

MNI POLITICAL RISK ANALYSIS - US Daily Brief 18-06-25

by Adam Burrowes

The White House *(times subject to change)*

12:00 ET 17:00 BST	President participates in a Swearing-In Ceremony for the Ambassador to France
13:00 ET 18:00 BST	President Trump has lunch with the Chief of Army Staff of Pakistan

KEY DATES:

- ❖ Target for Congress to send 'Big Beautiful Bill' to Trump's desk: July 4
- ❖ Government funding expires: September 30

Washington

At midday, President Donald Trump will hold an event in the Oval Office to swear in Charles Kushner, a close ally and father of Trump's son-in-law Jared Kushner, as US Ambassador to France. The event is likely to be Trump's first public appearance since a Situation Room meeting with his national security team yesterday to discuss policy regarding Iran.

- At 13:00 ET 18:00 BST, Trump will have lunch in the White House Cabinet Room with Pakistan Army Chief Asim Munir, widely considered the most powerful figure in Pakistan and a key backer of Iran. The meeting will be first of its kind between a sitting US president and the head of the Pakistani army, signalling that the Trump administration sees Pakistan as a key mediator with Iran.
- Munir is also likely to meet separately with Secretary of State Marco Rubio and Defence Secretary Pete Hegseth.
- Munir said in a public address in Washington yesterday that Iran has Pakistan's "clear and strong" support but noted that Islamabad backs efforts to de-escalate the conflict with Israel.
- Pakistan's Foreign Minister Ishaq Dar said Monday that Iran was willing to return to the negotiating table if Israel refrains from further strikes, citing direct communication with his Iranian counterpart. "Our intention was always to see successful negotiations between the United States and Iran," Dar said in parliament, per Bloomberg.

Iran

President Trump huddled with his national security team in the White House Situation Room for just under 90 minutes yesterday to discuss the administration's Iran policy.

- ABC News [reports on X](#): "Trump has been presented with and is considering a range of options, including using U.S. military assets to strike Iranian nuclear facilities."
- Trump's is understood to have discussed authorising the use of 'bunker buster' bombs to strike Iran's heavily fortified Fordow nuclear facility. The meeting is likely to have also discussed action that could be taken below the threshold of direct participation in the war, including enhanced logistical support for Israel.

- It has been widely reported that Israel lacks the high-payload munitions and B-2 stealth delivery system to strike Iran's Fordow facility and has been lobbying Washington to authorise use of the weapons.
- AP reports each B-2 bomber "would have to make the 30-hour round trip from Whiteman Air Force Base in Missouri", which could explain why US action yet.

The prevailing view amongst observers is that Trump appears close to authorising military action, and that action can be contained to limited strategic strikes that would offset the risk of an extended war.

- A Trump administration official told Politico: "The movement right now is away from diplomacy and toward U.S. involvement... We are moving toward taking out Iranian nuclear facilities."
- Israeli officials confirmed that Trump also held a phone call with Israeli Prime Minister Benjamin Netanyahu. Axios reports that two Israeli officials said "the Israeli defense establishment continue to believe that Trump is likely to enter the war in the coming days to bomb Iran's underground enrichment facility."

Figure 1: Nuclear and Missile Facilities in Iran



Source: New York Times

Former Israeli Defense Minister Benny Gantz told CNN yesterday, "The United States is much stronger than us. It has capabilities that we don't possess. I am sure that the United States, if it decides to act, will do it for its own interests and not our interests only."

- The Wall Street Journal [reports](#) that US intelligence doesn't agree with Israeli assessments on Iran's nuclear capabilities, a likely explanation for Washington's caution in joining Israeli strikes.

Defense Secretary Pete Hegseth and Joint Chiefs Chairman Gen. Dan Caine will appear before the Senate Armed Services Committee on the Defense Department's FY2026 budget request at 09:30 ET 14:30 BST.

- Army Secretary Daniel Driscoll and Army Chief of Staff Gen. Randy George will testify before the Senate Appropriations defense subcommittee on the FY2026 budget request for the Army at 10:30 ET 15:30 BST.
- Both hearings will provide an opportunity for lawmakers to grill senior members of Trump's military staff on the administration's response to the war.

Trump's Pivot Toward Military Action

Ahead of the Situation Room meeting, Trump and Vice President JD Vance issued statements that could be interpreted as pre-emptively justifying military action.

- Vance said in a [lengthy statement](#) on X that Trump, "may decide he needs to take further action to end Iranian enrichment. That decision ultimately belongs to the president."

