



*Memos to the*  
PRESIDENT

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Foreign Policy

*Special Competitive Studies Project*



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PRESIDENT

- Subject:* Reestablishing American Foreign Policy Power and Influence with Technology and Innovation
- Purpose:* This memo outlines five strategic foreign policy moves that will restore American strength and leadership in the global technology competition, and push back the growing geopolitical influence of the People’s Republic of China (PRC), alongside other Axis of Disruptors countries (Russia, Iran, and North Korea).
- Objectives:*
1. *Expand* American-led and -supported technology platforms against PRC-led platforms.
  2. *Integrate* private sector action into foreign policy strategy to advance American technology leadership around the world.
  3. *Reignite* an “Allies+Maximum Pressure” campaign against the Axis of Disruptors to cut their access to strategic technologies.
  4. *Champion* a “Disruptive Freedom” agenda to restore confidence in American leadership around the world and push back against increasing technology spheres of influence of the Axis of Disruptors.
  5. *Transform* U.S. foreign policy institutions to execute these actions.
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*Background and Problem Statement*

The United States is locked in a generational competition against the PRC, and its authoritarian partners, to determine the future of the world, and whether it will be shaped by the principles of freedom and liberty that define our nation or by Marxist-Leninist ideology. The conflicts in Ukraine and the Middle East, and the potential for conflicts in the Indo-Pacific—either in the West Philippine Sea, the Taiwan Strait, or the Korean Peninsula—highlight the geopolitical tensions already underway, testing whether new American leadership can restore peace and help our partners win when they are attacked by our adversaries. Underlying these conflicts is also the global competition over the technology platforms—from advanced semiconductors to advanced networks and artificial intelligence—that enable the military, economy, and political aspects of these conflicts.

The PRC, under Chairman Xi’s unprecedented 12+ years of rule, has laid out strategies to establish PRC global leadership and supplant the United States as the leading power in the world. The PRC is rapidly modernizing the People’s Liberation Army and its military capabilities. For example, the PRC now has

the world's largest navy with over 370 ships and submarines.<sup>1</sup> The PRC's aggressive use of state subsidies for its national champions crush foreign competition in key industrial sectors inside and outside of China, devastating the livelihoods of American and other workers.<sup>2</sup> Its military-civil fusion approach has enabled the Chinese Communist Party (CCP) to co-opt "private" PRC companies to advance the interests of the state around the world. The global effects of this predatory economic strategy are clear in critical technology areas, such as the processing of critical minerals, 5G network technologies, and electric vehicles. For instance, PRC entities now surpass those in the United States in the number of AI patents filed and approved by a factor of six, between 2014-2023.<sup>3</sup> The CCP is translating these advantages into tech spheres of influence that expand its geopolitical power, particularly in the emerging markets that will be the drivers of future economic growth, by providing digital infrastructure and technology solutions at a scale and at subsidized prices that the United States can not match. **The world has been painted red as PRC influence has taken hold across global supply chain networks, production lines, and consumer markets.**

However, sidelining market-oriented reforms and over-centralizing economic policy have created economic instabilities within the PRC economy, such as with the significantly overleveraged PRC real estate market.<sup>4</sup> Concerted American leadership and action can break the CCP's hold on the critical technology nodes that will underpin the pillars of power for the rest of this century. But we must move quickly and at scale to counter the PRC's global footprint.

American dynamism and innovation are powering a new era of technological advancement that is reshaping how we conceive of national security, economic prosperity, and societal cohesion. However, unlike prior eras of innovation, driven and led by public sector investment and direction, the present era is led by the private sector, driven by market demand rather than national strategy. The U.S. government has the opportunity to integrate a new national effort, connecting domestic policy strategy and foreign policy strategy, and bringing together public sector and private sector action, that capitalizes on the transformative potential technologies such as artificial general intelligence, advanced networks, biotech, next-generation energy solutions, and others to ensure the United States remains the leading power in the world, to the benefit of American companies and workers.

