to-everything/.

social and legal issues that arise as AI becomes increasingly integrated into everyday life.

Artificial intelligence (AI) is reshaping the global technological landscape, with India and China emerging as two significant players. However, the path each country takes in AI development reveals notable differences in strategy, priorities, and capabilities.

India has made impressive strides in AI, particularly in key areas such as research, talent, and innovation. According to the Center for Security and Emerging Technologies (CSET) report, India ranks among the top 10 countries in several critical metrics used to measure national AI capabilities, including the volume of AI research, the availability of skilled professionals, and the number of patents filed in the AI domain.

Despite challenges in infrastructure, India has a rapidly growing AI ecosystem, with increasing contributions from both public and private sectors. In contrast, China has pursued a more state-driven approach to AI development, with clear goals set for becoming a global leader in AI by 2030. China has made significant advancements in AI research and applications, particularly in areas like facial recognition, natural language processing, and autonomous systems. [5]

This paper examines how India and China regulate AI, with a focus on privacy, data security, governance, and the broader socio-legal implications. As two emerging AI superpowers, both nations are impacting the course of global AI development. This study explores how political systems, cultural foundations, and national priorities impact AI regulation. Given their large populations and potential for AI development, both countries' regulatory choices will have a big impact on the global AI landscape. By examining these differences, this study aims to highlight the need for consistent, international standards to ensure the ethical and responsible development of AI.

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[5] **Analytics India Magazine**. *AI Ecosystem: Where Does India Stand Compared to the U.S. & China?* (May 3, 2021), https://analyticsindiamag.com/ai-origins-evolution/ai-ecosystem-where-does-india-stand-compared-to-the-us-china/.

IV.   ROLE OF AI IN SOCIETY AND LAW

The concept of intelligent machines dates back to antiquity, with philosophers such as Hobbes, Leibniz, and Descartes debating it long before modern computing emerged. Daniel Dennett suggests that Descartes might have even foreseen the modern Turing Test. Alan Turing's creation of the universal Turing machine in the 1930s and the work of a number of his contemporaries in the middle of the 20th century are credited with establishing the idea of computation-based machine intelligence. Nonetheless, the Dartmouth summer workshop in 1956 is usually regarded as the official beginning of artificial intelligence (AI) as we know it today.[6] Artificial Intelligence (AI) is progressively emerging as an essential element in different industries, including healthcare, finance, transport, and law enforcement. Although AI offers considerable advantages in efficiency, innovation, and economic development, it also presents crucial socio-legal issues. These challenges are essential for grasping the wider effects of AI on legal systems worldwide, particularly in India and China.

A. Privacy concerns

Privacy, in its most basic sense, is the right to stay unseen. It has traditionally conflicted with government interests, as authorities often seek to observe individuals for law enforcement or crime deterrence reasons. This conflict often arises from the desire of governments to manage populations, even if it means limiting the individual freedoms of citizens. The rise of AI companies has intensified this problem, as they gather, maintain, and evaluate data for targeted marketing and advertising, frequently taking advantage of human behaviors for profit. This has resulted in a notable decrease in privacy rights, prompting critical socio-legal inquiries: Is data collection genuinely essential, or is it simply for control and financial gain?[7]

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[6] James Manyika, *Getting AI Right: Introductory Notes on AI & Society*, Daedalus, 2022, 151(2): 5-27, https://doi.org/10.1162/daed_e_01897.

[7] C. Bartneck et al., *An Introduction to Ethics in Robotics and AI*, in *Springer Briefs in Ethics* 61 (2021), https://link.springer.com/book/10.1007/978-3-030-51110-4.

For example, In the case **K.S. Puttaswamy (Retd.) vs Union of India**, (2017) The SC emphasized the importance of protections to avoid breaches of privacy, particularly since Aadhaar connects biometric information to services such as voter identification. This decision highlights the importance of reconciling privacy rights with the government's implementation of AI technologies in surveillance.[8]

In the context of China, the extensive implementation of facial recognition in China has raised privacy issues, especially because it is utilized for public monitoring. *The social credit system* is frequently misinterpreted; it does not involve a singular algorithm monitoring a billion individuals. Rather, it is a simplified system with distinct databases, frequently depending on human involvement.

For instance, in Rongcheng, "information collectors" personally document kind actions. This indicates that, against common opinion, the system depends more on human supervision than on sophisticated technology.[9]

B. Fairness in AI

Safiya Noble describes in "**Algorithms of Oppression**", that algorithms can strengthen social biases, producing what she refers to as "technological redlining." This procedure methodically restricts access for underrepresented groups, akin to U.S. redlining methods. In India and China, where government engagement in technology is substantial, this problem can exacerbate social divides. Fairness in AI includes not just creating equitable systems but also ensuring developers are held responsible. Due to a lack of diversity in tech development, biases in AI models may reinforce inequalities, necessitating proactive legal and policy measures to tackle these issues.[10]

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[8] Justice K.S. Puttaswamy and Ors. v. Union of India (UOI) and Ors., (Dec. 15, 2017) MANU/SC/1604/2017, 2017 INSC 1235

[9] China Announced a New Social Credit Law. What Does It Mean?" *MIT Technology Review*, November 22, 2022. https://www.technologyreview.com/2022/11/22/1063605/china-announced-a-new-social-credit-law-what-does-it-mean/.

