



ECONOMIC SECURITY IS NATIONAL SECURITY

USE IT OR LOSE IT: AMERICA'S GLOBAL ECONOMIC ADVANTAGE

 **GLOBAL
ECONOMIC HUB**

A PROJECT OF THE U.S. GLOBAL LEADERSHIP COALITION

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Executive Summary

Economic security is national security. America's leadership and prosperity in the 21st century will depend on whether the U.S. can leverage its global economic strengths to compete and win against determined rivals like China and Russia. These adversaries are working every day to shape the global rules of the road and challenge American leadership, influence, and interests around the world, particularly in the technology and AI space.

Today, China has more embassies and missions globally than the United States and it is projected to increase its diplomatic budget by 8.4% this year, following a 6.6% increase last year. Beijing's development investments around the world have increased by more than 525% over the last 15 years.

Securing America's place as the world's leading economy is the foundation of our national power and the key to advancing U.S. interests and values globally. The U.S. must set the pace – not just aim to keep up but stay at the forefront of geostrategic influence. This means retooling America's key international economic policy and international commercial support agencies – most of which were born in the 20th century – so the U.S. government has the capability and resources to succeed in the 21st century. It also means actively leveraging our diplomatic capabilities at the State Department to shape an economic environment where American businesses and workers can compete, innovate, and win in global markets.

America needs an economic security playbook that is integrated with U.S. national security goals. With our rivals racing to outcompete us, particularly in the technology and AI space, America must use – or risk losing – its global security and economic advantage. This is key to helping America win by expanding our competitive edge, creating and protecting American jobs, securing U.S. leadership in critical markets abroad, and maximizing U.S. national security in an increasingly dangerous world.

We explore three critical areas where policymakers and stakeholders can work together to strengthen U.S. economic and national security:

1 Integrate Economic Security and National Security

- Inject Economics into American Diplomacy and the State Department
- Play Defense and Offense
- Leverage the Private Sector for U.S. National Security

2 Unleash America's Global Economic Tools

- Put Commercial Diplomacy and Business Advocacy on Steroids
- Harness America's Innovation and Technology Leadership
- Strengthen America's International Development Programs

3 Focus on Competitiveness and Economic Growth

- Bolster Game-Changing Partnerships with the Private Sector to Create American Jobs
- Aggressively Set the Rules of the Road
- Build Resilient Supply Chains to Withstand Global Threats and Turbulence

In this era of intense global competition, America's economic advantage cannot be taken for granted, and it must not be squandered. The stakes are felt not just in far-off capitals, but in communities across the country: America's economic strength and influence, our national security, and American jobs and supply chains are all on the line.

America's economic and national security are inseparable. Securing it means showing up and investing in what works. The choices we make now will define the future of American prosperity, security, and leadership in the world.



SECTION I

Economic Security is National Security

As the global threats facing the U.S. accelerate and grow, the stakes for America on the global stage have never been more profound. **America's rivals – China, Russia, Iran, and North Korea – increasingly coordinate with one another to challenge U.S. economic influence around the world, threatening American prosperity at home.**

Today's global economic and commercial playing field is one characterized by competition, fragmentation, and nationalism. Put more simply, everyone wants to be great (or great again). America wants to re-industrialize. Europe wants to re-militarize. China wants to global-institutionalize. Russia wants to expand its size. India wants an uninterrupted geostrategic rise. The motivation behind these policies and strategic national goals reflects national governments' own assessments that the 20th century's America-dominated world order may be fast-approaching a reset.

WHO ARE AMERICA'S RIVALS?

Most countries – be they staunch U.S. allies in Europe, Asia, and Oceania, or non-allied countries pursuing their own paths – are not clear geostrategic rivals. Their industry competes and collaborates with the U.S. on trade, investment attraction, and supply chain resilience, but their national governments' priorities do not directly oppose the international order the U.S. has facilitated.

America's rivals, on the other hand, are countries – including China, Russia, Iran, and North Korea – which seek to undermine or override the international economic order, which the United States has built since the end of World War II. Their reaction to American influence in the world is to challenge it, degrade it, and supplant it, regionally and – if possible – globally. They have various motivations to do this:

- **Challenge U.S. Dominance** – A weakening rules-based system and fragmenting international order gives them greater room to try and reset the rules of the road.
- **Undermine U.S. Influence** – They seek to reshape global governance to better reflect their interests. Reducing American dominance in international institutions is a clear goal.
- **Economic & Strategic Gains** – By promoting alternative trade networks, rules, or principles, they can tip the international economic and commercial playing field to their favor against the U.S.
- **Security & Sovereignty** – They can reinforce their own political models and reduce external pressures on their economic system (human rights) and security (military expansion).
- **Alternative Alliances** – The BRICS and the Shanghai Cooperation Organization are examples of multilateral institutions that counterbalance against the America-led West.

An Inflection Point for U.S. Influence in the World

Amidst this current backdrop of intense geostrategic uncertainty, particularly amongst the great powers, national leaders around the world are hedging their bets. The debate about how to proceed is occurring in capitals around the world. U.S. allies are concerned. U.S. adversaries are opportunistic. The rest – who may not fit neatly into either camp – are wary.

America faces a more complex threat environment today than it did during the Cold War's bipolar battle for global influence. Today, the United States

must defend its interests in a multipolar context, in which all countries – adversaries and allies alike – are locked into a geostrategic competition within a singular global economy with risks of unintended consequences and feedback loops.

The current international order, built on the last century's international alliances, governance systems, and global economic policies, may not deliver the global peace which national economies require to flourish in the 21st century.

Yet the U.S. has what it takes to remain a dominant world power in global affairs today and in the future. Our nation's inherent, structural strengths – coupled with pragmatic political leadership – enabled the U.S. to win both World War II and the Cold War, the seminal geopolitical confrontations of the 20th century.

Today, American policymakers are considering basic questions as to strategy, tactics, and resources.

Is there more the U.S. can do to deploy its full influence in the world to maximize U.S. national security? Are there new approaches the U.S. should consider, given the scale of the international threat and competition that we face? These are the implicit questions that American policymakers and voters – and foreign countries – are rightly asking.

For America to win, the future lies in understanding that Economic Security *is* National Security.

In this global landscape, American economic dominance and prosperity are not a given. This is why the U.S. faces a choice when it comes to America's global economic advantage. It's ours to use – or to lose.

An Undeniable Truth: Economic Security is National Security

The hard-won lessons of the 20th century – when the United States became a great power and, later, the undisputed global leader – hold critical lessons for America to stay out front in the 21st century struggle for geostrategic supremacy.

