Policy Brief

Unregulated Ambition:

The U.S. Artificial Intelligence Strategy in 2025

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Executive Summary:

In summer 2025, the Trump Administration unveiled a sweeping and assertive AI policy—America's AI Action Plan—aimed at asserting U.S. global dominance in artificial intelligence. Anchored by three central pillars—innovation acceleration, infrastructure expansion, and international AI diplomacy—the plan dramatically shifts federal governance toward deregulation, ideological neutrality, rapid infrastructure buildout, and workforce empowerment. This brief outlines core initiatives, analyzes expected impacts, and presents strategic recommendations for stakeholders.

Keywords

Background

On January 23, 2025, Executive Order 14179, "Removing Barriers to American Leadership in Artificial Intelligence," signaled a sharp policy pivot. It rolled back many Biden-era provisions that embedded ethical, safety, and fairness considerations into federal AI initiatives. The follow-up publication of Winning the AI Race: America's AI Action Plan in July 2025 consolidated this shift into a comprehensive strategy built on deregulation and accelerated deployment. By presenting regulatory safeguards as obstacles to innovation and by framing ideological neutrality as a prerequisite for progress, the administration redefined the role of federal oversight in AI development, prioritizing speed and competitiveness over systemic risk management.

Policy Directions and Key Measures

The first major axis of the plan is the aggressive promotion of innovation through regulatory rollback. Federal agencies are instructed to dismantle what the administration labels "bureaucratic red tape," including requirements on fairness, diversity, and climate considerations embedded in technical guidance such as the NIST AI Risk Management Framework. By favoring open-source models and rapid prototyping, the administration seeks to unleash market-driven innovation. However, the absence of guardrails raises the likelihood of unsafe systems entering the market without adequate testing, a risk amplified by the sheer pace of AI deployment.

The second axis focuses on infrastructure expansion. Fast-tracked permits for data centers, semiconductor fabrication plants, and high-capacity energy projects have been prioritized, with federal lands and expedited approval processes leveraged to accelerate construction. The Stargate Project—a $500 billion public-private venture involving OpenAI, SoftBank, and Oracle—epitomizes this push. While the plan touts job creation and industrial revitalization, it underestimates the environmental, energy, and cybersecurity challenges associated with the exponential scaling of AI infrastructure, and it offers little in terms of resilience planning for critical systems dependent on these facilities.

The third axis addresses international engagement and export policies. The administration has adopted a more permissive stance on the export of advanced AI chips and technologies, including to strategic competitors such as China. Although these exports are restricted to downgraded versions, critics argue that the decision erodes the U.S. technological edge and heightens the risk of strategic dependencies. At the domestic level, federal preemption measures threaten to override state-level regulations, using the withholding of federal funds as leverage—a move that risks politicizing AI governance and weakening local oversight mechanisms.

Implications and Challenges

The plan undoubtedly reflects the administration's commitment to reclaiming technological dominance, and it will likely stimulate economic growth, job creation, and innovation in the short term. However, its deregulatory posture carries significant risks. National security experts have warned that reducing export controls could enable adversaries to close critical capability gaps, undermining U.S. strategic advantage in high-performance AI systems. Similarly, the rollback of safety and fairness guidelines diminishes the ability to prevent or mitigate algorithmic harms, from biased decision-making in critical sectors to vulnerabilities in national security systems.

Moreover, the administration's ideological framing of AI regulation as a "neutrality" issue risks stifling meaningful debate about the ethical and societal implications of widespread AI deployment. This, combined with the preemption of state-level initiatives, undermines the diversity of regulatory experimentation that could provide valuable lessons for federal policy. The lack of transparent mechanisms for independent oversight further compounds the governance deficit, leaving civil society, academia, and even Congress with limited capacity to scrutinize or influence implementation.

Economic and Innovation Effects
- Signals strong commitment to restoring U.S. technological leadership.
- Likely to boost economic growth, job creation, and innovation in the short term.

National Security Risks
- Reduced export controls may help adversaries narrow capability gaps.
- Potential erosion of U.S. strategic advantage in high-performance AI systems.

Safety and Fairness Concerns
- Rolling back guidelines weakens safeguards against algorithmic bias and harm.
- Increased vulnerabilities in critical infrastructure and national-security systems.

Ideological Framing and Policy Stagnation
- Portraying regulation as an issue of "neutrality" limits substantive ethical debate.
- Preemption of state-level initiatives reduces opportunities for regulatory experimentation.

Oversight and Governance Deficits
- Lack of transparent, independent oversight channels.
- Limited capacity for civil society, academia, and Congress to monitor or influence implementation.

Concluding Remarks

To mitigate these risks while preserving the plan's positive momentum, several corrective measures are essential. First, a mandatory AI incident reporting and tracking regime should be established to ensure that emergent harms are detected and addressed promptly. Second, export policies should be recalibrated to balance commercial interests with national security imperatives, incorporating rigorous risk assessments and safeguards against unintended technological transfers. Third, federal and state collaboration mechanisms should be strengthened to foster harmonized yet adaptive regulatory frameworks, rather than relying on coercive preemption strategies. Fourth, workforce and education initiatives should be expanded with a stronger focus on equity, ensuring that the benefits of AI-driven economic transformation are widely distributed. Finally, the creation of an independent oversight body with a clear mandate to audit and evaluate the implementation of the AI Action Plan would enhance transparency and public trust.

America's AI Action Plan represents a decisive shift toward rapid innovation and market-driven growth in the U.S. AI sector. Yet, its emphasis on deregulation and ideological neutrality, coupled with aggressive export liberalization and federal preemption, exposes the country to significant security, governance, and ethical vulnerabilities. For the strategy to achieve its stated objective of sustained technological leadership, it must be complemented by robust safeguards, transparent oversight, and inclusive governance mechanisms. Without these, the U.S. risks winning the race to deploy AI quickly but losing the longer contest to build safe, resilient, and equitable AI ecosystems.

Further Reading

- White House, Winning the Race: America's AI Action Plan, July 2025, available at: https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf
- Brookings Commentary, What to make of the Trump administration's AI Action Plan, July 2025, available at: https://www.brookings.edu/articles/what-to-make-of-the-trump-administrations-ai-action-plan/