

What Is Pax Silica?

By: Nghia Nguyen / October 2026

Pax Silica is a “[flagship](#)” State Department-led initiative launched in December 2025 to assemble a coalition of nations committed to building a China-free tech and AI supply chain. It is not a trade agreement, but rather a non-binding political and economic security coalition among chosen U.S. allies “for the AI century, designed to secure the supply-chain infrastructure that underlies national power.”¹ It is focused on the tangible “physical stack” of the AI economy: critical minerals, energy inputs, advanced manufacturing, semiconductors, AI infrastructure, and logistics, rather than AI frontier models such as ChatGPT, Google’s Gemini or Anthropic’s Claude. Pax Silica membership currently sits at 25 signatory countries, with the addition of Italy most recently in August.²

The State Department Under Secretary for Economic Affairs, Jacob Helberg, heads the Pax Silica initiative.³ According to Helberg, membership in Pax Silica is by U.S. invitation, based on “[fundamental alignment](#)” with the U.S. on broader geopolitical issues and on industrial contribution and competitiveness in AI supply chains. Although Pax Silica’s formal [declaration](#) and official statements largely avoid mentioning China, Helberg clearly states the purpose of Pax Silica is “how we compete with China” for AI supply chain dominance and that, “by aligning our economic security approaches, we can start to have cohesion to basically block China’s Belt and Road Initiative ... by denying China the ability to buy ports, major highways, transportation and logistics corridors.”⁴

Pax Silica operates alongside the Trump administration’s critical minerals agenda. The array of bilateral mineral deals, the Critical Minerals Ministerial, and fora like FORGE are designed to secure access to minerals. Pax Silica’s role is to connect minerals to the rest of the AI supply chain, linking mining and refining to energy, advanced manufacturing, semiconductors, logistics, and investment. Like the wide array of critical minerals deals, Pax Silica is being built through executive-branch machinations and summit declarations, with remarkably little legislative oversight or open debate about the trade-offs. Unsurprisingly, official Pax Silica statements offer no concrete guarantees on labor rights, environmental safeguards, or community participation, raising the risk that economic gains will largely be captured by

corporate leaders while social and environmental costs are pushed onto workers and frontline communities.

In June 2026, Pax Silica issued a manifesto-like [Joint Statement on AI Opportunity](#), whereby signatories signaled alignment with a U.S. vision of supply-chain security defined by “promoting pro-innovation regulation,” a “pro-growth regulatory environment,” and support for private sector initiatives and cross-border capital flows and partnerships, with three dozen signatories.⁵ Helberg called the Joint Statement “a pro-innovation blueprint against efforts by other nations to weaponize ‘global governance’ into an instrument of control and wealth extraction against American companies.”⁶

This focus on “global governance” is widely interpreted as a U.S. critique of EU-style regulation.⁷ In contrast to the U.S. approach, in 2024, the EU began implementing a stricter AI regulatory framework called the [EU Artificial Intelligence Act](#) of 2024. The EU AI Act bans “unacceptable-risk” AI uses, regulates “high-risk” AI systems, and sets transparency rules for general purpose AI.⁸ Although the European Union and several individual member states joined Pax Silica at its June 2026 Summit, the EU emphasized that the Declaration is nonbinding and has not signed onto the Joint Statement on AI Opportunity, suggesting a pragmatic desire to have a seat at decision-making tables and open access for European firms, while refraining from formally endorsing the U.S. rulebook. The European Commission pushed EU governments to sign up to Pax Silica as a bloc, arguing it would help create openings for European businesses.⁹

Pax Silica has received [endorsement](#) from major industry groups such as the U.S. Semiconductor Industry Association.

The Pax Silica Coalition Bargain

Pax Silica raises a basic set of questions about who benefits from this new AI-era economic-security club. In broad terms, it offers the United States, partner countries, and major private investors different things, and the benefits are not evenly distributed.