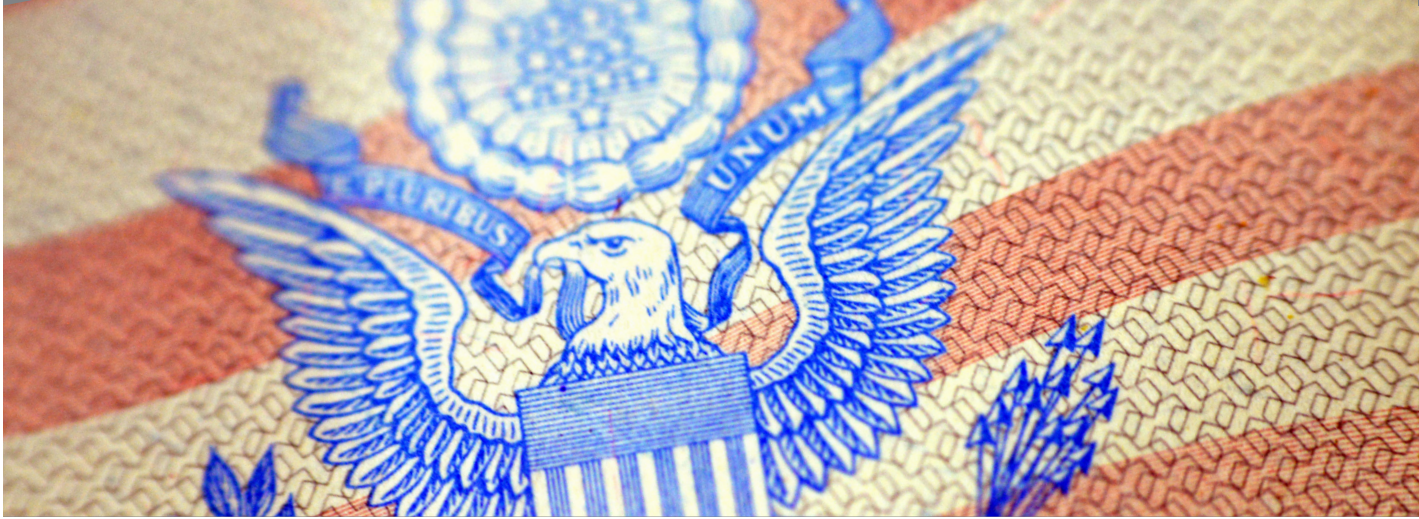
Economic security *is* national security for the simple reason it is not possible to have one without the other. America's national security is best protected

– and most cost-effectively achieved – when our country's many strengths are smartly leveraged to enhance American power and U.S. economic leadership in international affairs. Getting the mix of policies right requires the application of the full extent of American power – Diplomatic, Informational, Military, Economic, Financial, Intelligence, Law enforcement (DIME-FIL) – be deployed to achieve foreign policy goals.

WHAT IS ECONOMIC SECURITY?

While the policy discussion over what constitutes economic security will surely remain a vibrant debate, we are defining economic security – for the purposes of this report – as the ability of a nation, namely the United States, to:

- Leverage its diplomatic and economic tools to manage the significant opportunities and risks for a country's economy and national security in an interconnected global economy;
- Pursue its own national economic interests, goals, and prosperity within the competitive global playing field; and
- Maintain agency over its economic outcomes in the global economy for the benefit of its businesses, workers, and consumers.



Economic security and national security are two sides of the same coin, each one critical to ensuring American prosperity at home. U.S. international economic engagement supports U.S. national security in several key ways:

- Directly confronts the economic security challenges America's great power rivals – namely China and Russia – pose to enduring U.S. security and prosperity
- Promotes stability in critical emerging markets as rivals often profit from disruption
- Protects America in the global technology and AI race
- Draws more countries into the U.S. sphere of influence
- Opens markets and wins deals that create good-paying American jobs
- Expands American influence across the global economy

Forging a new bipartisan American foreign policy consensus is necessary for the U.S. to excel in projecting influence on the world stage and win in the 21st century. Putting economic security on an equal footing with national security is central to ensuring the U.S. can deploy its full influence globally and protect to U.S. national interests.

It's Time to Get Economic Security Right

In many ways, America's 21st century projection of power will depend on its ability to get its U.S. economic security policies in the right balance. Enacting national security goals without considering their economic consequences is just as concerning as pursuing economic policies without considering their national security consequences. Failure to properly weigh economic policy impacts in the context of U.S. national security policy can create a negative feedback loop of unintended consequences.

While the U.S. government's international economic affairs agencies – including the Departments of State, Commerce, and Treasury, alongside the U.S.

Trade Representative and others – play a critical role in advancing U.S. economic security, the U.S. government cannot do this alone. American companies are essential economic actors and enablers of U.S. economic security. They facilitate growth for the U.S. economy and jobs for U.S. workers. They have significant scale to effectively allocate capital. They hold deep knowledge of specific industrial sectors and foreign economic actors the U.S. government does not. They commercialize technologies and develop supply chains that expand American prosperity at home and American influence abroad.

Pursuing American Interests in the Global Economy

When American companies engage beyond our borders and reach new customers, it creates economic opportunity at home – and simultaneously exports U.S. products, technologies, values, and influence across the world. This strengthens American prosperity in a myriad of ways creating jobs and increasing the value of U.S. capital markets.

The stakes and opportunities are high for American companies around the world, particularly when markets outside the United States are home to:

- **74%** of global GDP
- **95%** of global population
- Growth rates in emerging market economies upwards of **5x** U.S. economic growth

U.S. international economic and commercial policy shapes the global playing field – and there is a lot to be gained – or lost – depending on how the U.S. government and our nation's companies engage with the rest of the world.

Protecting U.S. National Security Through Economic Influence and Technology Leadership

When the U.S. government pursues national security goals, it strengthens its own hand when it captures the global economic influence of American companies. This only enhances and galvanizes American influence on the world stage. Strengthening the mechanisms that enable U.S. companies and the U.S. government work towards shared goals will play a critical role in America's ability to maintain its strength and influence in the global marketplace of the 21st century, particularly as the U.S. exerts influence against rivals such as China and Russia. After all, China and Russia have

successfully leveraged international economic policy to challenge American influence in the world for the better part of the past decade.

This increasing influence may be most evident now in the competition over advanced technologies. American leadership in fields such as artificial intelligence and secure digital infrastructure not only drives economic growth but will also help shape the rules and standards of the emerging global landscape. Harnessing American innovation and the strengths of U.S. technology – and ensuring strong public-private collaboration – will be essential to outpace competitors and safeguard U.S. national security interests. It is critical that the U.S. government and U.S. companies shape the market environment favorably, so U.S. innovation can spread far and wide.

And even as the U.S. orients itself for the 21st century global landscape, the new and emerging threats are not divorced from longstanding and protracted issues of conflict, instability, and poverty where America's economic and private sector influence will remain vital.

There is one final reason why U.S. economic security needs to receive greater attention by policymakers – in both Republican and Democratic Administrations alike and in both Chambers of Congress. America's rivals deploy their global economic power as a core component of their national power, and this directly counters U.S. influence in the world.

While there is always important focus on how the U.S. prevails in future military conflicts, it is time to recognize the importance of America's economic security toolkit and get it right, because we are living through arguably the most profound global economic competition in history. It is a competition that is already well underway.



SECTION II

The Global Competition: America's Rivals Are Playing to Win

The ongoing battle for global influence in the 21st century is increasingly economic and commercial. In March 2025, the Trump Administration released its [Annual Threat Assessment of the U.S. Intelligence Community](#), which clearly and succinctly identifies the new nature of global threats.



*“Russia, China, Iran and North Korea—individually and collectively—are challenging U.S. interests in the world by attacking or threatening others in their regions, with both asymmetric and conventional hard power tactics, and **promoting alternative systems to compete with the United States, primarily in trade, finance, and security.**” (emphasis added)*

Vice President JD Vance recently discussed the economic aspects of the threat posed by China and Russia during [remarks](#) at the Naval Academy's graduation in May 2025:



*"It is of course a priority of this administration, not just to keep but to widen the technological edge between the United States military and our adversaries all over the world. In the wake of the Cold War America enjoyed a mostly unchallenged command of the commons airspace, sea, space, and cyberspace. **But the era of uncontested U.S. dominance is over. Today we face serious threats in China, Russia and other nations determined to beat us in every single domain from spectrum to low earth orbit to our supply chains and even our communication infrastructure, technology has lowered the cost of disruption.**" (emphasis added)*

The U.S. Department of State has [clarified](#) the concern even more succinctly:



"As stated by Secretary Rubio, we can't live in a world in which China has [more influence and more presence](#) than we do in our region. The expanding role of the Chinese Communist Party (CCP) in the Western Hemisphere threatens U.S. interests."

In its seminal report, the bipartisan Select Committee on the Chinese Communist Party [stated](#):



"The United States must now chart a new path that puts its national security, economic security, and values at the core of the U.S.-PRC relationship... The PRC uses an intricate web of industrial policies, including subsidies, forced technology transfer, and market access restrictions, to distort market behavior, achieve dominance in global markets."

