

MNI POLITICAL RISK ANALYSIS - US Daily Brief 06 Jan-26

by Tom Lake

MNI (London)

The White House (times subject to change)

10:00 ET 15:00 GMT	President Trump delivers remarks at the House GOP member retreat. Washington, D.C.
14:30 ET 19:30 GMT	President Trump participates in a policy meeting, Oval Office (closed press)

Key Dates:

- ❖ Jan. 30: Government funding expires
- ❖ Jan. 31: Texas' 18th congressional district special election (runoff)
- ❖ April 16: New Jersey's 11th congressional district special election
- ❖ Nov. 3: Midterm elections

Washington

Speaker Mike Johnson (R-LA) convenes House Republicans for a new year members' retreat, taking place at the newly rebranded 'Trump-Kennedy Center for the Performing Arts' in Washington, D.C. President Donald Trump is due to deliver remarks to the assembled lawmakers at the start of the all-day session at around 10:00 ET 15:00 GMT. These will be the first direct comments from the president to any members of Congress since the operation to capture Venezuelan President Nicolás Maduro over the weekend.

- The closed-door retreat will be the first opportunity for Republican lawmakers to meet in person since the Christmas recess. The primary topic of conversation and debate will be on strategies the Republican party could or should deploy to try and maintain their (razor-thin) House majority ahead of the midterms in November. Punchbowl News reports Trump is expected to address Republican 'wins' in 2025, rather than the situation in Venezuela.
- The news cycle has been dominated by foreign policy issues of late (see more on this below). However, for rank-and-file GOP House members, the two major topics that are likely to determine whether they hold onto their seats are likely to be healthcare and 'affordability', the latter covering a broad range of cost-of-living issues ranging from housing costs to food prices to energy bills.
- Agreeing on a plan, or at least the initial stages of a legislative framework, to address these two perennial thorns in the side of the House GOP leadership will be one of the primary aims of the retreat.
- Committee chairs are also expected to outline their policy proposals, and offer views on the prospect of a second significant 'megabill' along the lines of 2025's One Big

Beautiful Bill Act (passed along party lines) as well as how a budget reconciliation bill may get passed.

- Politico [highlights](#) a letter sent by members of the hardline conservative House Freedom Caucus on 5 January. In the letter, the HFC makes 16 key demands on what it views as key legislative aims for 2026. These include reducing/keeping flat discretionary government spending, enshrining President Trump's border policies into law, freezing all immigration into the US, banning the Federal Reserve from creating a digital currency, and banning stock trading for all members of Congress.

On the fifth anniversary of the Capitol riots, House Democrats are holding a presentation at 10:00 ET 15:00 GMT at the Capitol involving witnesses to the events of 6 January 2021 and those involved in the subsequent prosecutions. At 11:45 ET 16:45 GMT, a group of pardoned January 6 protesters will begin a march to the Capitol from the Ellipse, with the event named as a memorial for Ashli Babbitt, who was shot and killed by Capitol police during the rioting.

Venezuela

Detained Venezuelan President Nicolás Maduro appeared in a New York City courtroom on 5 January, where an arraignment was held for him and his wife, Cilia Flores, who face charges related to drug trafficking and weapons possession. Maduro and Flores both confirmed their names, with Maduro earning a chastisement from 92-year-old Judge Alvin Hellerstein after launching into a diatribe about his capture when asked to confirm his identity. During the course of the hearing, Maduro said he had been 'kidnapped', and when a man in the public gallery shouted that Maduro would "pay" for his crimes, the ousted Venezuelan leader said he was a "prisoner of war". Maduro and his wife both pleaded not guilty to the charges. Neither requested bail (although they can do at a later date), meaning for now both will stay in federal custody at a New York jail. The next court hearing has been scheduled for 17 March.