[10] Stefan Larsson, The Socio-Legal Relevance of Artificial Intelligence, 2019/3 Droit et Société 573, 573–93 (2019), https://droit.cairn.info/revue-droit-et-societe-2019-3-page-573?lang=fr.

C. Transparency and Accountability concerns

AI technologies in India's legal field, including document review, contract analysis, and legal forecasting, are optimizing processes and minimizing mistakes. Although these technologies boost productivity, concerns about accountability emerge related to transparency in AI's decision-making processes. For instance, AI in legal systems such as the **National Judicial Data Grid** (NJDG) supports case forecasting and virtual hearings, yet issues related to data privacy and bias remain. India's National AI Strategy encourages ethical AI practices, but the increasing involvement of AI in legal functions highlights the necessity for defined accountability and regulation to prevent possible misuse. [11]

In China, issues regarding accountability and transparency related to AI technologies are becoming significant worries. Incidents involving autonomous systems, like self-driving cars, underscore the challenge of establishing liability in the event of accidents. In the absence of well-defined legal structures and designated responsibilities, public confidence in AI faces threats. Moreover, China's easy access to **General AI (GAI)** increases the likelihood of misuse, including the dissemination of misinformation. With technological progress, tackling the "responsibility gap" and ensuring clear AI governance is crucial to avert societal damage and uphold legal and ethical standards.[12]

D. Cognitive Diminishment Due to AI

In India, the application of AI in farming is growing, highlighted by the creation of e-Crop by the ICAR institution, Central Tuber Crops Research Institute (CTCRI), located in Thiruvananthapuram. This IoT device delivers tailored agricultural advice to farmers via text messages, aiding in improving crop productivity. Although these

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[11] Zeus Law Associates, Artificial Intelligence in the Indian Legal Landscape: Chat GPT and Data Protection, Live Law (Dec. 20, 2023), https://www.livelaw.in/law-firms/law-firm-articles-/artificial-intelligence-legal-landscape-zeus-law-data-protection-chat-gpt-249692

[12] Chen, B. & Chen, J., China's Legal Practices Concerning Challenges of Artificial General Intelligence, Laws*, 13, 60 (2024), https://doi.org/10.3390/laws13050060.

advancements provide considerable advantages, they might also eclipse conventional farming techniques that have been inherited over the years. [13]

AI hallucinations denote situations in which AI systems, especially large language models (LLMs) such as ChatGPT, produce answers that are inaccurate or completely invented, despite seeming credible. In China, this trend is attracting attention, particularly in educational settings where students might become excessively dependent on AI resources. Since these systems can display false information as if it were true, users, particularly those with little subject knowledge, may make decisions based on inaccurate or deceptive data. This can weaken critical thinking, particularly for students or professionals in areas where precision is vital, like healthcare or law. [14]

E. Subjectivity

The definition of AI intelligence is subjective and evolves over time. In the 1980s, AI was often associated with tasks like chess, which required human-like strategic thinking. IBM's Deep Blue famously defeated world champion Garry Kasparov in 1996, showcasing AI's ability to perform intelligent tasks. However, as machines become increasingly adept at such tasks, what was once considered intelligent—like playing chess—no longer seems so. This shifting understanding complicates how AI is regulated in countries like India and China, where AI is now embedded in critical sectors like defense and healthcare. Lawmakers need to adapt legal frameworks to keep pace with AI's evolving capabilities.[15]

Various nations have taken distinct paths in regulating AI, influenced by their legal customs, cultural principles, and economic interests. The European Union has adopted

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[13] Times of India, AI-based e-Crop to Help Precision Farming, ICAR Institution Brings Smart Farming Tool, Times of India (Oct. 13, 2023), https://timesofindia.indiatimes.com/india/ai-based-e-crop-to-help-precision-farming-icar-institution-brings-smart-farming-tool/articleshow/102974418.cms.