What does the U.S. get? Pax Silica gives the United States a stronger hand in setting standards, controlling AI development, and shaping investment. It also helps direct how supply chains are organized by guiding trade in raw materials, compute, manufacturing, and logistics into a network aligned with U.S. priorities. By extension, it helps Washington push China out of key parts of the AI supply chain and limit its



access to high-end technology and standard-setting. It also helps support greater market access for U.S. hardware and AI companies and deeper cooperation with semiconductor powerhouses like Japan and South Korea, which helps guide not only strategic and security gains, but also profits for U.S. firms.

What do other countries get? Other countries gain access to a U.S.-aligned ecosystem of hardware, software, logistics support, financing, and industrial partnerships that many could not build on their own. In practice, this often means access to good but not the best technology: U.S. export controls on advanced semiconductors, and recent debates over restricting frontier AI models, suggest that many partners may be offered second-tier or previous-generation hardware and software rather than the most advanced systems. Many countries may still consider this a worthwhile bargain, since the latest chips are not necessary for most mass-use applications. Pax Silica may also offer access to processed minerals and export markets for raw materials, possible co-investment in processing and infrastructure, coordinated procurement that brings potentially better pricing, and new financing streams — even if U.S. public funding remains small compared with the scale of Chinese financing under the Belt and Road Initiative.

What do other countries give up? In exchange, countries may give up some sovereignty and self-sufficiency over technology, trade, and industrial strategy. Joining Pax Silica means greater dependence on U.S. export controls, standards, and geopolitical priorities, and less room to choose trade partners freely or pursue an independent path on critical minerals and digital infrastructure. It may also reduce their input into how AI systems are developed and governed, and narrow their ability to regulate AI or hold it accountable in the public interest or according to local needs. There is also a risk that some countries remain stuck in a lower-value position in the chain — supplying raw materials and importing processed or higher-value goods.

World Artificial Intelligence Cooperation Organization (WAICO), the Chinese Counter Coalition on AI

WAICO, established in Shanghai in July 2026 by 29 founding countries, emerged quickly after Pax Silica's launch as China's counteroffer. WAICO builds on China's longer-running Digital Silk Road¹⁰ efforts to support global development of digital technology infrastructure with the distinct mission of building AI capacity and international cooperation.



WAICO's design and offers differ from Pax Silica. Pax Silica focuses on building a U.S.-led coalition organization around “trusted” end-to-end U.S. aligned supply chains for critical minerals, energy, chips, compute, data infrastructure, and logistics. WAICO seeks to establish itself as a treaty-based intergovernmental organization with a [stated goal](#) to “promote international cooperation and global governance on AI, ensuring that AI is beneficial, safe and fair, thereby promoting its healthy and orderly development to benefit all humanity.” WAICO therefore attempts to create a multilateral forum for the global governance of AI. This offer, to participate in global AI regulation on an equal footing, comes with a Global South-oriented enticement package: capacity-building, training opportunities, and access to efficient, low-cost open-weight models that can be downloaded and adapted locally. China's offerings therefore can offer lower-cost and possibly more practical AI roll-out as well as opportunities to bootstrap local AI or startup ecosystems — though that may also create new dependencies on Chinese technology, infrastructure, data practices, and standards.

Kazakhstan is currently the only country participating in both Pax Silica and WAICO, illustrating how some countries may seek access to both U.S. and China-linked ecosystems. However, Reuters [reported](#) in August that the State Department sent a letter to signatories of the Joint Statement on AI Opportunity that they must pick sides in the AI race with China — urging signatories to “choose deliberately” between Pax Silica and “duplicative initiatives whose expectations conflict with our own,” without specifically mentioning China.

Pax Silica Implementation To Date

Building industrial capacity and logistics infrastructure: Pax Silica has a major focus on industrial production (grouped as “Fabs, factories, and refineries”), which Helberg calls the “muscle of sovereignty,” and logistics (ports, railways, and highways), which he calls the “arteries” of global trade. Helberg has directed a strategic review of global trade corridors and has begun setting strategy across many of them.