- On Monday evening, the 'Gang of Eight' (House Speaker and Minority Leader, Senate Majority and Minority Leaders, Chair and Ranking member of House Intelligence Committee, Chair and Ranking member of Senate Intelligence Committee), in addition to the chair and ranking members of the House and Senate Armed Services and Foreign Affairs/Relations committees, were provided with a classified briefing lasting over two hours on the operation to capture Maduro, and the aims of the White House in Venezuela in the weeks, months, and years ahead.
- Secretary of State Marco Rubio, Defense Secretary Pete Hegseth, Attorney General Pam Bondi and CIA Director John Ratcliffe all delivered briefings. As would be expected, Republican and Democrat figures had differing opinions on the situation. Speaker Johnson said the operation was not an act of war (thereby not requiring Congressional approval) as there are no US forces in Venezuela and no occupation. Senate Minority Leader Chuck Schumer (D-NY) said the "extensive" briefing raised *"far more questions than it answered,"* adding *"Their plan for the US running Venezuela is vague ... based on wishful thinking and unsatisfying"*. Speaking on the Senate floor, Schumer said, *"The danger in Venezuela is only beginning. Donald Trump has opened a Pandora's box, and things will get out of hand very quickly."*

- Johnson confirmed that a wider briefing for all members of the House of Representative is set to take place on Wednesday, 7 January. The Senate is also expected to be briefed on the same day, although this has not yet been confirmed.
- The messaging from Trump and Rubio regarding the medium-to-long-term future of Venezuela remains divergent. Following the briefings, Johnson and Sen. Ted Cruz (R-TX) both indicated positivity towards the prospect of “free and fair elections” that could take place “in short order”. However, a report from Politico [claims](#) that Trump’s conditions for interim Venezuelan President Delcy Rodriguez extend to “*cracking down on drug flows; kicking out Iranian, Cuban and other operatives of countries or networks hostile to Washington; and stopping the sale of oil to U.S. adversaries,*” with no mention of democratic reforms, elections, or transition to an opposition-led government.

Congressional Business

The House is IN

The Senate is IN

- ❖ 18:45 ET 23:45 GMT: HOUSE: Rules; Considers appropriations ‘minibus’, for Commerce, Justice, Science, Energy and Water Development, and Interior and Environment; bill to reduce bureaucracy and temper energy efficiency regulations in manufactured housing; and bill to enshrine President Trump’s EO removing regulations on water flow for shower heads in law.

The three-bill ‘minibus’ spending package put forward by House and Senate appropriators on 5 January looks set to face a House vote on Thursday, 8 January after the Rules committee takes it up this evening. The USD180bln package covers Commerce-Justice-Science, Interior and Energy and Water spending bills for FY2026, and has the backing of Speaker Johnson, Minority Leader Hakeem Jeffries (D-NY), and the ranking members of the Senate and House Appropriations committees, Sen. Patty Murray (D-WA) and Rep. Rosa DeLauro (D-CT). In a sign of the broad bipartisan backing for the bills (and likely desire to avoid a government shutdown on 30 January), chair of the House Freedom Caucus Rep. Andy Harris (R-MD) said the minibus was “*a good first step to actually lowering spending next year to control our runaway federal debt.*”

Legislation that would extend enhanced Affordable Care Act premium subsidies for three years is face a procedural vote on Wednesday, 7 January, with a final vote on Thursday, 8 January. A rebellion by Republican moderates late in 2025, voting in favour of a discharge petition from Minority Leader Jeffries, is likely to prove a further blow to Speaker Johnson’s waning authority.

On Thursday, 8 January the Senate is set to hold a vote on a war powers resolution put forward by Sen. Tim Kaine (D-VA) that looks to put a stop to President Trump’s actions in Venezuela. Kaine has also talked of holding votes related to other countries coming under Trump’s crosshairs, including Mexico, Colombia, Cuba, and Greenland. As Punchbowl News reports, “*The Venezuela resolution isn’t likely to go anywhere, even if it passes. The White House is already working overtime to try to hold Republicans together. There were just two GOP defections — Sens. Lisa Murkowski of Alaska and Rand Paul of Kentucky — on a*

previous war power effort centered on the wave of deadly U.S. boat strikes...Plus, there's no guarantee that a GOP-run House will approve it."

Greenland

Following the operation to detain Venezuelan President Nicolas Maduro, there has been increased speculation that President Trump will look to take control of the Danish autonomous territory of Greenland. Since returning to office in January 2025, Trump has repeatedly spoken about his view that the US "needs" to control Greenland for national security reasons.