[14] Zhai, C., Wibowo, S., & Li, L.D., The Effects of Over-Reliance on AI Dialogue Systems on Students' Cognitive Abilities: A Systematic Review, 11 Smart Learn. Environ. 28 (2024), https://doi.org/10.1186/s40561-024-00316-7

[15] M.C. Buiten, Towards Intelligent Regulation of Artificial Intelligence, 10 European Journal of Risk Regulation 41 (2019)

an active stance, prioritizing privacy and personal rights via the General Data Protection Regulation (GDPR) and the suggested Artificial Intelligence Act. These rules have established an international benchmark, impacting legislation in nations such as Brazil and South Korea. Conversely, the United States adopts a decentralized approach, assigning a significant portion of AI governance duties to private firms and state authorities. Although this encourages innovation, it leads to deficiencies in oversight, especially regarding data privacy and bias in AI. China has embraced a more authoritarian stance, centralizing AI regulation to promote innovation while managing its application, especially in surveillance and social governance. This model has resulted in swift AI progress but brings up issues regarding human rights and privacy infringements. [16]

For nations such as India and China, implementing a measured strategy for AI regulation is crucial. India can utilize public-private partnerships (PPPs) and regulatory guidelines such as the OECD AI Principles to foster responsible AI advancement. China, although concentrating on innovation, could gain from adding more transparency and privacy safeguards to its AI policies to tackle ethical issues. PPP initiatives, including the U.S. government's partnership with tech firms on AI ethics in healthcare, serve as a framework for guaranteeing that AI technologies are created responsibly. Moreover, regulatory sandboxes provide a flexible environment for experimenting with AI technologies, enabling regulators to handle risks while promoting innovation. India and China might leverage these models to enhance their regulatory methods, making certain that AI advancement serves society while safeguarding rights and freedoms. [17]

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[16] OECD, Recommendation of the Council on Artificial Intelligence, OECD Legal Instruments, No. 44, at 1 (2019)

[17] OECD, Recommendation on Artificial Intelligence, supra note 1, at 1.

V. INDIA'S AI REGULATION: A SOCIO-LEGAL REVIEW

We need to make AI in India and make AI work for India.[18]. India is actively working on the AI technology development. The Ministry of Electronics and Information Technology (MeiTY) is developing comprehensive regulations on AI. Though there is no national AI policy that has been released by the government as such, there is a "National Strategy on AI" which was announced by the NITI Aayog (an apex think-tank of the government) in 2018.[19]

The development of India's policy on AI i.e. "National Strategy on AI" was the ramification of the Chinese policy development. The Indian Government's Digital India initiative that strives to transform the country digitally has meant that AI adoption and development is on India's high priority list. India has developed a portal to enable AI development which is accessible to its citizens. "INDIAAI" by Ministry of Electronics and Information Technology (MeiTY). The aspects covered by the platform are Healthcare, Fintech, Cyber Security, EdTech, and Agriculture.

The President of India, Smt. Droupadi Murmu delivered an inspiring address at the Presentation of Colours to the College of Defence Management, Secunderabad, on December 20, 2024. Her speech emphasized the transformative role of technology, particularly Artificial Intelligence (AI), in shaping the future of India's defense capabilities. The address reaffirmed India's commitment to self-reliance, technological advancement, and global strategic leadership in defense. [20]India has the world's largest human resource of software engineers and until recently it was the leading software house serving the world.

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[18] India AI, *RAISE – Responsible AI for Social Empowerment*, https://indiaai.gov.in/raise
[19] Ibid
[20] India AI, *India is Giving High Priority to the Emerging Technologies and AI: President Droupadi Murmu*, https://indiaai.gov.in/article/india-is-giving-high-priority-to-the-emerging-technologies-and-ai-president-droupadi-murmu

A. Indian Legal Regulations

- **Information Technology Act 2000:** The Information Technology Act, 2000 (IT Act) serves as the fundamental legislation governing electronic transactions and digital governance. Although it does not explicitly mention AI, specific provisions within the Act are applicable to AI-related activities. Section 43A of the IT Act enables compensation in case of a breach of data privacy resulting from negligent handling of sensitive personal information. This provision is particularly relevant in the context of AI systems that process user data. Another provision is Section 73A of this act. In the landmark case of *Justice K.S. Puttaswamy (Retd.) v. Union of India (2017)*, the Supreme Court of India recognized the right to privacy as a fundamental right under the Indian Constitution. This ruling emphasizes the need to safeguard personal data from AI-based systems.

- **Digital Personal Data Protection Bill, 2023:** It aims to regulate the collection, processing, and storage of digital personal data while balancing privacy rights with the needs of businesses and governments, bringing India in line with global data protection standard like the GDPR (European Union's General Data Protection Regulation)

- **Indian Copyright Act, 1957:** The Indian Copyright Act, 1957 safeguards original literary, artistic, musical, and dramatic works, granting exclusive rights to creators and prohibiting unauthorized use or reproduction. The rise of AI-generated content has prompted discussions regarding copyright ownership and infringement liability.