These statements assess national security through the prism of economic security, underscoring the dangerous and long-running negative consequences that China and Russia's policies of international economic influence hold for the U.S. economy and U.S. interests around the world—even in a world still dominated by American military power.

The steady drip of numerous small, seemingly non-critical challenges to American economic influence in third countries today can lead to an outpouring of national and economic security challenges for the U.S. in the future. Left uncontested, small relative losses can aggregate in the near term into structural barriers to America's global influence in the future. Put more simply, the global balance of power shifts – every day, every month, every year – and so it is in America's direct interests to maximize its global economic advantage today to strengthen its position tomorrow. Delay today only increases the costs America may have to expend to maintain U.S. freedom and prosperity in the future.



Understanding the Challenges

America's rivals – China, Russia, Iran, and North Korea – are challenging U.S. leadership in global affairs throughout the world. Given that China and Russia are particularly active, they are in focus for this report. Based on the realities of global affairs today, and the nature of the threats both China and Russia pose, there are four specific challenges worth highlighting.

1 We're All in the Same Sandbox

The global economy, with its unparalleled reach into nearly every country of the world, is a remarkable achievement of the 20th century. The United States has painstakingly developed, expanded, maintained, and policed this world order and the global financial system that undergirds it. It has expanded to the point that all the world's leading economies are active within it.

China is the world's largest exporter and manufacturer of goods. As the [leading](#) trading partner for more than 120 countries, China sits at the center of the global trading system. The country is a WTO member that supplies OECD countries with final products and key manufacturing inputs, the primary demand center for raw materials and energy resources from developing countries, and the investor in a domestic manufacturing glut that has led Chinese factories to dump products into foreign markets around the world.

Though many countries share USG concerns about the scourge of below-market-price Chinese imports, few have the stomach to enter a trade war against the world's largest trading nation. China and its trade distorting practices are not going anywhere, if Beijing can have anything to do about it. China believes it is still rising – and is indispensable to the global trade system.

Russia, for its part, is a waning great power. Its economic model pales in comparison to the Chinese, yet Russia remains an energy powerhouse, and, thanks to a central government that knows how to leverage its energy wealth to create energy security (e.g., for China and India) or energy insecurity (e.g., for Europe) across the world, Russia [continues](#) to punch above its weight in global economic

influence, forcefully engaging with the largest oil reserve countries (i.e., the Greater Middle East and Venezuela) to increase its influence over world energy prices.

Unlike the Cold War, when the U.S.-led and Soviet-led bounded international orders were separate and distinct spheres of influence, today the U.S., China, and Russia are all vying for competitive advantage while operating within the same system. U.S. efforts to dislodge China from the global trading system or Russia from influence in the world's energy abundant regions will take years. Both countries are fully integrated into the global economy and have refined their government capacity to leverage their unique economic power and comparative advantages as an economic weapon.

2 China and Russia Are Good at Arranging Win-Wins with Other Countries

In the ongoing competition for influence in 21st century foreign affairs, nations that facilitate a win-win arrangement have been most successful in part because they are more enduring. If the U.S. is to succeed, it needs to maximize win-wins, both for itself and the nations involved in the deal to the extent possible. Our contemporary period of history is marked by competition, fragmentation, and nationalism, and the most durable bilateral arrangements between nations have been those where each side benefits. Otherwise, one country will likely hedge their bets or undermine the agreement in search of a more optimal status quo.

Both China and Russia understand this implicitly. China and Russia know the pain points governments face – be it in the form of economic development, military assistance, and face-saving diplomacy – and have a track record of finding a way to create a win-win arrangement with a country's foreign government. The U.S. government does not have the capacity to engage with countries in a truly relational way that empathetically tailors American economic, commercial, diplomatic, or development instruments to meet the precise need of the other country.



3 Rivals Have Intentional Economic Security Policies and Programs

America's alphabet soup of economic security-related federal agencies was created in a different era for a different purpose than the challenges the U.S. is facing today. DFC, EXIM, FAS, Commerce/ITA, MCC, NSC, State/Econ, State/Office of Foreign Assistance, Treasury/IA, Treasury/OTA, USTDA¹ – these are meaningful federal programs which, under their current authorizing statutes, low funding levels, and 20th century missions, would benefit from a Congressional refresh and upgrade to meet the strategic fight America faces this century.

China and Russia, on the other hand, are more focused on their gameplan and desired outcomes. For them, the best economic security defense appears to be an aggressive economic security offense. They have developed their economic security toolkit for decades and are now deep into the implementation phase whereby they apply lessons learned to counter American influence on a global basis. The U.S. is not just late to this battle; it lacks the means to achieve full success on the global economic battlefield. There is no Pentagon to wage an economic security war, and the U.S. cannot forever be on defense only. It needs to go out into the world with an affirmative international economic agenda to counter rivals.

China has a network of state-owned enterprises (SOE) that take on risk in foreign markets, in the form of loans to foreign commercial partners, which insulates the Chinese government from taking the economic hit if a transaction fails. This network of SOEs is like numerous tentacles reaching out to the emerging market countries. If one of them does not find an open door, another one likely will.

Russia has the fossil fuel resources to fund military assistance, economic assistance, and personal assistance (to heads of state) in foreign countries, which deepens its relationships in the Global South. It can tailor what it offers to meet the most urgent needs of government officials.

4 Rivals' Higher Tolerance for Failure

China and Russia's autocratic governments have more political breathing room to experiment and fail when pursuing global strategic goals. This is similar to the NASA vs. SpaceX analysis, whereby NASA never felt it could lose a rocket, and SpaceX believes the fastest way to innovate is to learn from failure (and lost rockets). The dearth of democratic institutions in these rival nations means there is no immediate, organized dissent against the government if and when its economic security efforts flounder. The U.S., by comparison, has a highly charged political environment and international failures become political fodder for the political party not in the White House.

¹ DFC = U.S. International Development Finance Corporation; EXIM = The Export-Import Bank of the United States; FAS = Foreign Agricultural Service, U.S. Department of Agriculture; ITA = International Trade Administration, U.S. Department of Commerce; MCC = Millennium Challenge Corporation; State/Econ = Bureau of Economic and Business Affairs reporting to the Under Secretary of Economic Growth, Energy, and Environment. U.S. Department of State; Office of Foreign Assistance, U.S. Department of State; Office of International Affairs, U.S. Department of the Treasury; Office of Technical Assistance, U.S. Department of the Treasury, USTDA = U.S. Trade and Development Agency.

5 The Global Technology Race Is Now

America's rivals understand that dominance in innovation and technology is key to shaping the emerging global order. China, in particular, is aggressively investing in artificial intelligence, quantum computing, and next-generation telecommunications, with a clear ambition to permanently imprint Chinese influence on digital infrastructure that powers the world economy.

Beijing's rapid global deployment of 5G and other advanced communication networks – often with vulnerabilities and opaque governance – risks granting America's greatest rival disproportionate leverage over global communications and data flows. At the same time, the ongoing race in artificial

intelligence and foundational technologies between the U.S., China, and other authoritarian actors is a decisive contest for national security.

The outcome will determine not only who leads in cutting-edge innovation, but also whose values and rules will shape the global digital economy moving forward. If China and its companies achieve global scale more quickly (similar to what Huawei achieved with 5G), they lock in the incumbent's advantage for additional technologies moving forward. Rather than playing catch up in the future, the U.S. should leverage international economic policy to pursue global scale now. Failure to do so risks losing economic opportunities, ceding influence to rivals, and facing heightened threats to U.S. security in the decades ahead.

