

## MNI POLITICAL RISK ANALYSIS - US Daily Brief 18-02-26

by Adam Burrowes

### The White House *(times subject to change)*

13:00 ET 18:00 GMT	Press Briefing by the White House Press Secretary Karoline Leavitt
14:00 ET 20:00 GMT	President Trump participates in a Black History Month event, East Room, Open Press
16:00 ET 21:00 GMT	President Trump participates in Signing Time, Oval Office, Closed Press
16:30 ET 21:30 GMT	President Trump participates in a Policy Meeting, Oval Office, Closed Press

#### Key Dates:

- ❖ *April 16: New Jersey Special Election*
- ❖ *March 3: Texas/North Carolina Senate Primaries*
- ❖ *March 10: Georgia Special Election*

### Washington

US President Donald Trump will participate in a Black History Month event at 14:00 ET 19:00 GMT, before participating in what the White House calls 'signing time' in the Oval Office at 16:00 ET 21:00 GMT and a policy meeting at 16:30 ET 21:30 GMT.

- Trump's Black History Month event may offer reporters a first opportunity to directly question Trump live this week. White House Press Secretary Karoline Leavitt will brief reporters at 13:00 ET 18:00 GMT.
- Tomorrow, Trump will travel to Rome, Georgia, to deliver remarks on the economy and affordability. The trip comes ahead of a special election in the district on March 10 to fill the seat vacated by former Congresswoman Marjorie Taylor Greene, with whom Trump had a public falling out over the Epstein files.

The majority of the Cabinet met with Trump's Chief of Staff Susie Wiles and Deputy Chief of Staff James Blair at the White House yesterday for "a closed-door strategy session focused on how to sell Trump's agenda and sharpen the GOP's midterm message," per Politico.

- According to Politico, the meeting, which did not include Trump, centred on messaging, polling and the electoral map, with White House and political aides walking through data on key battlegrounds and outlining the need for Cabinet officials to serve as more active surrogates.

The Pentagon announced yesterday it carried out three more lethal strikes on alleged drug boats in the Eastern Pacific and Caribbean. US Southern Command said in a [statement on X](#), "Eleven male narco-terrorists were killed during these actions, 4 on the first vessel in the Eastern Pacific, 4 on the second vessel in the Eastern Pacific, and 3 on the third vessel in the Caribbean. No US military forces were harmed."

- The strikes come as the Pentagon continues to redeploy naval assets from Latin America to the Middle East to bolster defensive posture during nuclear talks with Iran. (More on Iran below)

The Hill [reports](#), per data from the IRS, “The average tax refund is up 10.9% compared with the same period a year ago... Through Feb. 6, the average refund has reached \$2,290 versus \$2,065 at the same point in 2025.”

- According to the report, “The average is expected to rise in the weeks ahead since the current figures do not include millions of Earned Income Tax Credit and Additional Child Tax Credit refunds, the IRS said.”

US Energy Secretary Chris Wright said Tuesday that the US could withdraw from the International Energy Agency, unless the organisation scales back climate advocacy.

- “We’re definitely not satisfied,” Wright said ahead of an IEA ministerial meeting opening Wednesday. The agency must complete reforms “for the US to remain a long-term member,” he said, per [Bloomberg](#).
- Wright said, “If it goes back to what it was — it was a fabulous international data recording agency, it was getting into critical minerals, was focused on big energy issues — we’re all in on that. But if they insist that it’s so dominated and infused with climate stuff — yes, then we’re out.”

## Japan

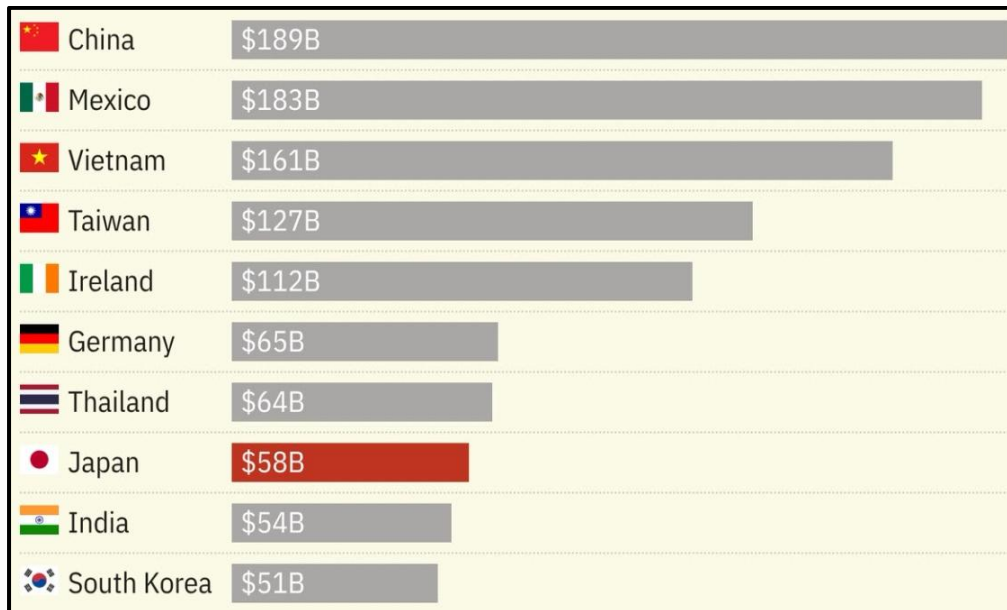
Trump wrote on [Truth Social](#) yesterday that Japan plans to invest up to USD\$36 billion in US energy and critical minerals projects in Texas, Ohio, and Georgia, as part of the US-Japan trade agreement. The announcement could have political implications as Georgia and Texas both host critical Senate races at November’s midterm elections.