- **National e-Governance Plan:** The National e-Governance Plan aims to digitally empower Indian society by providing online government services. AI plays a vital role in enhancing the efficiency and accessibility of e-governance. Various government departments have integrated AI systems to automate processes, improve decision-making, and enhance citizen services.

- **New Education Plan:** The Indian government recently launched its New Education Policy (NEP), which includes provisions regarding special coding classes for students of the 6th standard. The government is focusing on establishing India as the next innovation hub.

- **AIRAWAT:** Recently, Niti Ayog (planning commission of India) also launched AIRAWAT, which stands for AI Research, Analytics, and Knowledge Assimilation platform. It considers all the necessary requirements of AI in India.

The global AI market in 2021 was nearly US$ 59.67 billion and it is projected to *grow at a CAGR of 39.4% to reach US$ 422.37 billion by 2028.* While the AI market in India is projected to grow at a CAGR of 20.2% to reach US$ 7.8 billion by 2025 from US$ 3.1 billion in 2020.[21]

B. The Indian Context

The Indian Government's Digital India initiative that strives to transform the country digitally has meant that AI adoption and development is on India's high priority list. The country is home to the largest population of young people in the world, who have the potential to become a powerful workforce given the proper education and assistance.

India boasts the world's greatest pool of software engineers brought about by a big population also stimulate the industrial sector by generating a high demand for commodities. India is the fastest-growing economy with the second-largest population in the world and has a significant stake in the AI revolution. India recently started taking AI seriously, but repone is weak and has come rather late the Western world and China has done that a decade ago. Some of the crippled factors

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[21] India Brand Equity Foundation (IBEF), *Future of Data Science and AI in India*, https://www.ibef.org/research/case-study/future-of-data-science-and-ai-in-india.

- India's budget for AI development is petite as compare to China as well as USA.

- India is overpopulated, but Digital literacy is low and undereducated.

- Unemployment; people might face problem at various levels because of AI.

- Social, political and economic divisions.

- Lack of effective strategic planning on AI and big data, plus dependence on American software and China's hardware.

- National security concern, which might erupt through AI such as deepfake, false news, cyber security threats, unnecessary promulgation of fake narratives which lead to social disbalance in country.

Recently, the environment of AI in India has changed drastically. The ecosystem of AI has developed to uplift the AI, there has been several startups such as Insight.AI (2022), fxis.ai (2015) Technit space and aero works pvt. ltd. (2019), etc.

C. The Way Forward

Technology has grappled the minds and souls of all human beings to an extent that we can't imagine our lives without technology and it has become an irreplaceable part of our lives. AI has significantly enhanced capabilities in personalisation, fraud detection, and operational efficiency, fundamentally altering the financial landscape.

The creation of AI- powered lethal weapons, loss of human influence and prowess in the real world, and eventually the much-dreaded domination of Artificial Superintelligence over humans remain some of the horrifying potentialities of blindly advancing on Artificial Intelligence. The two major issues highlighted so far are explicit and implicit bias in AI outputs and AI discourse. AI developers should be instructed and incentivised to adopt guidelines and protocols to include diverse datasets during AI model training and development.

Policymakers and international platforms like the Global Partnership on Artificial Intelligence (GPAI) can promote cross-cultural collaboration between AI developers,

researchers and institutions from underrepresented domains and regions. Multilateral collaboration will be necessary to ensure global equity in AI development.[22]

VI.   CHINA'S AI REGULATION: A SOCIO-LEGAL REVIEW

China is in the midst of rolling out some of the world's earliest and most detailed regulations governing artificial intelligence (AI). China is developing technology in gallop and creating a narrative on the artificial intelligence. To execute it in a perfection China engendering regulations. China seeks to balance its ambitions to lead in the rapidly growing AI sector with the need to address global concerns surrounding safety and ethical implications.

The Chinese government is taking a more proactive regulatory approach to AI. As the global AI race intensifies, China is keen to position itself as a leader in setting technical standards, rather than merely adopting them. The Chinese government is skilled at quickly addressing new technologies. It's probable that China was the first country in the world to introduce legislation concerning generative AI just a few months following the surge in popularity of ChatGPT. However, a forthcoming comprehensive law may strengthen China's capacity to oversee the effects of AI on current frameworks.

China's AI-based social engineering system of reward and punishment is based on its strict ideas of governance, society, ideals and values resulting from a combination of Confucianism, Taoism, communism, modernity and postmodernity unique to defining the Chinese civilization identity.[23]

A. Key AI regulations

- **Generative AI Measures, 2023:** China is among the first countries to establish rules regarding generative AI technologies, particularly in the realm of AI-

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[22] Observer Research Foundation, *Global Perspectives on AI Bias: Addressing Cultural Asymmetries and Ethical Implications,* https://www.orfonline.org/english/expert-speak/global-perspectives-on-ai-bias-addressing-cultural-asymmetries-and-ethical-implications.
[23] Rajiv Malhotra, Artificial Intelligence and the Future of Power 45 (Rupa 2021)

driven content generation. These rules address concerns surrounding privacy, data security, and content oversight, while also promoting innovation. They apply to domestic and foreign companies offering AI services in China, underscoring the significance of transparency and security without impeding technological advancement.

