



Memos to the
PRESIDENT

International
Techno-Economic
Order

Special Competitive Studies Project



Memos to the
PRESIDENT

- Subject:* The Future of the International Techno-Economic Order
- Purpose:* This memo outlines a strategic framework for the United States to lead the evolving international techno-economic order, characterized by rapid technological advancements and intensifying geopolitical competition. The United States must leverage its strengths to shape this new order and advance its economic and national security interests.
- Objectives:* To effectively navigate this evolving landscape, the United States must pursue a comprehensive strategy with the following core objectives:
1. *Promote* American-led Technology Platforms to Counter People’s Republic of China (PRC) Alternatives;
 2. *Rally* Allies to Deny Revisionist Powers Access to Strategic Technologies; and
 3. *Rebuild* International Trade for a Fragmented World.
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Background

The international economic order is at a critical juncture. The post-Cold War era of U.S.-led globalization is fading, with challenges arising from geopolitical tensions, supply chain disruptions, and the rise of revisionist powers. Simultaneously, emerging technologies—particularly artificial intelligence (AI)—are poised to revolutionize the global economy, creating unprecedented opportunities and challenges. The United States possesses significant advantages in this technological race, including a dynamic private sector, world-class talent, and abundant resources. However, strategic competitors—particularly China—are actively seeking to undermine American leadership and reshape the global economic landscape to their advantage.

Recommendations

Objective 1: Promote American-led Technology Platforms to Counter PRC Alternatives

To advance American technology leadership globally, the United States must leverage the innovation power of private sector technology companies to advance national security and foreign policy goals. The

United States should double down on its strengths to counter PRC-led alternatives and foster a secure, democratic digital ecosystem. While the United States was unable to provide exportable options to compete with PRC-led technologies like 5G hardware, it is much better positioned to compete in critical areas driving the AI revolution like cloud computing and financial technologies (fintech).

- **Leverage Cloud Power Internationally as a Tool of Economic Statecraft:** The United States is a global leader in cloud computing infrastructure, with companies like AWS and Microsoft Azure holding significant market share.¹ The U.S. Government should leverage this advantage by offering strategic support to American cloud providers, including commercial advocacy, export financing, and tax incentives, to facilitate their expansion in key markets where Chinese companies are vying for dominance.² This will not only bolster American economic security but also provide allies and partners with secure and reliable alternatives to Chinese cloud platforms.
- **Launch the American Data Center Dominance Initiative:** To further solidify U.S. dominance in AI and cloud computing, the White House should launch an American Data Center Dominance Initiative. This initiative would recognize data centers as critical strategic assets and accelerate the expansion of U.S. data center capacity, cementing the United States as the global hub for computing.³ This would involve federal support and incentives for domestic data center construction, including dedicated power allocation, prioritized water rights, and streamlined permitting processes.⁴ Furthermore, the initiative would work with relevant agencies to designate certain data centers as national security critical infrastructure and collaborate with industry to enhance security and supply chain resilience.⁵
- **Seize the High Ground in Financial Technology:** The United States boasts the world's largest and most dynamic financial markets, along with a strong culture of innovation in financial services.⁶ As AI transforms the fintech landscape, U.S. companies are uniquely positioned to offer secure, efficient, and transparent financial solutions to emerging markets.⁷ By expanding digital payment platforms, blockchain technology, and cross-border remittance tools, the United States can ensure that American values and standards shape the future of global finance. This requires a collaborative approach between the private sector and the government, with targeted government support to help American fintech companies overcome barriers and compete effectively in international markets.

Objective 2: Rally Allies to Deny Revisionist Powers Access to Strategic Technologies

The United States should strengthen its alliances and partnerships to collectively pressure and isolate the Axis of Disruptors—China, Russia, Iran, and North Korea—that seek to undermine and displace American power on the world stage. This includes coordinating export controls, investment restrictions, trade policies, and other measures to deny these countries access to critical technologies, capital, and markets that could enhance their military capabilities and economic leverage.

¹ Felix Richter, [Amazon Maintains Cloud Lead as Microsoft Edges Closer](#), Statista (2024).

² Klon Kitchen, [The US Must Secure its Supremacy Against China in AI and Cloud Computing](#), The Hill (2024); Stefan Lukas & Manuel Langendorf, [Cloud Competition is Heating up in MENA and China Expands its Presence](#), Wilson Center (2024).

³ Chris Miller, [The Global Chip War Could Turn Into a Cloud War](#), Financial Times (2024).

