

DeepSeek

Posted at: 29/01/2025

DeepSeek: A New Competitor in AI

A new company, **DeepSeek**, has entered the world of artificial intelligence (AI) and is making big waves. This **Chinese startup**, founded in 2023, has developed AI models that are challenging big players like **OpenAI** and **Google**. Their chatbot has quickly become very popular, even beating **ChatGPT** in the U.S. App Store.

The success of DeepSeek is raising questions about how much the U.S. and other countries are spending on AI, especially when a company like DeepSeek is offering similar technology at a much lower cost.

Key Features of DeepSeek AI

1. Open-Source Technology

- DeepSeek's AI models are open-source, meaning anyone can access and improve the code. This helps the AI community grow faster as more people contribute.

2. Cost Efficiency

- DeepSeek has managed to build its AI models for just **\$5.6 million**. In comparison, **OpenAI** spent over **\$100 million** to develop its AI. This makes DeepSeek a much cheaper option for AI technology.

3. Performance

- DeepSeek's **DeepSeek-V3** model is strong in areas like **math, coding, and language processing**. It has performed better than other AI models in tests, ranking high in comparison.

4. Smart Use of Hardware

- While some high-end AI models need expensive chips, DeepSeek has used a mix of cheaper alternatives and high-performance chips to keep costs down, allowing them to develop strong AI without overspending.
-

Challenges for DeepSeek

1. Censorship

- Like other Chinese AI companies, DeepSeek follows the **Chinese government's rules**, avoiding sensitive topics. For example, it refused to talk about the **Tiananmen Square massacre** when asked.

2. Cybersecurity Issues

- DeepSeek faced **cyberattacks** after it became the most downloaded free app in the U.S. This led to some **temporary issues** with registration and site outages.

3. Regulatory Challenges

- Since it is a Chinese company, DeepSeek faces strict government **scrutiny** from both China and other countries, which may affect its long-term success.

DeepSeek's Impact on the AI Market

1. Rivalry with the U.S.

- DeepSeek's rise is challenging the **U.S. companies** that have traditionally been the leaders in AI. The company's ability to offer **high-quality models at a low price** is changing the way people think about AI development.

2. "Sputnik Moment"

- DeepSeek's success has been compared to the **Soviet Union's launch of Sputnik in 1957**, which started the space race between the U.S. and the Soviet Union. Now, DeepSeek is intensifying the **AI race** between the U.S. and China.

3. Bipolar AI Competition

- The race to dominate AI is mainly between **the U.S. and China**, both of which are investing heavily in the technology. Countries like **India** are finding it hard to keep up with this competition.

4. Sustaining Innovation

- While DeepSeek has been able to innovate on a small budget, continuing to innovate and grow at this pace will be challenging. The company needs to stay ahead in a constantly changing market.

Implications for India

1. India's Role in AI

- As **Prime Minister Modi** prepares to attend an **AI summit** in Paris, India must think carefully about how it will handle the growing **AI competition** between the U.S. and China. India should focus on **innovation, partnerships**, and shaping its own **AI strategy**.

2. Sovereign AI

- India wants to focus on **Sovereign AI**, which means developing its own AI while still working with other countries like the U.S. But India must also address concerns about sharing technology with other countries like **Russia**.

3. Global AI Governance

- India has the chance to play an important role in creating global rules for AI. By shaping how AI is governed, India can make sure its voice is heard in the future of AI development.

Conclusion

DeepSeek's rise is an important moment in the world of AI. The company is showing that **you can create high-quality AI at a low cost**, making it a serious competitor to giants like **OpenAI** and **Google**. But DeepSeek faces challenges, including **censorship, cybersecurity threats**, and **government scrutiny**.

For India, this is both a challenge and an opportunity. By focusing on **strategic partnerships**, investing in **innovation**, and clearly defining its own AI path, India can play an important role in shaping the future of AI and **global AI governance**.