- In Southeast Asia, the State Department announced plans in [April](#) to “establish a 4,000-acre industrial hub ... in the Luzon Economic Corridor of the Philippines... as an Economic Security Zone... under the Pax Silica Initiative.” The State Department describes the Corridor as the “first of many” envisioned projects and part of “a broader industrial network... of integrated manufacturing sites, logistics corridors, and shared financial instruments ... across multiple continents [to] ... transform Pax Silica industrial policy from a collection of bilateral projects into a genuine system



capable of competing with — and ultimately displacing — the concentrated supply chains on which the world currently depends.” Civil society groups contend this [initiative](#) will displace farmers and indigenous people from agricultural and ancestral land. Activists also have concerns about the project’s excessive [energy and water consumption](#), including three gigawatts of electricity, equivalent to 16% of Luzon’s current grid capacity, and potentially up to [hundreds of millions of liters of water](#) per day. These demands could put substantial pressure on Luzon’s power grid and potentially contribute to brownouts or higher electricity costs for households and industries, while also depleting water resources and reducing water available for agriculture and irrigation.

- In Africa, the State Department and Development Finance Corporation are providing a \$553-million package to support the Lobito Atlantic Railway, a century-old major railway considered part of the Lobito Corridor linking Angola to the inland resource-rich areas of the Democratic Republic of the Congo (DRC) and Zambia. While not described as a Pax Silica initiative, Helberg tweeted that the Lobito Corridor is “the cornerstone to how U.S. investment creates prosperity for all partners and builds secure, transparent supply chains powering the AI revolution.”¹¹
- Regarding Central Asia, Helberg said in June the U.S. and Kazakhstan would announce an economic security zone to expand mineral-security opportunities in Central Asia and provide greater legal and regulatory certainty for investors, comparing it to the Luzon Corridor effort.¹²

Supporting AI infrastructure: Pax Silica also seeks to provide support to the production of data centers, mobile connectivity, and telecom networks. Helberg has [touted](#) the American AI Exports Program, created by [executive order](#), as a vehicle to create a consortium of U.S. companies to assemble a full-stack AI technology package for export — including AI-optimized hardware, data center storage, cloud services and networking, data pipelines, AI models, security and cybersecurity, and sector-specific AI applications. The goal is to push U.S. systems into foreign markets and lock in American AI technologies, standards, and governance models. The program spans multiple departments, including State, the White House, Commerce, and the Export-Import Bank.

Providing direct logistical support: The U.S. Department of State is providing logistical and consultative support for the purchase of American AI-related hardware and products among Pax Silica signatories.



- In February, the State Department announced [a pilot AI “concierge” service](#) that offered its roughly 270 diplomatic posts to assist Pax Silica signatories to “streamline the acquisition of American-made artificial intelligence products.”
- The State Department also established a [Pilot Pax Silica AI Assistance Project in Panama](#) to align officials on cargo, security, and customs issues to create a fast lane for products through the Panama Canal and across the hemisphere. These efforts are expected to expand in a second phase to other countries.

Offering Financing: In March 2026, the State Department announced plans for a \$250 million [Pax Silica Fund](#) to support critical minerals extraction and processing, infrastructure, and manufacturing. It is touted as catalytic foreign assistance, providing seed funding alongside a consortium of sovereign wealth and institutional funds that currently [includes](#) Japan’s SoftBank, Singapore’s Temasek, and Abu Dhabi’s Mubadala. Pax Silica describes the Fund strategy as part of the America First “Trade Not Aid” approach, using foreign-assistance dollars to “unlock” larger private and allied co-investment rather than providing grants.

Building Workforce Capacity: In September 2026, the State Department and Stanford University launched the Foundry School, a workforce development initiative intended to train entrepreneurs, engineers, technicians, and industrial leaders for advanced manufacturing. Led by Stanford University with seven U.S. university partners and industry participation, the program presents an “advanced manufacturing curriculum [on] a common framework for the industrial capabilities that underwrite both economic strength and national security.”¹³

Coordinating AI Policy: In a February 2026 House Foreign Affairs Committee [hearing](#), Helberg stated Pax Silica’s plan to deepen policy coordination in three areas: the protection of critical infrastructure and sensitive technologies; the alignment of market incentives that promote key industrial sectors; and the promotion of a pro-Innovation, pro-growth approach to AI policy.