We Can't Win by Military Might Alone

In the Cold War era, the simplified summary of the battle for global influence is that it occurred in the Northern Hemisphere with the West on one side and the Soviet Union on the other. The U.S. and its Western Allies were the one-stop-shop for countries that wanted durable economic development and a security umbrella against Soviet expansion. The Soviets, for their part, sought to offer a similarly complete package deal, albeit with less appealing economic and commercial trappings.

Today's global landscape is markedly more complex, multidimensional, and dynamic.

For the United States, the global competition for influence is likely unwinnable by military might alone. It requires a co-starring role from the State, Commerce, and Treasury Departments, and the National Security Council alongside a number of federal agencies that help U.S. companies win revenue, market share, and hearts and minds in foreign markets. It requires both a geostrategic mindset and a Madison Avenue sensibility to cultivate

the American influence “brand”. It signifies a call for greater use of global diplomacy, development assistance, and security-oriented international commercial dealmaking.

A challenge for U.S. foreign policy practitioners is that this is not a one and done effort. It is a dedicated campaign to optimize U.S. foreign influence vis-à-vis American rivals globally, but especially in key strategic sectors and geographies where the opportunities and risks to U.S. national and economic security are most pronounced. It will play out in the foreseeable future – each year, month, week, and day. Stamina, resolve, and investments are needed – by the U.S. government and the American people – to see this effort through to a successful conclusion. Success will be measured, not by a decisive military victory, but by the United States' ability to strengthen our economic security and advance our national interests. And it will play out most noticeably as the U.S. projects influence into emerging markets.

Regional Analysis: Our Rivals Are Playing Offense in Every Region of the World

Beijing leverages its economic power to seek the creation of a parallel global order that undermines U.S. global influence. China [supports](#) authoritarian regimes through media, education, and surveillance technology, enabling democratic backsliding and strengthening its standing. Today, China has more embassies and missions globally than the United States and it is projected to be increasing its diplomatic budget by 8.4% this year, followed by a 6.6% increase last year. Beijing's development investments around the world have increased by more than 525% over the last 15 years.

Through the Belt and Road Initiative (BRI), digital infrastructure exports, and state-backed industrial policy, China seeks to bind other nations into asymmetric dependencies. Despite the tensions these policies cause with the West, China remains deeply integrated into global trade. Its economic support for Russia during the Ukraine war and its assertiveness in developing economies further illustrate its use of economic tools to expand influence and challenge Western norms.

Moscow's economic power strategy is shaped by its relative weakness and geopolitical isolation. It relies on energy exports, strategic partnerships (notably with China), and hybrid tactics – including cyber and financial disruption – to assert influence. Russia's use of energy as a geopolitical weapon – particularly in Europe – has prompted a reconfiguration of global energy markets. The EU's reduction of Russian imports and the U.S. push for energy independence are direct responses to Russia's strategy. The Russia-China relationship provides Russia with economic lifelines and diplomatic cover, reinforcing a fragmenting global order.

WESTERN HEMISPHERE

China is South America's top trading partner and is a [critical source](#) of foreign direct investment. Within our own hemisphere, China has captured 23 out of 33 Latin American and Caribbean countries to join its Belt and Road Initiative. Many of the investments China has made in the region create a win-win economic security arrangement between China and the host country, pulling the region away from U.S. influence.

CHINA-BRAZIL “CLOSED-LOOP” PARTNERSHIP SIDELINES U.S. COMPANIES

- With a population of more than 1.4 billion, China has significant food security concerns which means reliable access to soybeans and other foreign crops is both a national security issue for China and a potential political pain point for the government.
- Chinese companies are investing in Brazil to build out an entire Chinese-oriented agriculture export market that has become a win-win arrangement in Brazil's agriculture sector that ultimately sidelines U.S. companies.
- Through the partnership, China is buying farmland, grain elevators, and ports with Chinese interests controlling the full supply chain, moving crops from farm to Chinese consumer without the risk of intervention by Western interests. Moving forward, China is expected to work to shutter U.S. involvement in this food supply chain by exporting to Brazil the seed it uses to grow crops.

Big Business: In 2023, Brazil exported more than \$38 billion in soybeans to China, more than the total value of U.S. soybean exports globally. China and Brazil both win, while U.S. agriculture is on the sidelines.

COLOMBIA IS LATEST COUNTRY TO JOIN CHINA'S BELT AND ROAD INITIATIVE

- As total Chinese development investments in South America has [reached](#) \$140 billion over the last two decades, the long-time U.S. security and economic partner, Colombia, joined the Belt and Road Initiative in May 2025.
- Colombian President Gustavo Petro stated – before traveling to China for a week-long visit – “I am not in a trade competition with China or the United States. Colombia will be won by whoever makes the best offer during the bidding process.”

Geostrategic Hedging: Bogota looks to accept economic development support from Beijing at a time when U.S.-Colombia trade – which is supposed to benefit from the 2006 U.S.-Colombia Trade Promotion Agreement – looks uncertain in the face of U.S. tariffs.

INDO-PACIFIC

The State Department [calls](#) the Indo-Pacific region “home to more than half the world’s population, and it accounts for 60% of global GDP as well as two-thirds of global economic growth.” As leading powers on the Eurasian landmass, China and Russia have significant influence in the region, which is also teeming with geostrategic flashpoints.

CHINA IS PURSUING HEALTH SECURITY THROUGH SELF-SUFFICIENCY IN BIOPHARMACEUTICALS

- China has made significant investments in domestic biopharmaceutical research, development, and manufacturing as it pursues health security for its population of 1.4 billion. Last year, [Chinese President Xi Jinping](#) stated “the biopharmaceutical industry is a strategic emerging sector that relates to national economic development and public welfare, as well as national security.”
- Yet China takes unfair shortcuts to support its industry in the form of tariffs and alleged intellectual property (IP) misappropriation.
- Meanwhile, the U.S. wants to protect its own biopharmaceutical companies, but its reliance on defensive economic security measures – tariffs, export controls, and the push for more domestic U.S. investment – can hurt U.S. companies working to compete globally. This then further incentivizes China’s bad behavior:
 - Tariffs that aim to enhance U.S. self-sufficiency in biopharmaceutical manufacturing increase costs to U.S. consumers at a time when U.S. policymakers also want to lower drug prices. Meanwhile, U.S. export controls imposed on key biotech technologies complicates U.S. biopharmaceutical companies’ ability to maintain a foothold in the Chinese market, since they cannot bring the necessary equipment into China.
 - Because of China’s own tariffs, the Chinese biopharmaceutical sector continues to grow, which crowds in more investment in China’s sector. This further strengthens China’s role in global biopharmaceutical supply chains.

National Security Nexus: The nexus between public health, economic security, and national security is increasingly clear and the U.S. Chamber of Commerce has affirmed how “enhancing the resilience of medical supply chains is important to both our public health and our national security.” The issue continues to gain traction on Capitol Hill with a bipartisan group of Senators [introducing](#) the Medical Supply Chain Resiliency Act this past March to bolster the biopharmaceutical supply chain with trusted U.S. partners.

RUSSIA'S ENERGY INFLUENCE IN SOUTH ASIA

- In recent years, Bangladesh has faced significant energy security challenges due to rising global LNG prices that have resulted from Russia's war against Ukraine. Dhaka currently imports close to 50% of the country's fuel supply. A surge in LNG prices – driven by the EU's pivot to LNG imports, as well as Japan and Korea's booming imports of LNG – has created price volatility in Bangladesh and strained the country's foreign exchange reserves, making it difficult to maintain stable energy supplies.
- Bangladesh sits at a critical point where South Asia and Southeast Asia meet, a fulcrum in the nexus of great power competition, international trade, and energy security. For years, a key U.S. strategy for insulating ASEAN countries from becoming over reliant on China (to the north) has been to support ASEAN trade with India (to the west).
- Russia has capitalized on Bangladesh's energy security dilemma by expanding its presence in the country's energy sector. Gazprom has increased its involvement in Bangladesh's natural gas development, drilling wells to boost domestic production. Additionally, Russia has strengthened its partnership with Bangladesh through nuclear power initiatives, positioning Russia as a key energy supplier and bolstering Russia's bottom line as it continues to sustain its war in Ukraine and threaten U.S. allies in Europe.