To re-assert the primacy of American foreign policy power and influence, the United States will need to focus on catalyzing private sector partnerships in critical technology platforms, pivot to executing offensive strategies and tactics against authoritarian rivals to protect American national technology interests and champion the basic principle that freedom is better than authoritarian rule, and reform the U.S. foreign policy apparatus for this new era of competition.

The recommendations below frame five objectives in the global technology competition for reestablishing American foreign policy power and influence. Forthcoming memos will offer complementary actions to organize allies and partners and to build out critical technology infrastructure to achieve these objectives.

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<sup>1</sup> Jim Garamone, [DOD Report Details Chinese Efforts to Build Military Power](#), U.S. Department of Defense (2023).

<sup>2</sup> [The Chinese Communist Party: Threatening Global Peace and Security](#), U.S. Department of State (2020).

<sup>3</sup> [China-Based Inventors Filing Most GenAI Patents, WIPO Data Shows](#), World Intellectual Property Organization (2024).

<sup>4</sup> Henry Hoyle & Sonali Jain-Chandra, [China's Real Estate Sector: Managing the Medium-Term Slowdown](#), International Monetary Fund (2024).

## *Recommendations*

### **Objective 1: Expand American-led and -supported technology platforms against PRC-led platforms.**

In the past decade, the PRC has expanded its global economic footprint, creating strategic dependencies and vulnerabilities in its trading partners. For example, the PRC built as much as 70% of the broadband infrastructure in Africa.<sup>5</sup> And, despite U.S.-led efforts, PRC state-backed firms Huawei and ZTE have increased their combined share of the global telecoms equipment market from 37% in 2018 to 41% in 2023, largely at the expense of suppliers in the Nordics as there is no American technology solution in this sector.<sup>6</sup> As the technology competition continues, the nations that can better develop, build, export, fund, power, and integrate these platforms with other partner nations will enjoy profound commercial and geopolitical advantages.

- ***Secure the stack of critical emerging technology platforms by extending America’s reach through allies and partners.*** The race to harness the transformative potential of Artificial General Intelligence is already ongoing. We will also need to prepare to lead the future with new technologies for energy dominance, advanced compute, and others. The United States should develop new alliance structures to integrate the capabilities and resources of key allies and partners to help us reach the pinnacle of these technologies more quickly than our authoritarian rivals, and to develop the use cases for these technologies to ensure that they reflect the ideals and values of freedom and liberty, rather than authoritarian rule. The comparative technological advantages of our alliances must allow us to boost allied competitiveness, share the burden of competing with the PRC globally, and reduce the strain on U.S. resources—because the alternative would be that these partners may look to the PRC as their partner of first resort.
- ***Finance and build an American “tech package” to counter the PRC’s Digital Silk Road.*** The United States should learn from and pay close attention to how the PRC has successfully promoted its technology options globally: the PRC offers a “package deal” of complementary technologies with generous financing, and it does this at scale. The result is that partners are locked into PRC debt traps and its technology ecosystem, raising the costs for third parties to “rip and replace” PRC tech or to buy out PRC financing. Two essential lessons are: 1) to better tie domestic U.S. tech and industrial priorities to our foreign policy objectives, reinvigorating our commercial diplomacy; and 2) to align the array of U.S. export credit, development finance, and foreign aid tools, along with private investment, to promote the adoption of U.S.-backed tech platforms. To make an American alternative to the PRC tech package more attractive around the world, the United States needs to promote a “Broadband Plus” package for connectivity and other digital infrastructure<sup>7</sup>, driven by public-private collaboration, to provide connectivity alongside training, financing, capacity building, and other measures to demonstrate that the

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<sup>5</sup> Stephanie Arnold, [Africa’s Roads to Digital Development: Paving the Way for Chinese Structural Power in the ICT Sector?](#), Review of International Political Economy at 1149 (2024).

<sup>6</sup> Stefan Pongratz, [Key Takeaways – Worldwide Telecom Equipment Market 2018](#), Dell’Oro Group (2019); Stefan Pongratz, [Worldwide Telecom Equipment Market Slumps in 2023](#), Dell’Oro Group (2024).

