

POWERING THE FUTURE

Key Takeaways

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The U.S. has traditionally been a global energy leader, but it faces mounting pressure from evolving energy markets, shifting global economic dynamics, and increasing state-backed competition.



Despite the U.S.'s leadership in traditional energy exports, such as oil and natural gas, it is being significantly outcompeted by China in the advanced energy technologies that are powering an increasing portion of global energy demand. This is especially true in fast-growing, energy-hungry emerging economies, where China out-exports the U.S. by over 9-to-1.



American innovators are developing the next generation of advanced energy technologies. They need access to global markets to crowd in private capital, incentivize further innovation, secure supply chains, and scale deployment.



To incentivize innovation and better enable U.S. firms to compete with state-backed competitors, the U.S. government must help level the playing field through a well-coordinated, whole-of-government international investment and export strategy.



A range of federal agencies—including State, DFC, EXIM, and many others—exist to advance commercial diplomacy, mobilize investment, and accelerate exports, but they must be fully empowered, granted greater flexibility, and be better coordinated.



Efforts to level the playing field for American firms, boost investment, and accelerate exports will have economic, geopolitical, and security benefits. A greater U.S. presence in the new energy marketplace will also lower global emissions. When U.S. firms compete globally on fair terms, they unleash the most powerful innovation engine in the world—one capable of developing and deploying cleaner, more affordable, and more secure energy solutions at scale.



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Introduction

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For more than a century, the United States has drawn immense economic strength from its position as the world’s largest economy—a role sustained in no small part by its global energy leadership. That leadership, and the broader economic primacy it supports, is now being tested by a rapidly evolving global landscape. Emerging economies are expanding, market preferences are shifting, and state-backed competition is intensifying. While the U.S. continues to lead in traditional fuels such as oil and gas, it lags in advanced energy technologies—including renewables, storage, and electrified transportation—conceding market share to competitors like China, which exports nine times more advanced energy technologies to fast-growing, energy-hungry markets. China’s pole position is due not only to its domestic industrial policy but also to intense overseas support through initiatives like the Belt and Road Initiative and Global Development Initiative, which secure market access, create barriers to entry for competitors, exert control over supply chains, and extend the Chinese Communist Party’s (CCP) geopolitical influence.

American leadership in global energy will hinge on its ability to out-innovate competitors and ensure that ground-breaking technologies reach fast growing global markets. Many of the advanced energy solutions now enriching foreign economies were pioneered in U.S. laboratories and firms—from nuclear power and solar photovoltaics to modern energy storage—but the U.S. has since lost manufacturing and export ground. Today, American innovators are developing the next generation of advanced nuclear systems, thin-film solar cells, alternative storage chemistries, and higher-efficiency industrial technologies that could leapfrog current technologies dominated by rivals. Realizing this potential requires assured access to energy-hungry emerging economies, secure supply chains for critical inputs, and a level playing field against state-backed rivals.

Meeting this challenge demands a whole-of-government international investment and export strategy that can level the playing field for U.S. firms. Empowering and aligning federal agencies—such as the State Department, Development Finance Corporation (DFC), and Export-Import Bank (EXIM)—to strengthen commercial diplomacy, mobilize capital, and accelerate the global deployment of U.S. technologies will expand American influence, secure strategic supply chains, and reinforce economic leadership. Fortunately, we have a generational opportunity to expand and optimize the federal programs that engage foreign markets through commercial diplomacy, international investment, and export promotion. By acting now, the United States can ensure its economic and energy leadership endures, driving growth at home and strengthening its position abroad.