No Turnkey U.S. Solution: The options for U.S. policy are not clearcut or easy – particularly given the U.S. has not always geared its international economic policies to help deliver the energy security a country like Bangladesh needs. The full set of policies needed to make U.S. industry competitive – overseas development assistance, export credits, and partner government capacity building – is either incomplete or too slow to compete against the turnkey solution Russia can provide, particularly when Moscow is more than happy to fill the void in a country of rising regional significance.

EUROPE

With a continental GDP that is on par with that of both the United States and China, Europe is a region where international economic policy can yield significant geopolitical wins. For decades Europe's large consumer market has strengthened its hand as a regulation-maker, forcing American companies to be EU regulation-takers.

RUSSIA USES ENERGY AS A GEOSTRATEGIC WEAPON

- For years, Europe benefited from cheap Russian oil and gas imports, which flowed from the east to the west via a patchwork of pipelines – and wherever a Russian pipeline was found, Russian influence would be deployed.
- Through state-controlled companies like Gazprom, Russia has historically used energy to shape European politics and policy. By controlling significant portions of Europe's energy supply, Moscow has created economic dependencies it can exploit to apply diplomatic pressure, influence policymakers, and sow division among Western allies.

Much More To Do: EU chief Ursula von der Leyen [reported](#) in April the EU “went from 45 percent of our gas imports coming from Russia, down to 18 percent. We went from one-in-five barrels of oil down to one-in-fifty, a tenfold reduction.” But she added “we all know that there is so much more to do.”



U.S.-EU TRADE DISAGREEMENTS, THEIR FRICTIONS ON TECH, AND CHINA'S OPENING

- U.S. technology leadership is important to U.S. economic security. As the U.S. and China compete for global technology supremacy, it is critical that U.S. technology leaders are able to scale and compete on a level playing field around the world.
- U.S. technology leadership is threatened by a proliferation of digital regulations, taxes, and fines that often discriminate against U.S. companies but not Chinese competitors.
- For instance, the European Union is proceeding with a discriminatory digital regulatory agenda that disadvantages U.S. companies.
- Regulatory frameworks like the Digital Markets Act and Digital Services Act utilize targeted thresholds to capture U.S. companies, but not their smaller European or Chinese competitors.
- This asymmetric treatment of U.S. firms puts them at a significant competitive disadvantage and reduces their ability to invest in cutting edge technologies, build new digital infrastructure, and achieve U.S. dominance in artificial intelligence.
- Beyond the overwhelming costs of complying with the EU's digital regulations, which are [estimated](#) to exceed \$430 million annually for a large U.S. company, these rules limit the ability of U.S. companies to bring innovative products to market and thus scale their operations, technologies, and infrastructure.
- Additionally, the fines levied under these laws on U.S. technology firms, which last year [totaled](#) nearly \$6.7 billion, are not only a massive financial hit, but also create such a high degree of unpredictability that they significantly slow U.S. technology leaders from innovating.
- This challenge is not confined to the EU alone. The EU is promoting this agenda in other regions as well, providing an opening for Chinese technology companies to secure additional market share.
- Rather than discriminating against U.S. companies, the EU should be working with the U.S. to reduce dependencies on Chinese technology and bolster trusted and transparent U.S. digital services and infrastructure.

The Path Forward: It is critical that the U.S. exercises strong trade and diplomatic leadership to stand up for U.S. companies facing this treatment and ensure the EU stops disadvantaging U.S. innovators.

AFRICA

Africa's population and economy are booming. By 2030, [half of all new young people](#) entering the labor force will come from [sub-Saharan Africa](#), requiring the creation of up to 15 million new jobs each year. Its vast natural resources and less-contested geostrategic landscape mean Africa holds tremendous strategic importance to both China and Russia, where they arguably have a clear edge when it comes to influence on the continent.

Russia and China are reshaping the continent's geopolitical landscape and – through economic investments, military cooperation, and diplomatic engagements – are challenging the West's historical role as the key supporter of the region's economic development. As Africa continues to develop, the competition among global powers will intensify, requiring the U.S. to reassess its strategies to maintain relevance in the region.

THE NEGATIVE SPIRAL OF MISSED U.S. INFRASTRUCTURE OPPORTUNITIES

- Africa's natural resources hold a magnetic attraction for many foreign investors. Reaching a deal for a large mining or infrastructure project on the continent is often the starting gun to additional future commercial opportunities.
- According to an American bank, when U.S. developers and financiers come to Africa they see that African governments appreciate U.S. government support for individual projects, but the strings attached to U.S. financing means the U.S. deals will be smaller and fewer, and take longer to close. This bank intends to grow its footprint and market share on the continent over time, and while it is willing to play the long game it welcomes the chance to grow faster sooner.
- Meanwhile, when China shows up with SOEs and development assistance largesse from Beijing, the transactions tend to be large and close quickly, and Chinese banks win the business to fulfill the projects' large banking needs.
- This disconnect creates a competitive disadvantage for not just the U.S. developers and financiers, but for other American businesses chasing future or downstream commercial opportunities. They would stand to benefit if the U.S. found more strategic success and deals on the continent.

Speed and Agility Matters: Twenty years ago, China was the preferred trading partner over the U.S. for only 35% of African countries. Today, 97% of African countries – all but two countries – do more trade with China than the U.S.

CHINA'S DEALMAKING TO SECURE ACCESS TO MARKETS AND MINERALS

- China's engagement with Africa has long been driven by economic interests – particularly through its BRI – which has enabled China to construct roads, railways, ports, and energy facilities across the continent, all strengthening China's economic foothold.

Winning the Race: The DRC produces close to 70% of the world's mined cobalt with China owning or having a stake in close to 80% of DRC's mines, giving China a significant advantage in the production of battery and energy technologies.

RUSSIA'S GROWING PERSONAL STRATEGIC IMPORTANCE TO AFRICAN LEADERS

- In Africa, Moscow has [focused](#) on military cooperation, arms sales, and political alliances with Russia now serving as the largest arms supplier to Africa, accounting for 40% of the continent's military imports.
- Russia has simultaneously challenged Western influence and secured mining concessions in Africa – particularly in gold and uranium-rich regions – by offering military assistance to fragile states and support for non-interference policies.
- The Wagner Group – now rebranded as Africa Corps – has been active in conflict zones in Mali, Libya, and the Central African Republic, providing security services and offering dictators what it has called a “regime survival package”.



Increasing Violence and Instability: In Mali, the global conflict monitor, ACLED, has [tracked](#) “an 81% increase in violence involving Russian mercenaries... compared to the year prior” since the death of Wagner Group leader Yevgeny Prigozhin.

THE MIDDLE EAST

The Middle East remains a region of tremendous importance as a key source of energy supplies for American allies in Europe and Asia – as well as China – and as the corridor through which Asia-Europe trade must pass. This remains one region where the U.S. retains greater influence than China, because of U.S. security guarantees.

CHINA'S ENERGY SECURITY RISKS FORCE ITS ENGAGEMENT IN THE REGION

- China's engagement with the Middle East is primarily driven defensively by the need to address its energy security risks. Through its engagement, China has secured access to the Middle East's vast energy resources and China has deepened diplomatic ties through the China-Arab States Cooperation Forum (CASCF).

Key Supplier: The region supplies over 50% of China's crude oil imports – with Saudi Arabia and Iraq being key suppliers – which has given China increased leverage over global supply chains.