<sup>7</sup> There are varying definitions of digital infrastructure. For example, the Sustainable Digital Infrastructure Alliance (SDIA) defines digital infrastructure as “The total physical and software-based infrastructure necessary to deliver digital goods, products & services. This includes data centers, fiber infrastructure, server hardware, personnel, IT virtualization & infrastructure software, operating systems, etc.” See [Definition for Digital Infrastructure](#), the Sustainable Digital Infrastructure Alliance (2024).

United States, unlike the PRC, can offer more than the PRC's cheap infrastructure.

## **Objective 2: Integrate private sector action into foreign policy strategy to advance American technology leadership around the world.**

Technology is power, and much of this power lies in the hands of the American private sector. For example, American cloud computing capabilities provided essential continuity-of-government support to the Republic of Armenia after its pivot away from Russia in 2023,<sup>8</sup> and American satellite networks provided emergency connectivity in northern Israel in mid-2024 amid escalating hostilities with Hezbollah in Lebanon.<sup>9</sup> For a global technology competition with a peer rival like the PRC, the United States needs a new paradigm of public-private alignment. Our government needs to be able to leverage the reach, ingenuity, and resources of the American technology sector as critical enablers of U.S. foreign policy to advance our national interests in this competition. However, tech industry partners need our national government to not just cut the red tape at home to unleash their innovative potential at home, but to also better promote American technology solutions abroad and defend our companies from malicious foreign government actions. In 2022, the United States Government provided \$70.3 billion in economic and military assistance, a fraction of which went towards digital infrastructure and services.<sup>10</sup> That same year, U.S. businesses exported \$626 billion of digital services globally, which made up two-thirds of American service exports overall.<sup>11</sup> When combined with supply chains, talent pools, and investment, American technology companies' world-wide footprint contributes not just to American prosperity, but that of our partners as well.

- ***Create a Strategic Technology Commission at the Department of State.*** A body of leading technologists can advise the Secretary of State on approaching trends in the technology competition relevant for U.S. foreign policy interests. This can help pivot the resources of the government and ensure our foreign policy efforts can organize our allies and partners toward these issues as needed.
- ***Open Pipelines for Private Sector Talent.*** New and expanded exchange programs with the private sector offer two-way channels to bring technology professionals into foreign policy and to upskill foreign policy professionals for the technology competition. Examples include the Office of the Director of National Intelligence (ODNI)'s Public-Private Talent Exchange.<sup>12</sup>

## **Objective 3: Reignite an “Allies+Maximum Pressure” campaign against the Axis of Disruptors to cut their access to strategic technologies.**

When the United States and its allies act in concert, we see more meaningful outcomes. The United States should be under no illusion that the PRC is seeking to circumvent our restrictions and continue leveraging

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<sup>8</sup> [Administrator Samantha Power's Remarks on the Government of Armenia and Amazon Web Services Collaboration](#), U.S. Agency for International Development (2024).

<sup>9</sup> [Israel Eyes Use of Musk's Starlink in Event of War with Hezbollah](#), *Calcalist Reports*, Reuters (2024).

<sup>10</sup> [ForeignAssistance.gov](#), U.S. Agency for International Development & U.S. Department of State (last accessed 2024).

<sup>11</sup> Danielle M. Trachtenberg, [Digital Trade and Data Policy: Key Issues Facing Congress](#), Congressional Research Service at 1 (2024).

<sup>12</sup> See [Intelligence Community Public-Private Talent Exchange](#), Office of the Director of National Intelligence (last accessed 2024).

the U.S. Intellectual Property regime, including stealing U.S. and other Western intellectual property (IP) and technology, to advance its own technology sector.<sup>13</sup> As the global technology competition continues, the United States must organize its allies and partners to curtail access by authoritarian rivals to our capabilities and technologies, in order to ensure that we remain the world leaders in the cutting-edge innovations that will drive global power and influence.