- Trump wrote, “Our MASSIVE Trade Deal with Japan has just launched! Japan is now officially, and financially, moving forward with the FIRST set of Investments under its \$550 BILLION Dollar Commitment to invest in the [US]... The scale of these projects are so large, and could not be done without one very special word, TARIFFS.”
- Trump announced three projects, “in the Strategic Areas of Oil & Gas in the Great State of Texas, Power Generation in the Great State of Ohio, and Critical Minerals in the Great State of Georgia.” Commerce Secretary Howard Lutnick noted that Japan plans to invest USD\$33 billion in a gas power plant in Ohio, characterised by Trump as “the largest in History.”

Japanese Prime Minister Sanae Takaichi said the projects were designed to build resilient supply chains through cooperation in areas crucial for economic security, including critical minerals, energy and artificial intelligence, per [Bloomberg](#).

- “We believe this initiative is fully aligned with its core objectives: promoting mutual benefits between Japan and the United States, ensuring economic security, and fostering economic growth,” she said.
- Semafor notes, “As part of last year’s deal, Washington agreed to reduce tariffs on Japanese exports, namely cars, although it could reinstate them if Tokyo fails to meet its commitments.”

## Figure 1: Largest US Goods Trade Deficits by Country



Source: Semafor

## Iran

Iranian and US officials both expressed cautious optimism that a nuclear deal could be reached to avert conflict after a second round of indirect talks in Geneva, Switzerland. The discussion appears to have included an informal exchange of proposals, after the first round of talks in Oman earlier this month focused mainly on the format of talks, rather than substantive details of a new nuclear deal.

- Iran's foreign minister, Abbas Araghchi, said an agreement was reached on a "set of guiding principles" for a potential deal and noted that Tehran and Washington will exchange drafts on a potential agreement. However, Araghchi [cautioned](#) that a deal was not imminent. "Good progress was made; the path ahead is clearer. Drafting will be hard work, but the path has started. The atmosphere was more constructive than the previous round," he said.

A US official indicated the administration expected Iran to return with more detailed follow-up proposals within two weeks. "The Iranians said they would come back in the next two weeks with detailed proposals to address some of the open gaps in our positions," the US official said, per Laura Rozen at Diplomatic.

- Oman Foreign Minister Badr Albusaidi, the intermediary in yesterday's talks, [wrote](#) on X, "Today's indirect negotiations... concluded with good progress towards identifying common goals and relevant technical issues. Together we made serious efforts to define a number of guiding principles for a final deal... Much work is yet to be done, and the parties left with clear next steps before the next meeting."

Vice President JD Vance was more circumspect in an interview with [Fox News](#). He said that the US said, "in some ways it went well, they agreed to meet afterwards. But in other ways, it was very clear that the president has set some red lines that the Iranians are not yet willing to acknowledge and work through."

- He added, "Our primary interest here is we don't want Iran to get a nuclear weapon. We don't want nuclear proliferation." Vance continued, "We would very much like, as [Trump] has said, to resolve this through a conversation and a diplomatic negotiation, but [Trump] has all options on the table."
- Vance's concession that Iran is not yet even prepared to *acknowledge* US 'red lines' is a signal that the two sides remain far apart, despite suggestions that progress has been made.

While the general thrust of the post-talks coverage has been positive, Axios [reports](#), "*The Trump administration is closer to a major war in the Middle East than most Americans realize. It could begin very soon.*" The report notes, "... sources noted it would likely be a joint US-Israeli campaign that's much broader in scope — and more existential for the regime — than the Israeli-led 12-day war last June..."

