

MNI POLITICAL RISK ANALYSIS - US Daily Brief 08-10-25

by Adam Burrowes

The White House *(times subject to change)*

11:30 ET 16:30 BST	President Trump receives his Intelligence Briefing
15:00 ET 20:00 BST	President Trump participates in a Roundtable on ANTIFA

KEY DATES:

- ❖ China tariff truce expires: November 10

Washington

President Donald Trump will receive an intel briefing in the morning before participating in a “roundtable on ANTIFA” at 15:00 ET 20:00 BST. Trump designated the group a terrorist organisation last month, although the consequence of the move is unclear, as a terrorist designations traditionally require Congressional approval.

- The roundtable is likely to focus on ANTIFA’s alleged actions in Portland, Oregon, as the Trump administration looks to sidestep courts to send National Guard troops to the city. (More on that below)

Politico [reports](#) that “the Trump administration has pushed back its plans to roll out economic aid for farmers this week due to the government shutdown.”

- “The Office of Management and Budget has readied between \$12 billion and \$13 billion to be allocated from an internal USDA account, some of which could be used to fund the bailouts for farmers hurt by President Donald Trump’s tariffs and other economic headwinds,” according to four sources.

Semafor [reports](#) that the Trump administration, “is considering cancelling an additional \$12 billion in funding for clean energy projects beyond what it announced last week.

- “The “kill list,” as it was described to Semafor ... would amount to an escalation of Trump’s assault on his predecessor’s climate policies. The list includes major carbon removal and hydrogen efforts that had been approved by the Biden administration, such as projects led by major oil and gas companies like Chevron and Occidental. But it’s not clear whether, or when, the full list of cancellations will be enacted, or if Trump is instead looking to use them as leverage in shutdown negotiations.”

Government Shutdown Day 8

Senate Majority Leader John Thune (R-SD) has teed up a sixth vote on the duelling Republican and Democratic government funding measures at 11:20 ET 16:20 BST, after punting planned votes on Tuesday. Both bills are expected to fail again without any change to the vote share.

- At 10:00 ET 15:00 BST, House Speaker Mike Johnson (R-LA) will be joined by House Republican leadership for a press conference. GOP leadership will put up a

unified front after House Minority Leader Hakeem Jeffries (D-NY) yesterday broadsided his Democrat colleagues by declaring a bipartisan effort to extend expiring Obamacare subsidies for one year, a potential offramp out of the shutdown, “a laughable proposition,” and a “nonstarter.”

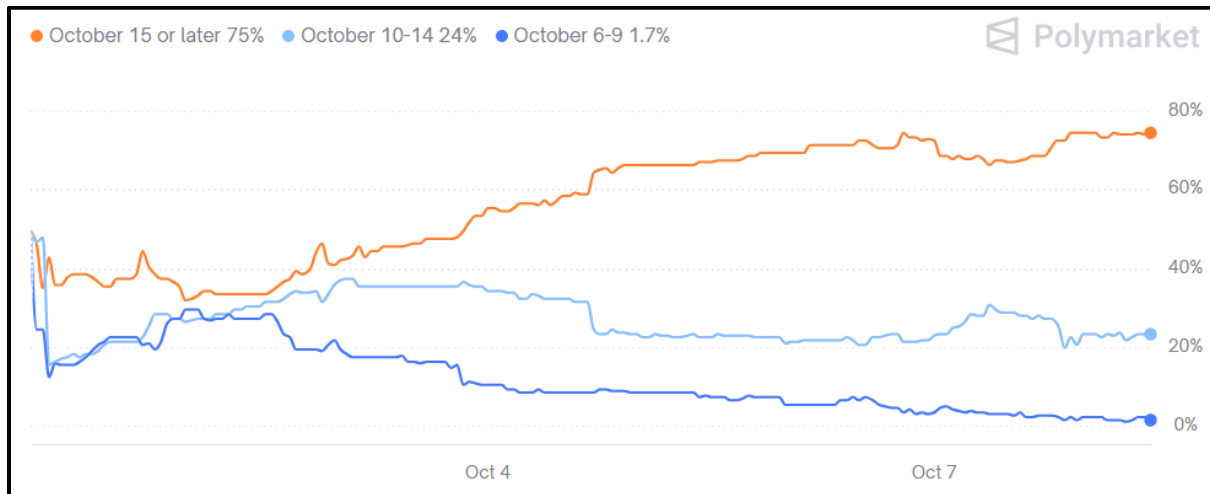
However, Republicans appear to be struggling to alight on a clear strategy for ramping up pressure on Democrats. Earlier this week, Trump undermined Republican messaging by hinting at a bipartisan deal on Obamacare, before walking it back.