- ***Build a Common Tech Defense with Allies.*** When the United States initiated new export controls on the PRC’s access to advanced semiconductor technology in October 2022, joint action with Japan and the Netherlands—the two other nations at the forefront of this technology—helped push down the value of PRC chips imports by more than 15%.<sup>14</sup> As the United States constructs new alliance structures around the critical emerging technologies that will matter in this competition, an essential task must be to align our technology controls to prevent the leakage and theft of our IP to our adversaries.
- ***Defend American Innovation.*** Domestic and foreign policy action will need to be aligned to defend American competitiveness in emerging technology. U.S. diplomacy must ensure fair market access and prevent discriminatory treatment of American tech companies by allies and partners, as their willingness to maintain open markets will shape our ability to cooperate on broader technology security. This could include using trade agreement negotiations to secure commitments against data localization requirements, leveraging antitrust cooperation fora to challenge selective targeting of U.S. firms, and establishing clear reciprocal consequences when allies impose discriminatory digital services taxes or regulatory barriers. How the United States leverages allies to protect our shared technology ecosystems should be informed by efforts to modernize our technology control policies and bureaucracy for this new era of competition.

#### **Objective 4: Champion a “Disruptive Freedom” agenda to restore confidence in American leadership around the world and push back against the Axis of Disruptors’ increasing technology spheres of influence.**

The United States must reassert new strategic confidence in its global leadership that can rally allies and partners around why our core principle of freedom remains the best model of governance the world has ever known. A 2023 study by Pew found that the PRC’s technological prowess featured prominently in its international image, and that a number of key U.S. trading partners and emerging markets view the PRC as the leading economic power and partner for their country.<sup>15</sup> Such rising perceptions of PRC influence overseas coincide with the decreasing image of the United States abroad, likely due to foreign policy errors such as the disastrous withdrawal from Afghanistan. At home, a general lack of clarity and purpose on America’s role around the world has triggered isolationist sentiments. U.S. adversaries seek to capitalize on this in order to displace American leadership around the world, and present themselves as better political, economic, and military partners. If the “business as usual” approach is leading to American decline, then the United States must consider how a disruptive agenda at home and abroad can reverse this trend.

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<sup>13</sup> Min-yen Chiang, [The Remote Poaching Model: How China’s Bitmain Acquired Taiwan’s Edge AI Chip Technology and Its Implications for Economic Security](#), Research Institute for Democracy, Society and Emerging Technology (2024).

<sup>14</sup> Debby Wu & Ailing Tan, [China Chip Imports Suffer Steepest Drop on Record After US Curbs](#), Bloomberg (2024).

<sup>15</sup> [China’s Approach to Foreign Policy Gets Largely Negative Reviews in 24-Country Survey](#), Pew Research Center at 23-29 (2023).

- ***Counter authoritarian adversaries’ narrative that the United States is no longer the leading power in the world.*** The United States is engaged in a new form of cognitive warfare from authoritarian adversaries, challenging our way of life. Traditional public diplomacy approaches are failing to counter such global influence operations, as the PRC, Russia, and others are exploiting our open information environments to spread disinformation and engage in other malign activities. To push back on the PRC’s bid for global primacy, the United States needs to develop a new mode of operation for a new national, whole-of-government strategic communications approach to leverage the power of emerging technologies to better project the American voice abroad to highlight how a new Administration is not just delivering results at home, but leading the freedom agenda across the globe. This will require working with allies to internationalize the push back against our adversaries’ global efforts, and making use of new AI tools to bolster our analytic capabilities to detect actions against us and to better hone our communications campaign.
- ***Break Through Authoritarian Firewalls.*** The United States should invest in and promote the development of technologies that enhance freedom of expression and access to information in the closed information environments of authoritarian rivals and their proxies. This should include expanding funding for current circumvention technologies (like VPNs and mesh networks), as well as researching new evasion technologies (such as decentralized networks, advanced proxy systems, quantum encryption, and AGI-enabled data camouflaging and bypass applications).
- ***Back Vanguard of Disruptive Freedom.*** The 2024 global year of democratic elections highlighted a number of new faces around the world. While there was the fear that authoritarian meddling in elections would undermine the idea of democracy, what we saw instead in 2024 reinforced the power of the people to freely determine the futures they want for their nations. The U.S. Government should build new coalitions with fellow vanguard nations and supporting groups on how our new ideas for expressing freedom can disrupt authoritarian challenges to our nations. Together, we should also identify and invest in those countries that may be the next generation of democratic disruptors, particularly those that the PRC may be seeking to sway, in order to push back against authoritarian influence.