- **Deep Synthesis Provisions, 2023:** With the rise of deepfake technology, A.I. generated contend must be clearly labelled, and companies must follow strict guidelines regarding the ethical use of this technology. These regulations aim to prevent misuse and safeguard the integrity of digital material.

- **Ethical Review Measures, 2023:** These efforts establish ethical guidelines for the progress of AI and scientific research, particularly in field that may impact human and animal or have significant societal implications. Any AI project deemed ethically sensitive must be assessed by internal committees and external experts to ensure it adheres to national ethical standards.

- **Algorithm Recommendation Provisions, 2022:** Govern the use of algorithms in AI systems that could influence public opinion or promotes social engagement. Companies using AI-driven recommendation system, like those present in social media or news platforms, must present their algorithms to Chinese authorities. This is part of an efforts to ensure that technologies are responsibly and transparently.

B. Impact on the Chinese society

- Strengthen trust and safety in public.

- Heath sector strengthen through AI powered tools can assist in disease diagnoses, development treatment plans, and personalizing patient care, potentially saving lives.

- Data analysis tools; it will quickly assess data, help in handling decision making procedure.

- Complex in nature for citizens as it interferes in the liberty of citizens.

- Cultural impact in propagation and impact over norms and practices.

- Digital literacy will be immensely uplift. It allows people to engage more effectively with AI- driven tools and services.

- It will create more jobs and open new opportunity in the tech sector, especially in AI research and development.

- It strives to create balance between the technology and masses in adequate manner.

- Strengthen the national security through creation of a discourse.

The Chinese have created an alternative digital universe with no mapping drawn from the US digital ecosystem. For e.g. WeChat.[24]According to Kai-Fu Lee, China is the Saudi Arabia of data; If artificial intelligence is the new electricity, big data is the oil that power the generators. And as China's vibrant and unique internet ecosystem took off after 2012, it turned into the world's top producer of this petroleum for the age of artificial intelligence.[25]

C. AI as a weapon in the international forum

AI is only partially visible, just like an iceberg. China is using AI as its strategic weapon to leapfrog ahead of the United States and achieve global domination. While aerospace, semiconductors, biotech, and other technologies are crucial in the race, AI is the force multiplier that brings them together and catapults them to new levels.[26] The objectives of China in AI developments globally are-

- Leading in technology

- China's dominance in technology sector

- Systematic Layouts to execute in global forum

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[24] Ibid

[25] Kai-Fu Lee, *AI Superpowers: China, Silicon Valley, and the New World Order* 50 (Houghton Mifflin Harcourt 2018)

[26] Rajiv Malhotra, AI and the Future of Power (Rupa Publications 2021).

- Market-Oriented
- Open Source

China have also constructed a digital project to increase its reach global the initiative known as

D. Analysis of AI policy of China

China has numerous factors that improve and elevate the primary goal of the government is to attain a position of global leadership. The first and foremost aspect is China has revealed intentions to make significant investments level of investment in AI research and development.

For example, Beijing announced to set up of a USD 2.1 billion AI-centric technology park, while Tianjin plans to set up a USD 16 billion AI Fund. In 2018, China had more than 60 AI tech parks. Such industrial parks are already providing 14 preferential financial policies to attract AI companies, such as rental subsidies and tax concessions (Daxue Consulting, 2020).[27] In addition to the government, huge investment is also coming from the private sector.

The AI market in China has been booming since 2015 at a high rate. In 2016, the Chinese government aim to build a domestic AI industry worth nearly $150 billion in the near future. AI is already replacing warehouse workers with robots, operating driverless cars, and may substitute doctors with computers in the future. AI in the manufacturing industry has adopted the practices of Integrated intelligent systems. A large portion of China's AI market share is from speech, computer vision, and natural language processing technology.

China's high level of AI adoption and citizens' positive perception towards AI sets it apart from other nations but there is also a great awareness among netizens about the

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[27] Amit Kumar, *National AI Policy/Strategy of India and China: A Comparative Analysis*, RIS Discussion Paper No. 265, 1, https://gdc.ris.org.in/sites/default/files/Publication/DP-265-Amit-Kumar.pdf (last visited Dec. 27, 2024).

potential threats of AI technology.[28] Chinese government has placed private sector at the centre of AI's development in China. Tech giants such as Baidu, Alibaba and Tencent (BAT) have been named as 'National Champions in AI' to help stimulate and steer AI innovation and development in China.[29]

China must have an appropriate governance structure in place if it hopes to become a worldwide leader or influence in the field of artificial intelligence. Perhaps the most alarming development in China's case is the growing concern over its attempt to use AI for widespread spying. Furthermore, the fact that artificial intelligence has both military and civilian uses is acknowledged explicitly in China's AI plan.

