

MNI POLITICAL RISK ANALYSIS - Week Ahead 4-10 August

by Tom Lake

(MNI) London – All timings are subject to change.

Monday 4 August:

- **US-Germany:** US Secretary of the Treasury Scott Bessent hosts German Finance Minister Lars Klingbeil in Washington, D.C., in the latter's first visit to the US capital in office. The two are set to discuss trade and transatlantic ties in the aftermath of the agreement of a tariff deal between the US and EU that will see 15% tariffs imposed on many EU exports to the US. Klingbeil is expected to push for a quota system for EU steel exports, while also seeking clarification from Bessent, viewed as a moderate figure within the Trump administration, on the investments in the US pledged by the EU as well as the energy sector.
- **United States:** While there is no confirmed date yet, reports suggest that Senate minority leader Chuck Schumer (D-NY) and House Minority Leader Hakeem Jeffries (D-NY) are seeking a 'Big Four' meeting with Senate majority leader John Thune (R-SD) and Speaker of the House of Representatives Mike Johnson (R-LA) this week to discuss FY2026 funding. The House and Senate are both on recess until 2 September, but Congress then faces a race to reach a deal on federal funding or risk a government shutdown from 30 September.
- **India-Philippines:** Indian Prime Minister Narendra Modi holds meetings with Philippine President Ferdinand 'Bongbong' Marcos Jr. as part of the latter's multi-day visit to India running to 8 August. The two leaders are set to discuss topics including deepening economic cooperation and enhancing maritime links. On 1 August, three Indian Navy destroyers arrived in Manila to engage in joint patrols with Philippine ships in the South China Sea. Relations between the Philippines and China remain strained over territorial claims in the South China Sea, while India and China sit as two of the major geostrategic competitors in Asia.
- **Colombia:** An appeal hearing is scheduled to take place for former President Álvaro Uribe, who was sentenced to 12 years of house arrest last week following his conviction on charges of bribery and witness tampering. Conservative Uribe, who served in office from 2002-10, remains an influential figure in Colombia's political landscape with the next presidential election taking place in 2026 and Uribe's Democratic Centre party due to play a significant role. The party has called for public protests on 7 August to show their support for Uribe.
- **United States:** Democratic members of Texas' state legislature have fled the Lone Star State in an effort to deny the Texas House of Representatives a quorum and stop the controversial redrawing of state congressional boundaries that could aid the Republicans in keeping hold of the US House of Representatives in 2026. Governor Greg Abbot has set a deadline of 15:00 local time for the lawmakers to return to the state or risk being removed from office (it is unclear whether the governor would have

the power to do so). The current special session of the legislature began on 21 July and runs for 30 days, with Democrats looking to run down the clock.

- **South Korea:** In an effort to reduce tensions with Pyongyang, South Korea began the process of dismantling loudspeakers along the demilitarised zone border with North Korea. The liberal Democratic Party of Korea, from where President Lee Jae-myung hails, has historically sought to lower the political temperatures between the two sides, in comparison to the more combative conservative stance of former President Yoon Suk-yeol.
- **Egypt:** Elections for the Senate, the upper chamber of the Parliament of Egypt, get underway. Of the 300 Senate seats, 200 are elected via the ballot box, while another 100 are appointed by the president. Parties loyal to President Abdel Fattah el-Sisi are seen as effectively certain to retain a majority. Voting continues on 5 August.
- **Canada:** Market holiday for Civic/Provincial Day.

Tuesday 5 August:

- **Mexico-Canada:** Canadian Finance Minister François-Philippe Champagne and Foreign Affairs Minister Anita Anand visit Mexico City for two days of talks with senior officials, including President Claudia Sheinbaum. Discussions are set to focus on bilateral trade and cooperation amid both countries' efforts to reach deals with the United States and avoid/reduce the 'reciprocal' tariffs from the White House. Last week, Mexico secured a 90-day extension to its negotiating period, while Canada faces 35% levies from 7 August (see below).
- **Turkey:** The Parliamentary Commission for Peace and Democratic Society meets for the first time. The Commission, formed by 51 lawmakers, is intended to oversee the process of the disarmament of the Kurdistan Workers' Party (PKK) as part of the landmark peace deal. The Commission contains representatives from across the political spectrum, from President Recep Tayyip Erdogan's Justice and Development Party, to the main opposition Republican People's Party, as well as the Kurdish-interest People's Equality and Democracy Party and the far-right Nationalist Movement Party.
- **Peru-Japan:** Peruvian President Dina Boluarte leaves for Japan for a multi-day state visit, where she will meet with PM Shigeru Ishiba, as well as being granted an audience with Emperor Naruhito. Boluarte will also visit the Expo 2025 in Osaka as part of her visit, running to 10 August. Peru's sizeable population of individuals of Japanese ancestry means the two countries maintain close diplomatic relations.
- **Croatia:** Market holiday for Victory Day.

Wednesday 6 August:

- **Poland:** Historian Karol Nawrocki will be inaugurated as Poland's next president, taking over from the incumbent Andrzej Duda. While nominally an independent, Nawrocki, like his predecessor Duda, was backed by the main opposition right-wing conservative Law and Justice Party. Nawrocki's win in the 1 June presidential election dealt a significant blow to the centrist liberal coalition of PM Donald Tusk. The president holds significant powers in terms of being able to propose and veto

legislation, while also playing a notable role in foreign policy and representing Poland on the international stage.

- **US-Russia:** Russian state media has reported that US Middle East envoy Steve Witkoff is expected to meet Russian President Vladimir Putin. This comes ahead of the deadline set by US President Donald Trump for Russia to agree to a ceasefire in Ukraine or risk a significant increase in sanctions (*see 8 August below*).
- **Japan:** Taro Kono, a prominent lawmaker from the governing Liberal Democratic Party, speaks at a [press conference](#) at the Foreign Correspondents' Club of Japan in Tokyo regarding the state of the LDP and Japanese politics in general. Kono has held numerous ministerial positions, and has run for the party leadership in previous years. Comes with PM Shigeru Ishiba under significant pressure following the LDP's poor performance in recent upper house elections (*see 8 August entry*).
- **Peru:** Market holiday for Battle of Junín Day.

Thursday 7 August:

- **United States:** Having announced the imposition of 'reciprocal' tariffs and confirmed the rates countries will face on 1 August, these levies are due to come into force from 7 August. While some countries, such as Mexico, have secured a lengthy extension to their tariff reprieve, many others will seek to use the last few days before 7 August in an effort to secure at least a framework agreement with the US that could avoid the higher tariff rates.
- **Thailand-Cambodia:** Defence ministers from Thailand and Cambodia meet in Malaysia to finalise agreements related to border security and ensuring a ceasefire following the outbreak of violent conflict in late July. This meeting follows a three-day secretariat-level meeting of the General Border Committee intended to set out the groundwork for a long-term peace agreement ahead of the defence ministers' meeting.
- **Colombia:** Market holiday for Battle of Boyacá Day.

Friday 8 August:

- **US-Russia:** US President Donald Trump has set a deadline for Russia to stop the war in Ukraine or risk a major escalation in sanctions. While there has been little in the way of specifics, there is the prospect of a significant escalation should the White House impose 100% tariffs on the buyers of Russian hydrocarbons as part of 'secondary sanctions'. The deadline comes after Trump has significantly hardened his rhetoric towards Russia and President Vladimir Putin with regards to the continued missile and drone strikes on Ukrainian cities.
- **Japan:** The governing Liberal Democratic Party (LDP) holds a general assembly of lawmakers from both chambers of the National Diet. The meeting has been convened to discuss the poor results for the governing coalition in the 20 July House of Councillors election, in which the government lost its majority. Prime Minister Shigeru Ishiba is under significant pressure, with hardliners on the right of the party openly calling for his resignation or a snap leadership election. The general assembly could be the spur for Ishiba to hand in his notice, or start the formal process of triggering a leadership vote.

- **Brazil:** Deadline for President Luiz Inacio Lula da Silva to approve or veto, either partially or entirely, a bill establishing a new General Environmental Licensing Law. The legislation was approved in the Chamber of Deputies in July, but there is significant opposition to the measure from environmental campaigners who argue the measures could result in major deforestation in the Amazon.

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