- Axios notes, "Trump's armada has grown to include two aircraft carriers, a dozen warships, hundreds of fighter jets and multiple air defense systems. Some of that firepower is still on its way. More than 150 US military cargo flights have moved weapons systems and ammunition to the Middle East. Just in the past 24 hours, another 50 fighter jets — F-35s, F-22s and F-16s — headed to the region."

Conversely, Bloomberg [reports](#), "Unless he's calling Tehran's bluff, [Trump] looks like he will hold off attacking Iran, at least for the next two weeks... For now, Trump looks sincere in trying to give the talks a chance. But he's wary of Iran dragging them out and he won't give Khamenei much time to reach an agreement."

- However, as Barak Ravid at Axios [pointed out on X](#) yesterday, "On June 19 2025 the White House said Trump would decide "within two weeks" on diplomacy Vs. strike. Three days later he ordered operation "Midnight Hammer"."

Israeli Iran expert Raz Zimmt, director of the Iran program at the INSS think tank, [wrote](#) on X that there is a perception gap that may make war more likely, "The US administration assesses that the Iranian regime, in its current weakened state, cannot risk a military confrontation,... and would therefore be prepared to make far-reaching concessions, ...in exchange for an American willingness not to strike Iran."

- Zimmt continued, "The Iranian leadership, for its part, believes that the US, despite its military power, cannot achieve the ultimate objective of regime change. And that Iran possesses the capability, at minimum, to turn any military confrontation into a prolonged, costly, complex, and high-risk conflict for the US and its regional allies... In this reality, it is difficult to see how the maximum concessions Iran is willing to offer would meet the minimum concessions the US administration would be prepared to accept."
- The Wall Street Journal [reports](#), "As negotiations resumed, Iran sent a veiled threat, carrying out military exercises in the strategic Strait of Hormuz. News agencies affiliated with the country's security agencies showed footage of cruise missiles being launched from trucks and boats Monday, as a tanker could be seen sailing in the background."

## Congressional Business

The House is OUT

The Senate is OUT

**Committee Schedule –**

## **Tariffs**

Senate Democrats plan to force a vote on a resolution terminating Trump's tariffs on Canada when lawmakers return from recess next week. If the resolution passes, it would be the third time the upper chamber has rebuked Trump's tariffs.

- Republican Senators Mitch McConnell (R-KY), Rand Paul (R-KY), Susan Collins (R-ME), and Lisa Murkowski (R-AK), are all likely to again join with Democrats to vote against Trump's flagship trade agenda.

Senator Thom Tillis (R-NC), who voted against Trump's tariffs on Brazil, said, "We have to see what comes to the floor and I'll take a look at it." he added that Canada and Mexico are now two of the top markets for US goods and "you don't want to keep insulting your customers."

- The resolution would be symbolic as there is unlikely to be enough Republican support to overcome a presidential veto. However, coupled with a recent Republican rebellion in the House, which opened the door for similar resolutions, the move will keep the issue in the public eye ahead of a midterm election campaign that is likely to focus on inflation and affordability.

## **Russia-Ukraine**

A second day of trilateral peace talks between officials from the US, Ukraine, and Russia lasted around two hours this morning. While the Ukrainian delegation said the negotiations were substantive, with progress made on a number of issues, such a short meeting is likely to add to pessimism that any deal can be reached to end the war.

- Ukrainian President Volodymyr Zelenskyy told reporters that today's talks primarily focused on prisoner exchanges and the "humanitarian track," suggesting that little advancement has been made since the previous round of talks in Abu Dhabi earlier this month.
- Tass reported comments from Russia's lead negotiator at the talks, Vladimir Medinsky, saying the negotiations were "difficult but businesslike", and that a new meeting will "take place soon", but without giving a date.

Axios reports that Zelenskyy said it's "not fair" that President Trump has repeatedly called on Ukraine, not Russia, to make concessions for peace. Zelenskyy added that it might be easier for Trump to pressure Ukraine than the much larger Russia — but the way to create a lasting peace isn't "to give victory" to Russian President Vladimir Putin.

- Zelenskyy said in the Axios interview that "Ukrainians would reject a peace deal that involves withdrawing from the eastern Donbas region and turning it over to Russia... Zelensky is prepared to discuss withdrawing. But he has called for Moscow to pull its

troops back an equivalent distance — and has rejected Russia's claim to sovereignty over the zone.”

The prevailing view amongst analysts is that Kyiv will not entertain ceding territory in the Donbas without an ‘ironclad’ security guarantee from the US. A series of frontline cities in territory controlled by Ukraine is known as the ‘fortress belt.’ It operates as the primary bulkhead preventing a Russian battlefield breakthrough. Ceding control of these cities would effectively open Kyiv to a ground assault by Russian troops.

