U.S.-China AI Leadership Monthly Scorecard

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WHAT THIS IS

Artificial intelligence (AI) leadership depends on four long-term drivers: energy, compute, adoption and talent. This new monthly scorecard highlights the latest and most important developments affecting each country's AI competitiveness.

COLOR CODE KEY FOR EACH COUNTRY

- *Advances that country's AI leadership*
- *Sets back its AI leadership*

AUGUST 2026

SCORECARD VERDICT: **CHINA LEADS**

- **China made more net progress toward AI leadership in July.** It launched a 29-nation AI governance bloc, closed the compute gap by releasing highly competitive open-weight AI models and publicly showcased a new domestic compute cluster.
- **The United States' July performance was mixed.** It advanced on energy policy, federal siting, small-business adoption and skilled-trades funding, but state and local restrictions continued to slow progress on data-center development.

Scorecard analyzes news and updates from the previous month

ENERGY

Key steps/setbacks each country made this month toward meeting its AI and energy needs.

WINNER

UNITED STATES

- **White House Secures AI Power Pledge:** New executive action requires data center operators, not ratepayers, to fund the power and infrastructure their AI projects need.
- **U.S. Data Center Electricity Use Could Double By 2030 While Grid Expansion Efforts Lag:** Consumption is projected to rise from roughly 183 to 426 terawatt-hours, with new generation capacity not on pace to keep up. PJM, the nation's largest grid, continues missing supply targets.

CHINA

- **China Tops the World in Power Generation As Capacity Outgrows Demand:** China's installed electricity generation capacity hit four billion kilowatts (+10.8 percent year over year), nearly double its own demand growth.
- **China's Electricity Demand Grows Three Times Faster Than U.S. And It's Meeting That Demand:** The International Energy Agency (IEA) finds that China's 2026 electricity demand is growing three times faster than that of the United States.

COMPUTE

Key steps/setbacks made in boosting its chip, AI model and data center compute power.

WINNER

UNITED STATES

- **172 Active Local Restrictions Now Span 42 States, Including Temporary Pauses:** Local opposition continues to slow AI infrastructure buildout nationwide. Some states are now moving to freeze, or are considering freezing, new projects.
- **Trump Administration Redevelops Some Federal Property for AI Data Centers:** Faster siting on federal property – such as former industrial areas, power generation facilities or dormant sites – aims to unstick permitting bottlenecks.
- **Commerce Commits $874 Million to Shore Up the U.S. Chip Supply Chain:** CHIPS Act funding for next-gen chip packaging, AI memory and more, aimed at reducing U.S. reliance on foreign suppliers for critical compute components.

CHINA

- **China AI Models Gain Ground on U.S.; China Takes Supercomputing Title:** China's open-weight models keep narrowing U.S. frontier-model lead, while a Chinese system became the world's fastest supercomputer, the first time China won since 2017.
- **Beijing Runs a State-Directed Campaign for Chip Self-Sufficiency:** China launched a coordinated national effort for domestic AI chips, treating chip independence as a national mandate, not a business decision.
- **China Accelerates Domestic AI Compute Independence:** Multiple Chinese chipmakers showcased large-scale AI computing systems built entirely on domestic chips, underscoring Beijing's push to replace U.S. technology across the AI stack.

ADOPTION

Key steps/setbacks made this month in adopting AI at home and exporting its AI stack abroad.

TIE

UNITED STATES

- **White House Commits $5 Billion To AI-for-Science "Genesis Mission:"** A new cross-agency initiative blends federal compute, data and research infrastructure with AI to tackle grid planning, microelectronics and manufacturing.
- **Small Business AI Adoption Reaches 66 Percent:** That's a steep jump from 55 percent a year ago as AI spreads across the broader U.S. economy.

CHINA

- **China Recruits 29 Countries Into Shanghai AI Cooperation Organization:** New Shanghai-based body attempts to expand Beijing's influence over global AI standards and adoption, especially across the Global South. The U.S. secured 35 allies for its AI Opportunity Statement.

TALENT

Key steps/setbacks made this month toward developing its AI workforce of scientists & skilled labor.

TIE

UNITED STATES

- **AI Companies Commit $265 Million To Skilled-Trades Training:** Meta, Google and BlackRock fund electrician and carpenter pipelines for the data-center boom.

CHINA

- **China Moves To Bolster Youth Employment For The AI Era:** New policy push channels a record graduating class toward AI-related occupations and continuous learning.

Looking Ahead

August will likely be shaped by decisions on U.S. permitting reform, electricity expansion, AI adoption and China's continued efforts to expand its global AI ecosystem. For more information, please contact Doug Kelly at

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