SECTION III

Strengthening the U.S. Economic Security Toolkit: Winning American Approaches

Keep America's Economy #1 in the World

Securing America's place as the world's leading economy is the foundation of our national power and the key to advancing U.S. interests and values globally. As the global economy evolves and competitors invest aggressively across borders to boost their own growth, the U.S. must set the pace – not just aim to keep up. This means forcefully leveraging our diplomatic capabilities and international commercial policy engagement to shape an economic environment where American businesses and workers can compete, innovate, and win – all while opening new markets and defending the ones we have. America projects strength and influence globally when it takes its seat at the table and writes the rules of the road. The U.S. stands more to gain by maintaining, upgrading, and reforming global rules than it does from letting others degrade American influence if and when the U.S. is not at the table.

America needs an economic security playbook that is integrated with U.S. national security goals. Doing this is a key strategy to help America win by expanding our competitive edge, creating and protecting American jobs, and securing U.S. leadership in critical markets abroad. With our rivals

racing to outpace our unique economic strengths and capabilities, America must use – or risk losing – its global economic advantage to ensure we remain the world's number one economy.

Reform, Don't Retreat

American leadership in the world has long been a pillar of American stability and prosperity. As the global landscape shifts and competition intensifies, the U.S. must ensure its playbook evolves to meet the new challenges and captures new opportunities. The answer cannot be to retreat from the world, but to reform and modernize how America engages – sharpening our tools, making smart investments, and ensuring our U.S. global economic security strategy is aligned with today's global competition.

This will mean strengthening the effectiveness of American diplomacy, our global economic toolkit, and U.S. international assistance programs to ensure we deliver real benefits for the American people. It will take U.S. global economic engagement guided by clear priorities and an unwavering focus on results to reinforce America's economic security at home and abroad. The U.S. must stay ahead of our competitors who are eager to fill any influence and leadership vacuum.

Winning American Approaches

In the following section, we will explore three critical areas along with key opportunities where policymakers and critical stakeholders can work together to strengthen U.S. economic and national security:

1. Integrate Economic Security and National Security
2. Unleash America's Global Economic Tools to Advance U.S. National Interests
3. Focus on Competitiveness and Economic Growth



1 Integrate Economic Security and National Security

Inject Economics into American Diplomacy and the State Department

While each Administration in recent decades has rightly emphasized its own priorities for driving the State Department, there is one area where few Administrations have gotten it right: the prioritization of an aggressive U.S. global economic agenda to support American companies, drive U.S. exports, and grow the U.S. economy.

With some exceptions, a core focus for the Department has often been the conduct of

diplomacy to advance U.S. national security and geostrategic interests. Yet too often the global economic agenda at the Department was relegated to its respective Economic section, to the economic officers in the U.S. foreign service, and to the Commerce Department, which lacks the full rolodex of critical overseas relationships overseen and managed by Foggy Bottom.

Now when global competition and economic forces are increasingly impacting U.S. national security, it is critical for the State Department to fully embrace a renewed focus on economic statecraft to advance U.S. global economic interests.

KEY OPPORTUNITIES

- **Prioritize U.S. economic statecraft at the Secretary and senior leadership level alongside the Foreign Service.** Leverage ongoing diplomacy alongside marquee forums, delegations, and travel as critical leverage points to elevate American business opportunities and bring new deals to the table.
- **Integrate a direct focus on the global economic competition within nearly every State Department bureau, overseas mission, and full workforce.** Deploy economic foreign service officers with the economic skills and training not just as analysts but as advocates for U.S. economic and commercial interests.
- **Fully leverage and reduce barriers within the interagency process to increase the connection and focus** between the NSC, the Department of State, and the Department of Commerce, Department of the Treasury, and the U.S. Trade Representative to advance U.S. economic security as a cohesive whole-of-government effort.

Play Defense and Offense

The deployment of defensive measures – including sanctions, tariffs, export controls, and foreign investment restrictions – has long been a feature of U.S. national security and economic policy and have been particularly active since Russia’s invasion of Crimea 2014. It continues to crescendo in the form of unilaterally imposed U.S. tariffs on virtually all imports of foreign goods. While these defensive measures are an important tool for policymakers to get right, this report has sought to illustrate they alone are not enough.

The U.S. also has to play offense in the world. This requires an international economic and commercial agenda that proactively engages foreign markets to enhance U.S. economic security by expanding U.S. influence globally. It needs an economic security game plan that is not just defensive but one that also has offensive capacity to engage foreign countries and win positive influence. If defensive economic security strategies – sanctions, export controls, tariffs, investment restrictions – are the “push” to keep threats at bay, the U.S. also needs an engagement and outreach campaign to “pull” countries into its sphere of influence, some carrots to go along with the sticks.

KEY OPPORTUNITIES

- **Get America’s full diplomatic and economic team on the field** – including through nominations and confirmations – and deploy personnel and resources across embassies, missions, consulates, and agencies to advance U.S. national interests, show up, and engage in emerging markets, and outcompete global rivals.
- **Consider development of an U.S. Economic Security Strategy to drive offensive and defensive actions across government**, like the development of the all-important National Security Strategy by each Administration.



Leverage the Private Sector for U.S. National Security

The United States' greatest asset in global economic and strategic competition is its vibrant, innovative private sector. American companies drive technological breakthroughs, create quality jobs, and underpin our nation's economic resilience. But in today's environment – marked by geopolitical rivalry, rapid technological change, and evolving security threats – there is an urgent need to more intentionally align public and private sector strengths to advance both economic and national security goals.

The synergy between the U.S. government and U.S. private sector has always been a hallmark of American strength, but these connections must be reimagined and expanded for today's challenges. It will be critical for government to not only help set the direction but to

also remove barriers and strengthen incentives for the private sector to invest, innovate, and compete globally.

That means recognizing the commercial realities businesses face, understanding their motivations, and fostering an environment where companies of all sizes can play a central role in strengthening U.S. competitiveness and security.

This approach requires moving beyond ad-hoc collaboration to a strategic, ongoing partnership where the government and private sector actively coordinate on critical technologies, supply chain resilience, workforce development, and market access. By unleashing the power of American enterprise, the U.S. can create more high-quality jobs at home, sustain U.S. leadership, and ensure that U.S. economic strength remains a central element of U.S. national security.

KEY OPPORTUNITIES

- **Encourage new and innovative models of public-private cooperation to strengthen U.S. national security and economic security**, including the reduction of barriers to entry by simplifying processes and providing clear guidance to encourage private sector participation in national security initiatives.
- **Expand communication channels for regular dialogue and coordination between federal agencies and private industry** on issues like supply chain resilience, emerging technologies, and market access.
- **Promote partnerships and policies that enable rapid adaptation and speed**, ensuring both government and industry can quickly respond to emerging threats, opportunities, and shifts in the economic landscape at the global, regional, and country level.

Additional Resource

A recent report by Deloitte's Center for Government Insights – "[High-stake collaboration: The private sector's influence on great power competition](#)" – provides additional and important perspectives on the private sector's role in U.S. national security.



“WHAT’S WORKING” CASE STUDY

State Department’s Minerals Security Partnership

The State Department’s Minerals Security Partnership (MSP) is at the forefront of U.S. efforts to secure reliable supplies of critical minerals. By partnering with allies and mineral-rich countries, the State Department-led MSP initiative promotes investment in strategic mining projects and fosters higher standards for responsible sourcing and transparency.

Under the MSP, public-private partnerships help mobilize public and private capital, while ongoing diplomatic engagement strengthens relationships needed to build more resilient and diversified mineral supply chains around the world.

This work is urgent as China continues to dominate global supply and use export controls to exert leverage. Yet the MSP exemplifies how the U.S. can leverage diplomatic efforts to strengthen economic security, reduce vulnerabilities, and support American industry.