This civil-military fusion strategy in AI is also a serious worry since it will make it easier to exchange personal and commercial data for the development and deployment of military technology. China has a centrally planned, joint military-civilization national strategy with exploration and innovation in biological research as a priority.[30] China developed a comprehensive and focused national high-tech strategy about twenty-five years ago and has implemented it brilliantly.

VII. COMPARATIVE ANALYSIS OF AI REGULATION: SOCIO-LEGAL DIMENSIONS

CATEGORY	INDIA	CHINA
Regulatory Approach	Emerging and developing. India is still developing its legal framework, with a focus on digital	Proactive and concentrated. China has a robust

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[28] Daxue Consulting, https://daxueconsulting.com/ (last visited Dec. 27, 2024).

[29] Ibid

[30] Gregory C. Allen, *China's Military Biotech Frontier: CRISPR, Military-Civil Fusion, and the New Revolution in Military Affairs*, Ctr. for a New Am. Security (Aug. 27, 2020), https://www.cnas.org/publications/commentary/chinas-military-biotech-frontier-crispr-military-civil-fusion-and-the-new-revolution-in-military-affairs.

	empowerment and AI integration in industries such as healthcare and agriculture.	regulatory framework, which includes recent rules addressing generative AI and deepfake technology.
Focus Area	Healthcare, Fintech, Cyber Security, EdTech, Agriculture, Government Services. Focus on developing AI for social and economic benefits.	Privacy, data security, deepfakes, AI-powered content creation, and algorithmic recommendation systems.
Legal Context	The Information Technology Act (2000) has provisions for data privacy and security, and the Digital Personal Data Protection Bill (2023) aligns with GDPR requirements.	Measures for Generative AI (2023), Deep Synthesis (2023), and Ethical Review (2023) These rules control the ethical use of AI, data security, and privacy concerns.
Technological Development	India is focusing on AI integration in key sectors (agriculture, healthcare) and building a digital	China has quickly advanced AI in fields such as face

	infrastructure (e.g., INDIAAI portal). It lags behind China and the U.S. in AI R&D investment.	recognition, robotics, and natural language processing. It has built AI technology parks and made significant expenditures in AI R&D.
Global Ambitions	India aims to become a significant force in AI, utilizing its vast human resources and technological skills, with the goal of achieving digital self-sufficiency.	China seeks to lead globally in AI, setting its own standards, excelling in technology advancement, and applying AI across military and civilian domains to enhance its global impact.
Privacy Regulations	Digital Personal Data Protection Bill (2023): Conforms to international benchmarks such as GDPR, emphasizes the protection of digital privacy.	Generative AI Regulations and Deep Synthesis Guidelines: Govern AI-created content and data protection, emphasizing state

		oversight over personal privacy in contrast to GDPR.
AI Ethics	India is in the process of developing its AI ethics framework and has made strides in initiatives related to AI governance and data protection.	China's AI ethics prioritize the development of AI with national interests in consideration, featuring rigorous content regulation and social engineering aligned with governance principles.

VIII.   SOCIETAL IMPLICATIONS OF AI REGULATION: INSIGHTS FROM SOCIOLOGICAL AND JURISPRUDENTIAL FRAMEWORKS

In this study, the concept of Ulrich Beck's "Risk Society" [31]Emerges, especially while analyzing the effects of AI in India and China. Beck's concept of 'manufactured risks' is apparent in technologies such as facial recognition, which, although intended to improve security, results in privacy infringements and monitoring. Likewise, hiring algorithms powered by AI, designed to simplify recruitment, can reinforce biases and overlook qualified applicants. These are the dangers Beck cautioned against—frequently ignored until their negative fallouts become apparent.

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[31] Beck, Ulrich, *Risk Society: Towards a New Modernity* (1986).

A. Impact on Social Stratification

Regulation of AI in India and China could either worsen or improve current social inequalities, particularly in terms of technology access and its advantages.