- Speaking to NBC News on 5 January, Trump reiterated this stance, saying: *"We need Greenland for national security, and that includes Europe... You know I'm very loyal to Europe. We need it for national security, right now... I think that Greenland is very important for the national security of the United States, Europe, and other parts of the free world."* He said that there was "no timeline" for the US taking action, but that he is "very serious" about it.
- Earlier in the day, one of Trump's senior-most aides, Stephen Miller, asked in an interview with CNN, *"Can you rule out that the US is going to take Greenland by force?"* Miller replied, *"Greenland should be part of the US. By what right does Denmark assert control over Greenland? The US is the power of NATO... Nobody is gonna fight the US militarily over Greenland"*. After the operation to capture Maduro, Miller's wife (conservative podcaster Katie Miller) posted a picture on social media of Greenland coloured in with the US flag with the caption 'SOON', drawing criticism from Danish and Greenlandic politicians.
- Greenlandic and Danish leaders delivered their most forceful verbal opposition to any prospect of the US taking over Greenland. Greenlandic PM Jens Frederik Nielsen posted on social media on 4 January, *"We have been the USA's close and loyal friend for generations. That is why the current and recent rhetoric from the US is completely unacceptable.[...] Enough is enough. No more pressure. No more insinuations. No more fantasies of annexation."*
- Danish PM Mette Frederiksen said on 5 January that Trump should be taken *"seriously when he says he wants Greenland."* Adding *"But I will also make it clear that if the U.S. chooses to attack another NATO country militarily, then everything stops, including NATO and thus the security that has been established since the end of the Second World War"*.
- On 6 January, PM Frederiksen's office issued a [statement](#) signed by the leaders of France, Germany, Italy, Poland, Spain, and the UK saying that 'Greenland belongs to its people', that security in the Arctic was a priority for NATO and that European countries are stepping up, but that *"sovereignty, territorial integrity and the inviolability of borders"* must be upheld.

Global Tax Deal

The Organisation for Economic Cooperation and Development (OECD) announced on 5 January that more than 145 countries had reached an agreement on altering the 2021 global minimum corporate tax rate pact in order to assuage US objections. The 2021 agreement saw a 15% global minimum corporation tax rate agreed to, intended to block multinational

corporations from offshoring their profits to low or no-tax countries despite operating in numerous countries.

- The changes, pushed hard by the Trump administration and congressional Republicans, will see the carve-outs and simplifications intended to assuage concerns that US firms could be unfairly penalised by the minimum tax rate.
- Treasury Secretary Scott Bessent [said](#) that *"This agreement represents a historic victory in preserving U.S. sovereignty and protecting American workers and businesses from extraterritorial overreach."*
- ABC News [cites](#) Zorka Milin, policy director at the FACT Coalition, a tax transparency nonprofit, claiming that *"This deal risks nearly a decade of global progress on corporate taxation only to allow the largest, most profitable American companies to keep parking profits in tax havens."*

Iran

Protests across the country against the government are continuing into a tenth day on 6 January, with a crackdown from the regime's security forces resulting in the death of at least 25 protesters (including four minors) according to Kurdish Iranian rights group Hengaw. The HRANA human rights activist network puts the death toll at 29, including two members of law enforcement. Over 1,000 are reported to have been arrested as part of the crackdown.

- The regime is attempting to portray the unrest as two separate causes. The first being merchants, angry about high inflation and the devaluation of the rial currency, which has squeezed living standards. The Speaker of the Iranian Parliament, Mohammad Baqer Qalibaf, said that "legitimate demands" in this area must be heeded. As Reuters [reports](#), *"The government has announced a subsidy reform, removing preferential currency exchange rates for importers in favour of direct transfers to Iranians to boost their purchasing power for essential goods. The measure will come into force on January 10. The central bank chief was also replaced on December 29."*
- The regime identifies the second group as 'agitators' backed by foreign powers, intent on undermining national unity. Supreme Leader Ayatollah Ali Khamenei said the *"rioters should be put in their place"*. Police Chief Ahmadreza Radan said earlier today that *"...we will deal with the last of these rioters. It is still time for those who were deceived by foreign services to identify themselves and draw on the Islamic Republic's greatness."*
- On 4 Jan, US President Donald Trump reiterated his threat to Tehran, saying *"We're watching it very closely. If they start killing people like they have in the past, I think they're going to get hit very hard by the United States"*. Given the US's operation to detain and extradite Venezuelan President Nicolas Maduro, the context of Trump's comments will be taken seriously in Tehran.
- Aboard Air Force One on 4 January, US Senator Lindsey Graham (R-SC) posed next to Trump, who was holding a black cap with the words 'Make Iran Great Again' embroidered on it. Speaking beforehand, Graham said Trump *"has not turned his back on the people of Iran"*, adding, *"So I pray and hope that 2026 will be the year that we make Iran great again"*.