⁴ The Biden administration has begun to lay the groundwork for similar efforts. See [Readout of White House Roundtable on U.S. Leadership in AI Infrastructure](#), The White House (2024).

⁵ These efforts could build on recent efforts spearheaded by the Biden administration. See [Statement by President Biden on the Executive Order on Advancing U.S. Leadership in Artificial Intelligence Infrastructure](#), The White House (2025).

⁶ Sharmin Mossavar-Rahmani & Brett Nelson, [America Powers On](#), Goldman Sachs (2024).

⁷ Jania Okwechime, [How AI Is Transforming the Financial Services Industry](#), Deloitte (2023).

- **Lead the Creation of New Export Control Regimes:** The United States should actively engage with its closest allies and partners to develop new export control regimes that address contemporary challenges in emerging technologies.⁸ This includes forming “Chokepoint Coalitions” with partners that control specific technology chokepoints, moving beyond outdated multilateral regimes and blacklists. For example, a new global licensing regime for GPUs should be implemented to constrain adversaries’ ability to develop weapons systems and frontier models that require large clusters of chips, while granting access to trustworthy countries.⁹
- **Build a Dual-Track Trade System Favoring Trustworthy Countries Over Adversaries:** The United States should implement a dual-track trade system that differentiates between trustworthy partners and adversaries—guided by the principle of *free trade for free nations; managed trade for autocracies*. This could involve applying tariffs or other trade restrictions on strategic technologies and inputs from countries that engage in unfair trade practices—most notably China—while providing preferential treatment to those that compete fairly and fulfill international commitments. This approach would incentivize fair competition and protect American industries from predatory practices.
- **Deploy Smart Tariffs:** The United States should utilize tariffs strategically to address unfair trade practices and protect its economic interests. This includes employing Section 301 tariffs to target specific industries and practices, rather than imposing sweeping tariffs on consumer goods and risking inflation.¹⁰ Additionally, Section 406, which allows for trade remedies against imports from communist countries causing market disruption, should be utilized to preempt import surges that threaten domestic industries.¹¹
- **Close Loopholes in U.S. Trade Rules:** The United States should address loopholes in existing trade agreements that allow adversaries to circumvent trade rules. This includes implementing a “presumption of subsidy” rule for PRC firms in critical technology sectors, requiring them to demonstrate that they are not receiving government support in order to access the U.S. market. This would help counter unfair pricing practices and level the playing field for American businesses.¹²

Objective 3: Rebuild International Trade for a Fragmented World

The United States must work with like-minded partners to forge a new international trade and investment order that prioritizes fairness, reciprocity, and national interests. The existing World Trade Organization (WTO) framework has proven inadequate in addressing the challenges posed by China’s state-driven economic model and its disregard for international trade rules.

- **Rip and Replace the Failed WTO:** The United States should consider a more flexible and adaptable approach to trade, drawing inspiration from the pre-WTO era of managed trade. This could involve using managed trade tools, such as tariffs, quotas, and import restrictions, to regulate trade with adversaries while pursuing deeper trade and investment agreements with trustworthy partners. These agreements should focus on critical sectors like AI, semiconductors, and energy, and include robust safeguards against technology leakage and unfair competition.

⁸ Dario Amodè & Matt Pottinger, [Trump Can Keep America’s AI Advantages](#), Wall Street Journal (2025). Ana Swanson, [Netherlands and Japan Said to Join U.S. in Curbing Chip Technology Sent to China](#), New York Times (2023).

⁹ On January 13, 2025, the Department of Commerce issued an interim final rule that aims to do this. The rule must go through a public comment period before potentially being issued as a final rule by the Trump Administration. To remain effective as the hardware demands of AI evolve, the quantity and performance thresholds for GPUs will need to be updated regularly.

[Framework for Artificial Intelligence Diffusion](#), U.S. Department of Commerce (2025).

¹⁰ Andres Schwarzenberg, [Section 301 Tariff Exclusions on U.S. Imports from China](#), Congressional Research Service (2024).

¹¹ Vivian Jones, [Trade Remedies: A Primer](#), Congressional Research Service (2012).

¹² Shayerah I. Akhtar, et al., [U.S. Trade Policy: Background and Current Issues](#), Congressional Research Service (2024).

Conclusion

The United States must take bold action to shape a new international techno-economic order that advances American interests and values. By leveraging U.S. strengths in cloud computing and fintech, building strategic technology alliances, implementing targeted trade controls, and reforming outdated international frameworks, the United States can effectively counter revisionist powers while fostering a more secure and prosperous global economy. Success requires a coordinated approach that combines American technological leadership with strategic economic statecraft.