

U.S.-China AI Leadership Monthly Scorecard

SEPTEMBER 2026

WHAT THIS IS

Artificial intelligence (AI) leadership depends on four long-term drivers: **energy, compute, adoption and talent**. This 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*

SEPTEMBER SCORECARD VERDICT: CHINA LEADS

- **China made more net progress toward AI leadership in August.** Its massive electricity buildout continued, while 546 million generative-AI users and the global spread of Alibaba's Qwen strengthened China's position in AI adoption.
- **The United States' August performance was mixed.** America maintained its advantage in frontier chips and compute investment and made major investments in the skilled workforce needed to build AI infrastructure. But **299 active data center restrictions across 44 states and growing local opposition** threaten its ability to turn its compute advantage into operating infrastructure.

SEPTEMBER SCORECARD: CHINA 2 | UNITED STATES 1 | TIE 1

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: CHINA



China's power advantage widened again. The United States is adding substantial storage, but China continues adding actual generation at a scale and pace America has not matched.



UNITED STATES

- **U.S. Adds Battery Storage and Launches \$100 Billion AI Energy Hub:** The United States added **8.3 gigawatts (GW) of utility-scale battery storage** in the first half of 2026, reaching nearly 52 GW. In August, the U.S. Department of Energy (DOE) also announced **a \$100 billion Paducah AI energy hub** with plans for two GW of new natural-gas generation, up to 2.6 GW of battery storage and transmission upgrades. The project is expected to help lower regional electricity costs, create thousands of high-paying American jobs and strengthen national security.
- **The DOE Issues Three Emergency Orders to Keep Power Plants Available:** In August, DOE issued **three emergency orders** to keep power generation available during periods of high electricity demand. The orders covered Pennsylvania's **Eddystone** and Maryland's **Wagner** plants in the Pennsylvania-New Jersey-Maryland Interconnection (PJM) grid, which serves 65 million Americans, and Michigan's **J.H. Campbell** plant in the Midcontinent Independent System Operator (MISO) region.



CHINA

- **China's Power Capacity Reaches 4.08 terawatts (TW), Up 11 Percent:** China's installed generating capacity reached **4.08 TW at the end of July, up 11 percent year over year**. Solar capacity reached 1.29 TW, up 16.1 percent, while wind reached 690 GW, up 19.5 percent.
- **China Sets Ambitious 2030 Power Expansion Plan:** In August, China announced a new national power plan that calls for integrating more than **2.8 TW of new-energy capacity** into its electric grid by 2030 and generating **50 percent of its electricity from non-fossil sources**. The plan also calls for a larger, more resilient grid capable of supporting China's rapidly growing electricity demand.



COMPUTE

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

WINNER: TIE



America leads in frontier chips and compute investment, but **299 active restrictions across 44 states and a 65-point gap between support for AI leadership and local data centers** threatens to erode that advantage. Meanwhile, China continues rapidly expanding its **data centers and domestic AI chips**.



UNITED STATES

- **U.S. Data Center Demand Hits Record 25 GW**: A new report found North American data center demand reached a record **25 GW in the first half of 2026**, double the previous year and five times the level two years earlier. That demand is translating into massive new projects: in August, OpenAI announced plans for eight GW of computing capacity at a new Ohio AI data center campus. Data center vacancy rates will remain near zero through 2028.
- **299 Active Data Center Restrictions Now Span 44 States**: Interconnected Capital's tracker showed **299 currently active data center moratoriums and other restrictions across 44 states**, creating a growing obstacle to converting America's chip advantage into operating compute.
- **Americans Support AI Leadership but Oppose Data Centers in Their Communities**: A new report found that **79 percent of Americans support U.S. leadership in AI, but only 14 percent support data center development in their own community** – a **65-point gap** that threatens America's ability to build the infrastructure needed to maintain AI leadership.



CHINA

- **China Accelerates Gigawatt-Scale AI Data Center Buildout**: In August, China's Envision began operating the first phase of a planned **two GW AI data center campus**, larger than many of the biggest individual AI campuses being built in the United States. DeepSeek is also planning **a one GW campus nearby**, while RedNote is considering another **600 MW facility**.
- **Alibaba Expands Use of Chinese-Made AI Chips**: Alibaba reported **45 percent growth in its AI cloud and computing business** and said its Chinese-designed AI chips are now being used by **more than 650 customers across 20-plus industries**.



ADOPTION

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

WINNER: CHINA



America continues to show strong workplace AI adoption, with **nearly four in 10 workers using generative AI on the job**. But China wins this month on scale and global reach: **546 million monthly GenAI users**, while Qwen has surpassed **three billion downloads** and spawned **300,000 Qwen-based models worldwide**.



UNITED STATES

- **Nearly Four in 10 American Workers Now Use AI on the Job**: New data published in August found **39.2 percent of employed Americans use generative AI for work**, up from 28.2 percent in 2024. AI now assists with **6.3 percent of work hours**, showing how quickly the technology is becoming part of everyday work.
- **Heavy AI Adopters Are Growing Their Workforces**: Companies making the largest investments in AI increased employment **10.2 percent in the two years following adoption**, with **entry-level employment growing 12 percent**, evidence that greater AI adoption is creating job growth, not simply replacing workers.



CHINA

- **China's Qwen Emerges as a Leading Global Open-Model Platform**: Qwen recorded roughly **2.05 billion downloads on Hugging Face**, with developers creating roughly **200 new AI models every day based on Qwen**, helping spread Chinese AI technology into more applications and markets. Alibaba reports even broader adoption across platforms, with Qwen surpassing **three billion downloads and 300,000 Qwen-based models worldwide**.
- **China Leads the World with 546 Million Generative-AI Users**: An August report estimates **545.6 million people in China will use generative AI each month in 2026**, making China the world's largest national market for

generative AI and accounting for nearly one-quarter of the world's 2.39 billion GenAI users.



TALENT

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

WINNER: UNITED STATES



China is expanding AI education, but America made more tangible progress in August, with major new investments in the **skilled-trades and semiconductor workers needed to build and operate AI infrastructure**.



UNITED STATES

- **Meta Launches Major Skilled-Trades Push for AI Infrastructure:** Meta partnered with North America's Building Trades Unions (NABTU), tapping a network of **3.2 million skilled workers and 1,900 training facilities** to help build AI infrastructure. Meta also invested \$115 million in its first year of America's Workforce Academy, which provides industry-recognized credentials and **guaranteed jobs for graduates**, with its first class now heading to Meta construction sites.
- **Micron Opens 60,000-Square-Foot Semiconductor Training Center:** The new Boise facility provides hands-on semiconductor training while Micron expands its registered apprenticeship program and advanced-manufacturing workforce pipeline.



CHINA

- **China Expands AI Throughout Its Education System:** China is moving to **integrate AI throughout its education system**, including expanding AI education in primary and secondary schools and encouraging interdisciplinary teaching, as it builds a larger pipeline of students with AI skills.

LOOKING AHEAD

September is bringing new challenges to U.S. AI leadership. Data-center moratoriums and restrictions continue to climb, while growing concerns about AI risks are prompting some policymakers and technology leaders to call for slowing or regulating frontier AI development—even as China works to close the technology gap.

These issues will take on even greater importance as the **United States and China prepare move forward from their recent summit**, where AI and technology competition were a topic of discussion.



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