- As is often the case with mass protests, it is almost impossible to determine beforehand at what point they hit 'critical mass' where they pose an existential threat to the incumbent government. Nevertheless, if these demonstrations continue into the medium term, the regime may be forced to implement a much harsher crackdown or embark on significant reforms, or risk ouster.
- Senior Researcher at UN Institute for Disarmament Research Abdolrasool Divsallar [posts on X](#), "*Iran's Defense Council released a statement, likely in response to recent U.S. threats and speculation about war. The statement introduces an important new element: highlighting a possible [Iranian] preemptive action (strike) as a means of legitimate defense.*" The prospect of 'preemptive' action by Iran against US forces in the region or Israel would significantly increase the risk of direct international conflict.

Ukraine

Leaders of the 'Coalition of the Willing' are meeting in Paris, France. The main points of discussion are the meeting between Ukrainian President Volodymyr Zelenskyy and President Trump at the latter's Mar-a-Lago club in late December, and "concrete" security guarantees the coalition could offer Kyiv. The 'coalition' brings together Ukraine's Western allies that have committed to supporting Ukraine militarily and financially following any eventual peace deal, including with peacekeeping troops on the ground.

- Zelenskyy is in attendance, as is NATO Secretary General Mark Rutte and European Commission President Ursula von der Leyen. While the US is not part of the 'Coalition', special envoy Steve Witkoff and Trump's son-in-law Jared Kushner are both in Paris for the summit.
- Politico: "*Europeans are much happier with the U.S. than they were just a few weeks ago, as the Americans commit to stronger security guarantees for Ukraine that might include intelligence to help monitor the peace and even the presence of some U.S. troops.*" The major obstacle remains Russia, with Moscow giving no indication that it is willing to accept European security guarantees.
- Reuters reports that, according to a draft joint statement from the summit, the US, Ukraine and the Coalition have agreed to establish a 'coordination cell' at the Coalition's HQ in Paris. The draft says the Coalition's agreement will include '*binding commitments to support Ukraine in the case of a future armed attack by Russia in order to restore peace,*' and that the members of the Coalition '*stand ready to commit to a system of politically and legally binding guarantees that will be activated once a ceasefire enters into force*'. All countries will participate in a '*US-led ceasefire monitoring and verification mechanism.*'

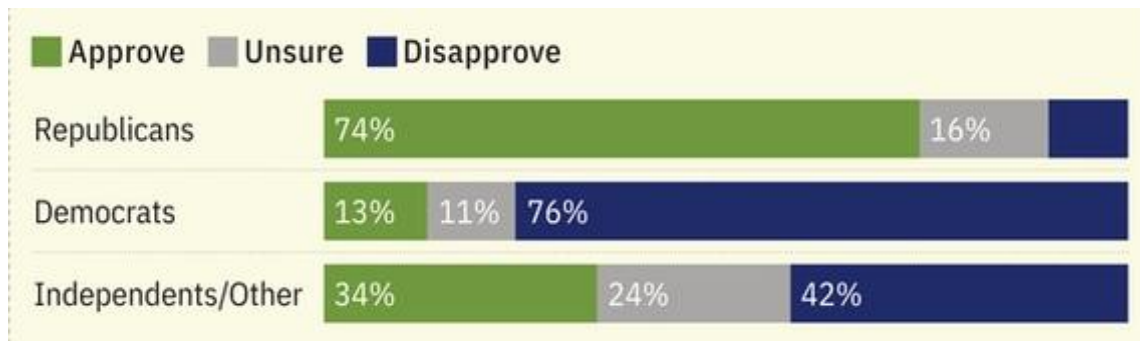
Poll of the Day

A poll from the Washington Post, carried out in the immediate aftermath of the operation to detain Venezuelan leader Nicolás Maduro, showed a broad partisan split on Americans' support for the action.

- Respondents identifying as Republicans backed the action by a margin of 74% approving to 10% who disapprove.

- These numbers were almost mirrored among Democratic respondents, who disapproved by a margin of 76% to 13%.
- Independents and others were more evenly split, with 42% disapproving and 34% in favour.

Figure 1. Americans' View of the US' Operation in Venezuela, %



Source: Washington Post, Semafor. N.b. Fieldwork 3-4 Jan, 1,004 respondents, Moe +/-3.5%.

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