As Pax Silica moves from declaration to implementation, the critical question is whether it builds genuine capacity in partner countries or just creates a more secure operating environment for U.S. investors and technology firms. As governments fall over themselves to attract data centers, semiconductor production, and related infrastructure investments by offering tax holidays and dangling other inducements, will the big beneficiaries be the tech companies, or will the public investment support good jobs, skills development, technology transfer, and tax revenue?



Endnotes

¹ <https://www.state.gov/opening-remarks-by-under-secretary-of-state-jacob-helberg-at-the-house-committee-on-foreign-affairs-hearing-on-advancing-national-security-through-commercial-diplomacy>

² Current Pax Silica signatories: Argentina, Australia, Chile, Costa Rica, El Salvador, European Union, Finland, Germany, Greece, India, Israel, Italy, Japan, Kazakhstan, Netherlands, Norway, Panama, Philippines, Qatar, Republic of Korea, Singapore, Sweden, United Arab Emirates, United Kingdom, United States, and endorsement from Taiwan.

³ Jacob Helberg's bio states he previously served as Senior Advisor to the CEO of Palantir Technologies (Alex Karp/Peter Thiel's), was Google's global lead for Search policy, and was an early investor in several tech companies. A China hawk, he served on the U.S.-China Economic and Security Review Commission and wrote a book calling for a stronger U.S. strategy against China. He was initially a Democratic donor but has since become a Trump supporter, donating around \$1 million to Trump's effort and maxing out contributions to the Trump 47 joint committee.

⁴ <https://www.politico.com/news/2025/12/11/trump-enlists-5-allies-to-counter-china-on-rare-earths-and-tech-00688068>

⁵ Joint Statement on AI Opportunity Partnership signatories: Argentina, Armenia, Australia, Bahrain, Chile, Costa Rica, Denmark, El Salvador, Estonia, Finland, Germany, Greece, India, Israel, Italy, Japan, Kazakhstan, Latvia, Lithuania, Netherlands, New Zealand, Norway, Panama, Paraguay, Philippines, Poland, Portugal, Qatar, Republic of Korea, Singapore, Sweden, Turkiye, United Arab Emirates, United Kingdom, and the United States.

⁶ <https://www.state.gov/opening-remarks-by-under-secretary-of-state-jacob-helberg-at-the-house-committee-on-foreign-affairs-hearing-on-advancing-national-security-through-commercial-diplomacy>

⁷ Helberg went all the way to Brussels, Belgium to colorfully describe the EU regulatory environment as “a Caligulan bureaucracy that has, regulation by regulation, arrogated more power away from sovereign European states – not liberating the European economy, but strangulating it.” He stated the “EU AI Act ... has functioned as a systematic guarantee that Europe will remain at a structural disadvantage in the most consequential technological race of our lifetimes” and blames the EU regulatory regime for missing out on major tech advances, such as artificial intelligence and cloud computing.

⁸ <https://www.euronews.com/my-europe/2026/06/01/the-eu-is-set-to-join-us-led-chip-alliance-pax-silica-to-counter-chinas-ai-race>

⁹ <https://www.euronews.com/my-europe/2026/06/01/the-eu-is-set-to-join-us-led-chip-alliance-pax-silica-to-counter-chinas-ai-race>

¹⁰ China's Digital Silk Road (DSR) is the digital technology component of the Belt and Road Initiative. It was launched in 2015 and serves as Beijing's major channel to engage Global South countries on the development of digital infrastructure, and increasingly artificial intelligence. The DSR was initially focused on hard connectivity (for example, data centers, fiber and cable connectivity, telecom networks, etc). In the last few years, the DSR has expanded to include “soft connectivity” including AI governance, standards-setting, and capacity building. For more description, see the Atlantic Council's DFRLab, AI Cooperation under the Shadow of China's Digital Silk Road

¹¹ <https://x.com/UnderSecE/status/2077478984531472434>

¹² <https://www.bhfs.com/insight/state-department-expands-pax-silica-initiative-at-2026-summit/>

¹³ <https://www.state.gov/releases/office-of-the-spokesperson/2026/06/outcomes-of-the-second-pax-silica-summit>