- ISW [wrote](#) in August 2025, “The fortress belt is made up of four large cities and several towns and settlements that run north to south along the H-20 Kostyantynivka-Sloviansk highway, with a total pre-war population of over 380,537 people. The belt is 50 kilometers long...”
- “Ukraine has spent the last 11 years pouring time, money, and effort into reinforcing the fortress belt and establishing significant defense industrial and defensive infrastructure in and around these cities.”
- Tatiana Stanovaya at the Carnegie’s Russia and Eurasia Center [writes](#), “The main source of Russian aggression is a profound mistrust of the West and the firm belief that it intends to inflict a “strategic defeat” on Russia. As long as this fear persists, the war will not end.”

**Figure 2: Military Control in Ukraine, Feb 16, 2026**



Source: Axios

**Department of Homeland Security**

A White House official dismissed Democrats' latest offer in negotiations to reform immigration enforcement operations and resolve a 'mini shutdown' of the Department of Homeland Security.

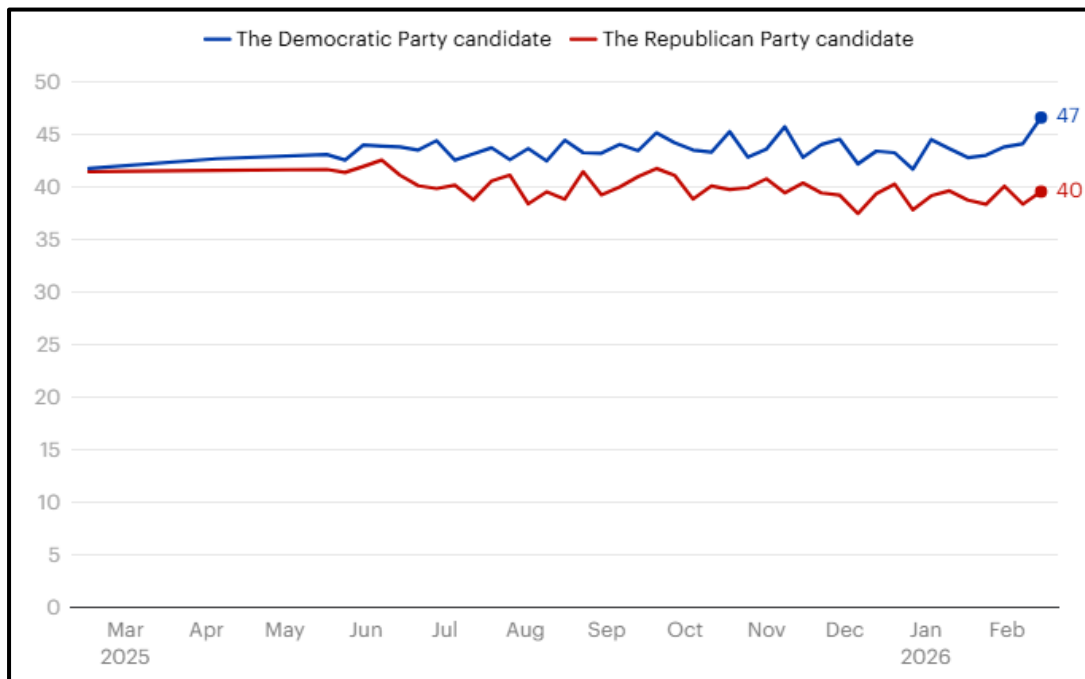
- According to Politico, the official said that the “parties are still pretty far apart... The administration remains interested in good faith conversations to end the Democrat shutdown before more Americans feel the impacts... But the Administration also remains committed to carrying out the president’s promise to enforce federal immigration law.”
- Politico notes, “The official declined to say what points of contention remain, but with Congress in recess there’s little expectation of a quick resolution to the partial government shutdown.”

### Chart of the Day

YouGov [reports](#), “Democrats have a 7-point lead over Republicans in voting intention for Congress. That's Democrats' largest lead since the Economist / YouGov polls resumed asking this question after the 2024 election, and in part reflects Republicans being more likely than Democrats to say they won't vote or aren't sure how they'd vote.”

- The report notes, “Democrats' 7-point lead in preference for Congress is their largest in any Economist / YouGov polls this election cycle. It's also a bigger Democratic edge in U.S. Congress vote preferences than at this point in the 2024 election (Democrats up by 2 points) or the 2022 election (Democrats up by 6 points)”

**Figure 3: How registered voters plan to vote for Congress in 2026**



Source: YouGov

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