“WHAT’S WORKING” CASE STUDY

Smart U.S. Diplomacy to Counter Huawei’s 5G in Europe

During the first Trump Administration, when concerns were growing about the security risks of Huawei equipment becoming the backbone of Europe’s 5G networks, the U.S. mounted a campaign in European capitals leveraging its diplomatic tools to push the continent towards more secure platforms. The U.S. worked directly with national governments, telecom regulators, and industry leaders across Europe to share intelligence, vulnerabilities, and encourage rigorous standards for trusted suppliers.

Rather than start in Brussels, the U.S. engaged in key capitals and helped several European countries – including [Poland](#), the [Czech Republic](#), and [Estonia](#) – take early steps to limit or restrict Huawei’s participation in their 5G networks. The [momentum from this diplomatic activity](#) ultimately influenced the broader European debate and contributed to the [adoption](#) of the EU’s 5G Security Toolbox, which set higher standards for supplier security and trustworthiness, significantly curbing Huawei’s footprint in Europe.



2 Unleash America's Global Economic Tools and Technology Leadership

Put Commercial Diplomacy and Business Advocacy on Steroids

As the State Department and other U.S. agencies increasingly operate at the intersection of economics and security, two tools – commercial diplomacy and U.S. business advocacy – are key levers of economic statecraft and American competitiveness. While closely linked, each brings distinct strengths to bolster America's ability to compete in global markets, advance our companies, and create jobs at home.

Commercial diplomacy is critical to delivering the full weight of U.S. diplomatic influence to advance an American economic agenda and help promote U.S. companies, products, and services overseas. It means making sure that

every embassy and consulate, in every region, has clear direction, capacity, and the resources to advocate for U.S. economic and commercial interests in its day-to-day operations. This includes helping American firms navigate foreign markets, identify new opportunities, and overcome local barriers.

Business advocacy will be critical to ensure the U.S. government goes to bat for American companies – especially when they face unfair treatment, discriminatory regulations, or corruption abroad. It means being relentless in calling out unfair practices, pushing back against the overreach of foreign governments, and using the full power of the U.S. government to level the playing field.

KEY OPPORTUNITIES

- **Elevate commercial diplomacy as a core mission of the State Department** on par with political and security work so that – from the Secretary-level to every Ambassador and foreign service officer – America's team is empowered and incentivized to drive U.S. economic outcomes. Strengthen programs to embed “**digital economic officers**” at U.S. embassies and missions around the world.
- **Ensure robust advocacy for American companies of all sizes** – from America's leading companies to small and medium-sized enterprises – by providing clear focal points for engagement and support at the State Department and related agencies, so that U.S. companies and workers can thrive in the global marketplace.
- **Defend U.S. companies and workers against unfair practices** by coordinating diplomatic and economic tools – demonstrating the U.S. will go to bat when American companies face unfair environments overseas.

Harness America's Innovation and Technology Leadership

The rise of artificial intelligence and other emerging technologies is transforming how countries manage risk, respond to global threats, and ensure the resilience of critical infrastructure. As the world becomes even more interconnected digitally, the

security and integrity of undersea cables, cross-border data flows, and global communications networks are increasingly central to both economic prosperity and national security. U.S. technology platforms, products, and standards help strengthen alliances, secure supply chains, and offer trusted alternatives to authoritarian approaches.

America's technology companies are a critical tip of the spear for U.S. global leadership, extending our nation's influence into every corner of the global economy. As strategic competitors move to shape the rules and norms of both the digital and physical domains, U.S. firms remain at the forefront in areas such as cloud computing, artificial intelligence, and advanced communications. These innovations are not just important commercially – they are foundational to America's economic security and essential pillars of our national security architecture.

Maintaining America's edge will require an intentional and critical effort from accelerating public-private collaboration to decisive action to support American companies, open markets, and shape global standards. Harnessing the full potential of U.S. technology leadership – and working with partners and allies – the U.S. can reinforce both national and economic security in this era of strategic competition.

KEY OPPORTUNITIES

- **Accelerate and strengthen America's position in technology leadership**, artificial intelligence, and digital infrastructure that underpin U.S. economic and national security to ensure we outcompete our rivals.
- **Strengthen America's diplomatic efforts to defend global technology standards** and ensure America has a seat at the table to shape the rules of the road for digital trade, cross-border data flows, and secure communications networks.

Strengthen America's International Development Programs

America's international assistance programs are powerful tools for advancing U.S. national interests on the global stage. As competition with China and Russia intensifies and instability grows worldwide, effective U.S. international assistance is vital for safeguarding America's national and economic security.

To remain competitive, the United States must strengthen and modernize its toolkit – streamlining programs, scaling partnerships with the private sector, and leveraging development finance to unlock new markets and opportunities. Alongside the State Department and Commerce Department, key agencies include the U.S. International Development Finance Corporation (DFC), the Millennium Challenge Corporation (MCC), the Export-Import Bank of the United States (EXIM), and the U.S. Trade and Development Agency (TDA), which play an essential role in mobilizing private investment, creating pro-business policies, supporting U.S. exporters, and advancing infrastructure and development projects that benefit both the U.S. and partner countries.

KEY OPPORTUNITIES

- **Strengthen U.S. government-led programs that de-risk private investment and create markets**, promote the rule of law, combat corruption, reduce poverty, and pursue conflict resolution.
- **Bolster the strategic alignment of U.S. international assistance** – building on the strengths of the DFC, MCC, USTDA, EXIM, and other federal agencies – to counter authoritarian rivals, secure critical minerals, and strengthen supply chains essential to both U.S. economic and national security.
- **Target the drivers of instability – building on the Global Fragility Act – to reduce conflict and bolster economic growth and opportunity in regions critical for U.S. national security.**

Additional Resource

The USGLC recently released “[A Blueprint for America to Win in the World](#)” which provides 10 practical ideas to ensure U.S. international assistance delivers for the American people.

“WHAT’S WORKING” CASE STUDY

The Lobito Corridor: Investing in Win-Win Partnerships in Africa

The Lobito Corridor represents a flagship U.S.-backed infrastructure initiative to connect Angola’s Atlantic port of Lobito with Zambia and the mineral-rich Democratic Republic of the Congo (DRC). Driven by the U.S. International Development Finance Corporation (DFC) and the Export-Import Bank of the United States (EXIM), this project is a cornerstone of America’s strategy to secure vital supply chains for critical minerals, which are essential for the next generation of global industries and U.S. competitiveness.

Beyond its importance for mineral security, the Lobito Corridor stands out as a model for strategic U.S. international assistance partnerships in Africa and leverages a mix of public and private financing. Unlike exploitative or opaque approaches, this initiative relies on win-win collaboration with African partners and extends well beyond infrastructure, bringing together agriculture, digital infrastructure, and food security to boost economic opportunity. The initiative – which is also supported by the EU – also intends to pull in multilateral development bank support.

By reducing transportation times and expanding export options for countries along the corridor, the initiative will boost regional trade and provide these economies with greater, more reliable access to global markets. For the U.S., the project helps level the playing field and opens new commercial partnerships, while helping diversify global supply chains.

“WHAT’S WORKING” CASE STUDY

Leveraging AI to Advance U.S. International Assistance Objectives

U.S. technology companies – in partnership with government and [World Bank](#) – are helping develop and deploy artificial intelligence to address some of the world’s most urgent challenges. From harnessing AI to predict natural disasters and improve crisis response, to advancing international development projects and combating global health threats, American innovation is driving impact far beyond America’s borders.

This leadership not only delivers tangible benefits for people around the globe – it also strengthens America’s position on the global stage. By demonstrating the positive impact of American-led AI technology and platforms, the U.S. is helping shape global standards, while providing a compelling alternative to the approaches of rival nations. Leveraging AI for global good helps the U.S. remain at the forefront of the global competition while leveraging technology to deliver practical solutions and save lives.