In India, Social and Economic inequalities significantly shape the regulatory framework in India. The National Strategy for Artificial Intelligence (2018), created by NITI Aayog, highlights AI's capacity for societal benefit, concentrating on areas such as healthcare, agriculture, and education. Yet, in the absence of inclusive policies, AI might exacerbate the digital divide issue. Marginalized groups, especially in rural regions, may be left out of the technological advantages offered by AI. From a Marxist viewpoint, AI could intensify class conflicts, as automation's advantages flow to the technological elite while the working class endures unemployment.[32]

In China, the regulation of AI is closely linked to the political and economic objectives of the state, as demonstrated in the Next Generation Artificial Intelligence Development Plan (2017). AI has driven swift urban growth, particularly in technology centers such as Shenzhen, yet the advantages are largely confined to cities, putting rural communities at a loss. Moreover, China's social credit system—powered by AI for monitoring and regulating behavior—may escalate social inequality by punishing individuals according to political alignment. This corresponds with Michel Foucault's concepts regarding power and surveillance, where surveillance tools help strengthen social hierarchies, encouraging self-regulation by internalizing control systems.[33]

To reduce inequalities perpetuated by AI, regulations in both countries should prioritize inclusive access and tackle the risks of displacement for at-risk populations. Based on John Rawls' A Theory of Justice. [34]

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[32] Karl Marx, Capital: Critique of Political Economy (Samuel Moore & Edward Aveling trans., Frederick Engels ed., Progress Publishers 1867).

[33] Michel Foucault, Discipline and Punish: The Birth of the Prison 195–228 (Alan Sheridan trans., Vintage Books 2d ed. 1995).

[34] John Rawls, A Theory of Justice (Harvard Univ. Press 1971)

B. Public Trust and Perception

Public confidence in AI regulation is crucial for the effectiveness of AI governance structures. Surveillance theories, especially those formulated by Shoshana Zuboff (The Age of Surveillance Capitalism, 2019), offer perspectives on the ways AI systems affect views on privacy, monitoring, and individual liberties. In both India and China, the political environment and citizens' experiences with government monitoring influence public confidence in AI regulation. [35]

In India, the trust of the public in AI regulation is shaped by the nation's democratic principles, which emphasize personal liberties and human rights. Debated initiatives such as Aadhaar, which employs AI-based biometric identification for government services, have sparked worries about privacy infringements and surveillance. The Personal Data Protection Bill (PDPB) aims to tackle these issues, but doubts regarding government regulation of AI technologies remain regulation in India needs to find a balance between transparency and accountability to prevent overreach and protect citizens' privacy, all while fostering trust in the regulatory system.

In China, Conversely the authoritarian governance model of China greatly influences public views on AI regulation. Incorporating AI into governmental systems for oversight, behavior tracking, and the social credit framework exemplifies a hierarchical strategy that cultivates public confidence in the state's capability to utilize AI for maintaining social order. Nonetheless, worries about the diminishing of individual liberties continue.

In both nations, legal systems must guarantee that AI technologies uphold essential human rights. Based on the Natural Law theory presented by Thomas Aquinas in Summa Theologica, regulations for AI ought to follow universal ethical principles that safeguard human dignity and individual rights. [36]

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[35] Shoshana Zuboff, *The Age of Surveillance Capitalism: The Fight for a Human Future at the New Frontier of Power* 1–10 (PublicAffairs 2019).

[36] Thomas Aquinas, Summa Theologica (Fathers of the English Dominican Province trans., Benziger Bros. 1947).

C. Cultural and Political Factors in AI Regulation

The governance of Artificial Intelligence (AI) in India and China is shaped by the distinct political frameworks, cultural principles, and social organizations of each nation.

In India, Its role as a democratic country with a varied populace, the regulatory system of India must balance the conflict between technological advancement and safeguarding individual rights. The Indian Constitution ensures rights like privacy, making the use of AI technologies more complex, especially in surveillance scenarios. Moreover, India's political intricacies—characterized by regional differences and social divisions—create hurdles for the fair distribution of the advantages of AI, India's regulatory strategy could potentially lead to a scenario where efficiency and technological determinism eclipse issues of fairness and equity, leading to an imbalanced distribution of AI advantages. [37] The digital divide is a major barrier to equal access to technology in India.

Despite urban progress, the digital divide remains stark. According to the latest National Sample Survey Office (NSSO) data, Only 24% of rural households have internet access, compared to 66% in cities. Active usage is 14% in rural areas versus 59% in urban areas, driven by factors like poor network coverage, high costs, and limited vernacular content.[38]

China's unified strategy for AI regulation is strongly shaped by its cultural and political context, emphasizing communal well-being, economic progress, and governance rather than individual liberties, AI is deliberately incorporated into government-driven programs, such as surveillance technologies and social credit systems, to ensure social order and enhance public governance. Policies such as the "New Generation Artificial Intelligence Development Plan" highlight AI's importance

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[37] Max Weber, Economy and Society (Guenther Roth & Claus Wittich eds., 1978).
[38] NIIT Foundation, Bridging the Digital Divide: Empowering Rural India, NIIT Foundation, https://niitfoundation.org/bridging-the-digital-divide-empowering-rural-india/

in economic change while permitting government access to personal information under the pretense of serving the public good. On a global scale, China promotes AI governance that is inclusive, synchronizing worldwide standards with its collective-oriented values, providing an alternative to Western individualistic frameworks.[39]