- The White House has also offered mixed messaging on federal layoffs, threatening mass firings, without issuing any reduction-in-force notices to government agencies. Moreover, Thune and Johnson offered a rare rebuke to Trump by ruling out a reported plan to deny backpay to furloughed workers. Politico asks, “are Democrats actually winning the shutdown war?”
- The New York Times reports that Trump “has conceded that he and his party could face political pain from rising premiums, stiffening Democrats’ spines as they demand a subsidy extension.” According to the Times, Democrats believe “Trump, who has long been sensitive to the political perils of health care issues for Republicans, could be the key to winning a commitment on the expiring subsidies that could end the crisis.”

While no resolution to the shutdown appears imminent, pressure will mount in the coming days as key government functions lapse. On Oct. 10, Federal workers will receive their last paychecks for September. All work after Sept. 30 is unpaid until after the government reopens.

- A Senate recess was scheduled to begin on Oct. 13. If the shutdown continues, fundraisers, local media events, and campaigning will likely need to be cancelled.
- On October 15, US troops, including active-service military personnel, will miss paychecks.
- Axios reports that, “Over the next week or so, the Supplemental Nutrition Program for Women, Infants, and Children (WIC) may run out of funding, leaving moms and children without needed food assistance,” although the White House said it has found funding to keep the program afloat longer.
- On Oct. 18, a nationwide ‘No Kings’ protest against the Trump administration is planned. Democratic lawmakers may be incentivised to keep the government shutdown until after the protest.
- On Oct. 20 and Oct. 31, respectively, Senate and House staffers will miss their first paychecks. Lawmakers will continue to be paid throughout.
- According to Polymarket, the implied probability of the shutdown extending to October 15 or beyond is 75%.

Figure 1: End Date of Govt Shutdown



Source: Polymarket

Air Travel

Axios: reports, "Air traffic controller shortages delayed thousands of flights across the country last night as overstretched staff continued to work with no pay during the government shutdown... the FAA reported staffing issues at airports in Chicago, Las Vegas, Nashville and Philadelphia, and at air traffic control centers in the Atlanta, Boston, Dallas and Houston areas."

- Axios notes, "Air travel controllers were credited with playing a key role in ending the last major shutdown in 2019... An FAA spokesperson said there have been "increased staffing shortages across the system," which Transportation Secretary Sean Duffy attributed to a small uptick in workers calling out sick."

Canada

Canadian Prime Minister Mark Carney escaped an Oval Office meeting with President Trump yesterday without a major public blowout. But there was no sign of progress towards a deal to ease tariffs or any notable announcements of USMCA negotiations.

- Meetings continue in Washington today, with Foreign Affairs Minister Anita Anand scheduled to hold an early morning meeting with Secretary of State Marco Rubio. Canada-US Trade Minister Dominic LeBlanc will stay in Washington "for the coming days" to continue talks with counterparts, per his office.
- Ahead of the bilateral meeting with Trump, Carney followed a regular playbook for world leaders. He complimented Trump on his peace initiatives and touted the financial rewards for the US, if a trade deal is struck.

Carney told Trump, "We are the largest foreign investor in the United States — half a trillion dollars in the last five years alone. Probably a trillion dollars in the next five years, if we get the agreement that we expect to get."

- When asked by reporters what he thinks is holding up a trade deal, Trump said, "Well, it's a complicated agreement, more complicated maybe than any other

agreement we have on trade because, you know, we have natural conflict. We also have mutual love.”

- Trump continued, “The problem we have is that they want a car company, and I want a car company. Meaning the US wants a car company. And they want steel, and we want steel. You know, so -- in other countries they're very far away, and there's no problem. You can compete, and you can do. We don't like to compete because we sort of hurt each other when we compete.”

Politico reports that LeBlanc told reporters on the rooftop of Canada’s embassy that the onus has shifted to him, his colleagues and Trump’s Cabinet secretaries such as Commerce Secretary Howard Lutnick and U.S. Trade Representative Jamieson Greer to “quickly land deals” in steel, aluminum and energy sectors.

- LeBlanc declined to specify when the first deals could come through, but said: “I’m more optimistic today after those discussions at the White House than I was when we arrived in Washington yesterday.”

Congressional Business

The House is OUT

The Senate is IN and re-running votes on government funding bills

Committee Schedule –

Law and Order

Hundreds of National Guard troops from Texas and Illinois have arrived in Chicago, the third Democrat-led city to receive a deployment of federal law enforcement aimed at restoring law and order.