3 Focus on Competitiveness and Economic Growth

Bolster Game-Changing Partnerships with the Private Sector to Create American Jobs

Winning the global economic competition demands the full force of America's private sector alongside the U.S. government. As competitors aggressively pursue new markets and expand their influence, the U.S. needs to double down on partnerships that put American businesses in a position to succeed and create high-quality jobs at home. The private sector's ability to innovate, invest, and adapt is a strategic asset to leverage and advance U.S. national interests.

To make this happen, the private sector wants predictability and stability in the global

marketplace, for which U.S. international assistance and diplomacy are key. In addition, the U.S. government should align incentives, reduce barriers, and bring private sector players in to help co-create strategies – not just at the margins, but at the center of America's international economic engagement.

The measure of success is simple: more U.S. companies engaged in overseas markets, more American jobs, and a stronger position for the U.S. in the global marketplace. By treating the private sector as a true partner, the U.S. can leverage its strengths to ensure U.S. global economic leadership translates directly into opportunity at home.

KEY OPPORTUNITIES

- **Unleash public-private opportunities by unlocking public development financing and private investment** to accelerate U.S. job creation and help American businesses win in global markets. Align incentives and reduce barriers so U.S. companies of all sizes can engage as key stakeholders.
- **Pursue public-private sector co-creation of shared programs and initiatives**, putting American innovation and expertise at the forefront of U.S. global competitiveness.
- **Create a “one stop shop” or on-ramp for American companies to engage** with the State Department and U.S. international affairs agencies.

Aggressively Set the Rules of the Road

Securing America's long-term economic and national security means shaping – not just following – the global rules that govern trade, technology, finance, and emerging sectors. In recent years, rivals have worked to rewrite the standards and norms in international organizations to advance their own interests and values.

To protect U.S. interests and preserve an open, rules-based order, the U.S. wins by engaging early and forcefully in international forums – from the G20 to the World Trade Organization to international bodies that set standards for technology, infrastructure, and critical minerals. Regional bodies like ASEAN, APEC, the African Union, the Gulf Cooperation Council, the Organization of American States are important forums to protect U.S. interests.

To compete effectively, the U.S. must also engage directly with countries at the national level as they set their own national standards that impact trade, technology and artificial intelligence, and infrastructure. Doing so can help ensure a level playing field that reflects American values and won't allow competitors to unfairly edge out or undercut U.S. companies and workers.

KEY OPPORTUNITIES

- **Prioritize U.S. economic leadership by showing up and leading critical international forums at the global and regional level to ensure the U.S. can help shape and write the rules** – and engage partners to advance American businesses and workers.
- **Leverage the winning negotiated “compact model”** – developed by Millennium Challenge Corporation (MCC) – to deliver on anticorruption, legal and regulatory reforms, and pro-business policies.
- **Renew America's focus on building allied coalitions of partners** to shape rules and standards in trade, technology, and emerging sectors that reflect American values and protect U.S. economic and national security interests.



Build Resilient Supply Chains to Withstand Global Threats and Turbulence

Americans learned the hard way during the global COVID-19 pandemic that “low cost” supply chains don’t always deliver “best value” – especially in a crisis. When demand for essentials like masks and medical supplies spiked, many overseas manufacturers had to protect their own citizens first leaving American businesses and healthcare providers scrambling for alternatives. This wake-up call revealed vulnerabilities not just in public health, but across key sectors of the global economy.

To compete in an emerging era of global turbulence, it will be essential to bolster efforts at the Departments of State and Commerce – alongside U.S. international affairs agencies – to ensure American businesses, workers, and consumers are protected when the next crisis hits and so that the U.S. remains competitive in a turbulent world.

KEY OPPORTUNITIES

- **Leverage America’s global economic tools to bolster supply chain resilience** through deepening collaboration with trusted allies and partners and enabling America’s private sector to diversify sourcing and adapt to global shocks.
- **Bolster U.S. economic engagement in emerging and developing economies** as potential new sources of critical inputs and materials for key U.S. economic sectors.

“WHAT’S WORKING” CASE STUDY

USTDA: Creating American Jobs and Protecting Data Security Through U.S.-Led Undersea Cables

Subsea fiber optic cables form the backbone of global internet and telecommunications, and demand for secure, high-capacity connections is rising rapidly. The U.S. Trade and Development Agency (USTDA) has played a pivotal role in supporting American companies to compete for and win major international subsea cable projects.

In the case of the Southeast Asia–Middle East–Western Europe 6 (SMW6) cable, USTDA provided training assistance to five countries engaged in the selection process, enabling a U.S. company to outcompete a Chinese firm and secure the contract to build over 10,000 miles of advanced cable connecting Singapore to France. Similarly, in the Western Hemisphere, USTDA’s support helped enable the 6,500-mile Seabras-1 cable, directly linking São Paulo and New York City and expanding secure data flows between the Americas.

By strategically leveraging tools like training grants and reverse trade missions, USTDA is not only strengthening U.S. leadership in critical infrastructure but ensuring American technology underpins the world’s most important communications networks – all while creating U.S. jobs here at home.



SECTION IV

Conclusion: America's Global Economic Advantage – Use It or Lose It

Risks of Sitting on the Sidelines

America faces a world more competitive, fractured, and unpredictable than at any time since the end of the Cold War. The stakes for American companies, workers, and families are profound: if the U.S. fails to lead, we risk losing ground not just in far-off capitals but in communities across our own country.

China and Russia are not waiting to see our next move, but instead working to lock in strategic advantages, setting the rules of the road to favor their interests, and making it harder for America to exert global influence and compete. The costs of inaction are measured by diminished influence, national security, and job for the next generation of Americans.

Don't Out-China China: Play to America's Strengths

As China expands its economic footprint and seeks to export its economic governance model, the U.S. faces pressure to match Beijing tool for tool and dollar for yuan. But simply copying China's approach would risk losing sight of what sets the U.S. apart, and undermine the strengths that undergird American influence.

America's competitive advantage has never come from copying state-controlled models, but from innovation, talent, and the ability to build partnerships rooted in trust and mutual interest. Going forward, this means prioritizing investments that serve both U.S. strategic interests and the goals of partner nations. It's why the U.S. must double down on what works: U.S. economic strength and influence, the scale and innovation of American companies, deep capital markets, and our network of allies and partners.

Communicate Clearly to Allies, Rivals, and the American People

Clear, strong communication is critical for U.S. global leadership. America's international economic engagement must be articulated in ways that engage

and resonate, not just with policymakers, but with allies, competitors, and the American public. By speaking directly to U.S. goals and priorities, the U.S. can build trust with partners, set expectations for competitors, and demonstrate to voters why U.S. international economic engagement matters for their own security and prosperity.

Match Resources to Scale of Threats

In a world where our rivals are seeking to undermine America's interests and values, American taxpayers deserve confidence that every dollar spent on diplomatic, economic, commercial, and international assistance programs is accountable, transparent, and results-driven in the interest of the American people.

At the same time, American taxpayers deserve to know that sufficient resources – both financial and personnel – are invested to protect their security and economic interests. Today's challenges are no less complex and demand we back up America's team with the resources and capacity required to match the scale of threats, to make America stronger, safer, and more prosperous.

Get America's Team on the Field

Winning the competition for global economic leadership requires getting America's full team on the field: our nation's diplomats, commercial officers, development professionals, and private sector leaders with a mandate to compete and win for the United States.

It means showing up in key markets and forums, leveraging new partnerships, and influencing the rules that will shape the global economy in America's favor for years to come. It means decisively acting to ensure we are making America safer, stronger, and more prosperous on the global stage.

The lesson for the emerging 21st century is clear: America's economic security and national security are inseparable. To win, the United States must use every tool at its disposal – deploying its people, resources, and influence in service of American prosperity and security. It's time we rise to the challenge and get our team on the field.