D. The Role of Social Media Ecosystems

India and China each possess unique social media environments that showcase their specific cultural, political, and social contexts. Although Facebook, Instagram, and YouTube are widespread in India, the youth in China mainly utilize government-regulated platforms such as WeChat, Weibo, and Douyin. [40]

These distinct realms of social media address various cultural requirements and also aid in strengthening the unique metanarratives present within each community. In India, leveraging global platforms can result in the strengthening of various, at times contradictory, metanarratives—like the surge of digital nationalism, the impact of religious groups, or the increasing visibility of populist political movements. In China, the strictly regulated digital landscape bolsters the overarching theme of national unity, allegiance to the state, and monitoring, as AI algorithms are crafted to ensure ideological uniformity and thwart the dissemination of opposing perspectives.

IX.   CONCLUSION

We find different but equally important regulatory approaches in this socio-legal comparison of AI regulation in China and India, which are influenced by the socio-political, cultural, and economic environments of both countries. India has taken a

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[39] Aadarsh Shrestha & Anish Gautam, Cross-Cultural Perspectives on Regulatory Approaches for Artificial Intelligence Systems, 11 Int'l J. Applied Machine Learning & Computational Intelligence 1, 1–10 (2021), https://neuralslate.com/index.php/Machine-Learning-Computational-I/article/view/49

[40]   McKinsey   &   Company,   *Understanding   Social   Media   in   China*   (2020), https://www.mckinsey.com/~/media/McKinsey/Business%20Functions/Marketing%20and%20Sales/Our%20Insights/Understanding%20social%20media%20in%20China/Understanding%20social%20media%20in%20China.pdf.

measured and cautious approach to regulating AI, emphasizing the need to strike a balance between innovation and morality.

Through programs like the Digital India program, the AI Strategy presented by NITI Aayog, and the Digital Personal Data Protection Bill, India, with its rapidly growing tech sector, has concentrated on protecting individual rights. To fully utilize AI, India must overcome a number of obstacles, such as a lack of funding, inadequate infrastructure, and the urgent need for improved digital literacy and skill development. These challenges highlight the intricacy.

These challenges highlight how difficult it is to promote AI development in a multicultural, developing country where fair access to technology is still an issue. China, in contrast, takes a more assertive and centralized approach to AI governance, which reflects the country's goals to lead the world in AI while simultaneously utilizing the technology to uphold social stability and bolster national security.

In order to address the ethical ramifications and security threats of artificial intelligence, the Chinese government has taken the initiative to create extensive regulatory frameworks, such as the Deep Synthesis Provisions and the Generative AI Measures. This regulatory framework, which highlights the dual-use nature of AI in both civilian and military applications, is representative of China's larger vision to incorporate AI into its sociopolitical fabric.

This regulatory framework, which emphasizes AI's dual-use nature in both civilian and military applications, is representative of China's larger vision to incorporate AI into its sociopolitical fabric. China has a more top-down approach to technology governance, with the state actively directing AI development while strictly regulating its societal effects. This is evident in the way that AI regulation is intricately linked to China's larger political goals.

Similar challenges bind the two nations together, despite differences in the scope and intensity of their regulatory frameworks. Both China and India must contend with the

ethical dilemmas posed by AI, particularly in regards to issues such as algorithmic bias, privacy concerns, and the social consequences of AI-powered surveillance. These challenges are exacerbated by the rapid advancement of AI, which calls for flexible and adaptive regulatory frameworks. Additionally, both nations need to discuss the potential risks of applying AI in sensitive domains such as social engineering, military technology, and surveillance, where the technology's ability to manipulate data could have unanticipated consequences for both individual freedoms and national security.

Despite their different strategies, it is obvious that China and India will both be crucial in determining how AI regulation develops in the future as the global AI scene continues to change. Their struggles and experiences offer the world community important lessons, highlighting the necessity of cooperation and the establishment of multilateral frameworks to guarantee that AI development is just, moral, and in line with the general welfare.

In order to promote a more inclusive and balanced global AI ecosystem going forward, both countries must reaffirm their dedication to international cooperation, exchange best practices, and have discussions. AI can only be used as a positive force that benefits not just China and India but the entire world community by means of such cooperative efforts. A crucial reminder is provided by Eliezer Yudkowsky's caution, "By far, the greatest danger of Artificial Intelligence is that people conclude too early that they understand it." [41]Because AI is a dynamic field, we must approach it with humility, do ongoing research, and enforce strict regulations. We must never presume that we have a complete understanding of AI's potential and perils in order to ensure that it advances civilization without causing unexpected downsides.

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[41] Eliezer Yudkowsky, *Artificial Intelligence as a Source of Great Risk* (2008)