- Politico notes, “Trump insists the National Guard are in town to fight crime and support ICE operations.. But unlike previous deployments in Los Angeles (billed as a specific response to rioting) and here in D.C. (a federally run city, where Trump can largely do what he wants) the basis for today’s move is less clear.”
- The Wall Street Journal [reports](#), “The National Guard can’t carry out arrests but might temporarily detain individuals deemed an imminent safety threat and hand them off to police. Northern Command said the troops in Illinois will be tasked with protecting federal workers and property.”

The Journal reports that Illinois governor JB Pritzker, speaking in Minneapolis, suggested that President Trump’s actions are a precursor to trying to intimidate Democratic voters ahead of next year’s midterm elections.

- Pritzker told reporters, “[Trump] wants us all, in big cities, to get used to the idea that it’s OK to have military on the streets. You are going to see soldiers outside your polling place. That’s going to intimidate a lot of people. And especially it’s going to intimidate people who are not Republicans.”

- AP reports, "the White House has defended the crackdown as an effort to control "lawlessness." In addition to plans for a Chicago deployment, the administration has also sent the National Guard to Los Angeles, Washington, D.C. and St Louis, and attempted to deploy them to Portland but was blocked by a judge over the weekend."

Gaza War

Reuters reported this morning that, according to three diplomatic sources, Secretary of State Marco Rubio is set to attend the 9 October ministerial meeting in Paris to discuss the ongoing negotiations over a Gaza peace deal, and plans for the governance of the Gaza Strip going forward. Le Figaro [reports](#) that according to a French diplomatic source, the meeting will take place at roughly 11:00 ET 16:00 BST and include European and Arab foreign ministers.

- The diplomatic source said: "The international stabilization force, transitional governance of Gaza, humanitarian aid and reconstruction, the disarmament of Hamas, support for the Palestinian Authority and Palestinian security forces will be discussed." The meeting aims to demonstrate, "the desire to work together to operationalize, in close collaboration with the United States, the main parameters of the "day after," as well as to clarify the terms of a collective commitment [to a peace deal."

Indirect negotiations on the 20-point peace deal put forward by President Trump continue in Sharm el-Sheikh, Egypt, for a third day. Egypt's al-Qahera News reports that the talks have been expanded to "the head of Egyptian General Intelligence, the Qatari Prime Minister and Foreign Minister, the head of Turkish intelligence, US envoys Steve Witkoff and Jared Kushner, and the head of the Israeli delegation, Ron Dermer, amid a positive atmosphere."

- In a potential sign of confidence towards the agreement of a ceasefire deal, Egyptian President Abdel Fattah el-Sisi has invited Trump to Egypt to attend any deal-signing ceremony.

Venezuela

Semafor reports that Senate Democrats will move to force a war powers vote over the Trump administration's strikes on alleged drug boats from Venezuela as soon as today.

- Punchbowl noted earlier this week that Senators Tim Kaine (D-VA) and Adam Schiff (D-CA) are leading a privileged resolution preventing the US military from engaging in hostilities against non-state organizations until formally authorized by Congress.
- Semafor notes, "The vote is sure to fail, but Democrats are looking to put Republicans in a tricky position over Trump's deployments in the Caribbean. The US has struck several boats allegedly carrying drugs off the coast of Venezuela and the administration informed Congress last week that the US is engaged in "armed conflict" against drug cartels."

The vote comes after the [New York Times](#) reported earlier this week that Trump has called off efforts to reach a diplomatic agreement with Venezuela, according to U.S. officials, paving the way for a potential military escalation against drug traffickers or the government of Nicolás Maduro.

- The Times writes, as flagged in this newsletter yesterday, “American officials have said that the Trump administration has drawn up multiple military plans for an escalation. Those operations could also include plans designed to force Mr. Maduro from power. Marco Rubio, the secretary of state and national security adviser, has called Mr. Maduro an “illegitimate” leader and repeatedly cited a U.S. indictment of him on drug trafficking charges.”

Edward Luce writes in [The Financial Times](#), “Right now, Venezuela is Trump’s Schrödinger’s war; it is neither happening nor not happening. But open conflict is a hair’s breadth away.”

- Luce notes, “Venezuela is irresistibly tempting to Trump as an enemy. Its role in his mind is as chief instigator of turmoil in America’s urban “war zones” where he has deployed troops — Memphis, Chicago and Portland being the latest ... There is little evidence to suggest the gang answers to Maduro. But Tren de Aragua is the domestic side of the Trump coin on which Venezuela is the foreign.”

Ukraine War

Russian Deputy Foreign Minister Sergei Rybakov told reporters this morning that the “impetus for Ukrainian settlement” that emerged after the meeting between Russian President Vladimir Putin and President Trump in Alaska “has proven to be exhausted,” per Reuters.