### **Objective 5: Transform U.S. foreign policy institutions to execute these actions.**

A new era of global competition where technology platforms underpin national power requires a new mindset, strategy, institutions, and national security personnel to advance American leadership. Technology cannot be treated as a back-office IT support function, but instead needs to be elevated as an element of grand strategy. As the nation’s lead international affairs agency, transformational change will be needed at the Department of State. The business-as-usual way of adding more people or adding more funding as the bureaucratic approach to solve any new problem our nation faces will not work. We propose a more radical reconceptualization of core functions and structures at the Department, and across the United States Government’s foreign policy apparatus, in order to achieve our goals in this competition.

- ***Appoint a Presidential Envoy for Global Technology Competition, and Restructure the Department of State for this purpose.*** A Presidential Envoy will signal the strategic importance of this work and ensure that allies, partners, and adversaries around the world know that this matter has the President’s attention. The Department should organize its critical technology offices and functions under a new Undersecretariat for Global Technology Affairs (with the acronym “Q”), such as those involving technology trade and export controls, investment promotion, cyber and digital policy, and others. This would streamline how the Department can coordinate and support government-wide actions to advance national technology strategy



priorities.

- ***Get the Department of State out of the Beltway so it can connect the priorities of state and local government and the American private sector to its foreign policy efforts.*** With the global reach and impact that technology platforms can have today, the Department of State should be present at our hubs of innovation around our nation in order to better connect with American industry and understand how to leverage American innovation for our global advantage. The Department should also increase its engagement at the state and local levels, to ensure national foreign policy strategy can deliver on subnational priorities that matter to the American people.
- ***Build a unified national security workforce for the global technology competition.*** The United States needs “a Goldwater-Nichols” for foreign policy and to build a more joint workforce across the entire foreign policy apparatus.<sup>16</sup> The tools of statecraft for this competition are spread across the Departments of State, Treasury, Defense, Commerce, and elsewhere. We will need national security professionals who have experience in technology strategy and policy from across multiple agencies. In order to develop such a workforce, a new career path—a National Security Service—will be needed that offers the flexibility and “joint duty” requirements to allow personnel to easily move between agencies, which the current federal civil service makes difficult.
- ***Hardwire Next-Gen Technology into Diplomacy.*** The Department needs to transform its technology infrastructure to enable human-machine teams of diplomats who can leverage the transformative potential emerging technologies like AI hold for our world. We need American diplomats to be at the forefront to rally our friends to ensure the future tech-accelerated world reflects our values and liberties, not the authoritarian vision that the CCP holds. This will require the Department to “rip and replace” its aging secure communications systems and level up to the JWICS standard that the White House and other agencies now use for national security decisions. The Department will also need to accelerate its AI adoption to elevate its information processing—from back-office logistics to mission-critical analytic functions.

## *Conclusion*

America's global leadership in the 21st century depends on our ability to harness technological innovation for geopolitical advantage. The five objectives outlined above—**expanding American-led technology platforms, integrating private sector capabilities, implementing maximum pressure campaigns, championing disruptive freedom, and transforming our institutions**—form an integrated strategy to restore American primacy in the face of growing challenges from the PRC and other authoritarian powers.

Success in this competition requires bold action to align domestic innovation with foreign policy, strengthen partnerships with allies, and modernize our diplomatic capabilities. By executing these recommendations with urgency and strategic clarity, the United States can maintain its position as the world's leading power and ensure that emerging technologies advance the cause of liberty.

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<sup>16</sup> See Kathleen J. McInnis, [Goldwater-Nichols at 30: Defense Reform and Issues for Congress](#), Congressional Research Service (2016).