- Rybakov added that Russia, “urges US leadership to take a sober and responsible approach to possible transfer of Tomahawks to Ukraine,” referring to the long-range missiles that the Trump administration is weighing selling to Kyiv.

The Telegraph [reported](#) yesterday, according to Ukrainian national security figures, “Deliveries of US Tomahawk missiles to Ukraine could take months and they might never leave their launchers, but that doesn’t mean they won’t have an impact on Moscow.” The report notes that incrementally increasing Ukraine’s ability to strike within Russia will ratchet up pressure on the Kremlin.

- Trump told reporters in the Oval Office on Monday that he’s “sort of” made a decision on Tomahawks but he wants to know what Kyiv plans to do with them before approving their sale. “I am not looking to see an escalation,” he said.

In a statement on X yesterday, Ukrainian President Volodymyr Zelenskyy said “Russians are utilising tankers of their ‘shadow fleet’ – not only to finance the war, but also for sabotage and various destabilisation attempts in Europe.”

- If Zelenskyy’s accusation is substantiated, it could accelerate efforts by the European Union to enact harsher sanctions on entities involved in the so-called ‘shadow’ trade of Russian oil. Politico [reported](#) on October 6 that Brussels has “blacklisted” 444 of the 1,300 tankers known to ship Russian oil.

Chart of the Day

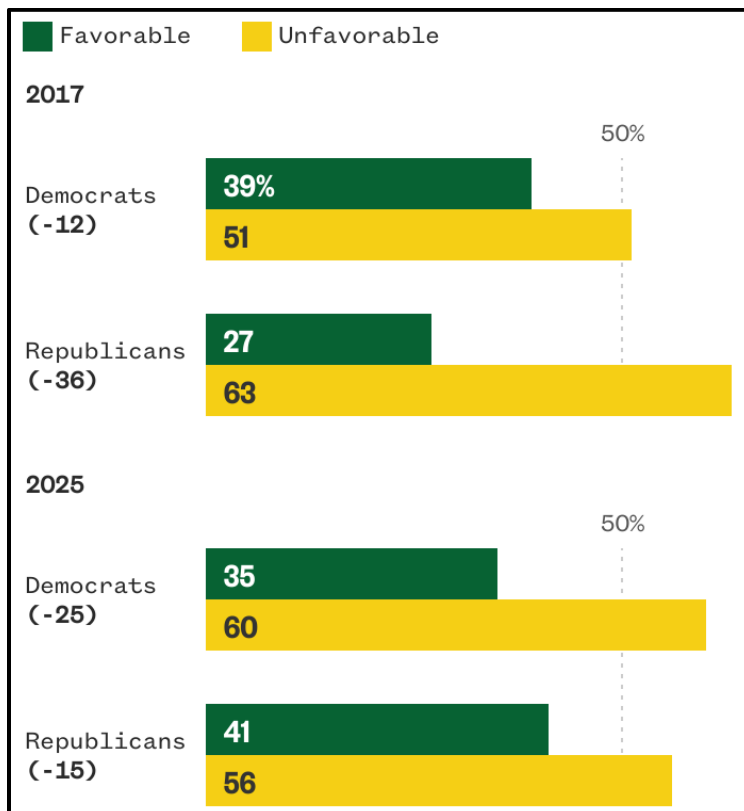
NBC News reports that polling indicates that a blue wave at the 2026 midterm elections is less assured than during the 2018 midterms, which gave Democrats control of the House.

- NBC writes, “By the fall of 2017, Trump’s first year in office, Democrats had opened a sizable advantage in the generic congressional ballot. On this day in 2017, according to the Real Clear Politics polling average, the Democratic lead was 7.8 points. It’s a margin that would more or less hold over the ensuing year, culminating in a 40-seat gain in the 2018 midterms that gave Democrats control of the House.
- “Today, by contrast, the RCP average has Democrats up by only 3 points in the generic ballot. This comes even as Trump’s overall job approval rating sits in the low-to mid-40s – similar to his first term – and as he continues to accrue negative ratings for his handling of the economy and inflation.”

NBC continues, “Views of Trump’s opposition, though, look very different today than they did eight years ago. In the run-up to the 2018 midterms, Democrats fared consistently – and significantly – better than the Republicans on party image. This time around, it’s a different story.

- “Earlier this year, Democrats registered their lowest positive rating in the history of our NBC News poll, which dates back more than three decades. Similar findings have emerged in other surveys.”

Figure 2: How Views of the Two Parties have Changed Since Trump’s First Term



Source: NBC News

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