Trump then issued three messages on Truth Social that appeared to more explicitly link the US to Israel's military operation. ([One](#), [two](#), [three](#))

- Trump said: "We now have complete and total control of the skies over Iran..."
- He followed with: "We know exactly where the so-called "Supreme Leader" is hiding. He is an easy target, but is safe there - We are not going to take him out (kill!), at least not for now..."
- He concluded with: "UNCONDITIONAL SURRENDER!"
- Taken as a whole, the messages (note the use of "we" rather than "Israel") appear to confirm that the US considers itself a combatant in the conflict. The messages also issue a threat to Tehran that the US could endorse a strike to eliminate Iran's Supreme Leader, Ayatollah Ali Khamenei, and set out that capitulation on US and Israeli terms is the only off-ramp for Tehran.

Military Action

On the ground, the exchange of missile fire intensified yesterday with Israel continuing to strike strategic targets near Tehran. Iran responded with several waves of ballistic missile fire, although with less intensity than previous attacks, suggesting that Iran may be concerned about depleting its missile stockpile.

- The International Atomic Energy Agency (IAEA) reported this morning that two centrifuge production facilities in Iran were hit, including a Tehran site where advanced centrifuge rotors are manufactured and tested.
- Sky News Arabia reported an Israeli army spokesperson saying "We have clear goals, which are to remove the existential threat to Israel", and adding that Iran has "thousands" of missiles, and that "tolerance is not an option".

Israel has continued its 'decapitation' operation targeting senior members of Iran's military. The New York Times reports that the IDF, "claimed it had killed Iran's top military commander — only days into his tenure — after Israel killed his predecessor."

- Pro-Israel hacking group [Predatory Sparrow](#) says it attacked Bank Sepah, a major IRGC-linked Iranian bank, causing widespread outages. Axios notes that the attack is the first major cyberattack on critical infrastructure during the war.
- Cyber expert Rob Joyce notes on X: “Predatory Sparrow’s past cyber attacks on Iranian steel plants and gas stations have demonstrated tangible effects in Iran. Disrupting the availability of this bank’s funds, or triggering a broader collapse of trust in Iranian banks, could have major impacts there.”

Response From Iran

Iranian Supreme Leader Ayatollah Khamenei issued his first televised message this morning. Khamenei usually dispenses the most aggressive-sounding comments directed towards Israel and the US, with moderates in the government left to engage in diplomatic talks.

- Per Tasnim, Khamenei said: “...the Iranian nation will not surrender, and the Americans should know that any US military intervention will undoubtedly cause irreparable harm to them.”
- Khamenei added: “This incident occurred at a time when our officials were engaged in indirect negotiations with America and there was no sign of any sudden, military, or harsh move on the part of Iran.”
- Khamenei continued: “Of course, it was suspected from the beginning that America was involved in this malicious move by the Zionist regime, and this suspicion is being strengthened day by day with the recent statements of American officials.”
- Iran’s foreign minister, Abbas Araghchi, said in a statement on Monday: “Our enemies should know that they cannot reach a solution with military attacks on us and will not be able to force their will on the Iranian people.”

US Military Posture

The [BBC notes](#): “At least 30 US military planes have been moved from bases in America to Europe over the past three days... The planes in question are all US military tanker aircraft used to re-fuel fighter jets and bombers.”

- The jet movements follow the redeployment of the USS Nimitz carrier strike group, accompanied by fighter jets and several guided missile destroyers, to the region. When Nimitz arrives in the Middle East, the Pentagon will have two aircraft carrier fleets in the region.
- Justin Bronk, a senior analyst with the Royal United Services Institute (RUSI) think tank, said that the deployments were “highly suggestive” that the US was putting in place contingency plans to “support intensive combat operations” in the region in the coming weeks.
- The former head of Irish Defence Forces, Vice-Admiral Mark Mellett, said that the movements could be part of a broader policy of “strategic ambiguity” to apply pressure on Iran to make concessions in talks over its nuclear programme.

Semafor reports: “The Navy dissented from US plans to shift assets toward the conflict between Israel and Iran, complaining that the move would disrupt scheduled maintenance cycles by putting two carrier groups in the theatre...”

- Semafor notes: "Defense Undersecretary Elbridge Colby, expressed separate reservations about shifting resources to the Middle East; he's part of a Republican bloc that wants to refocus the Pentagon toward confronting China."

Support for Military Action

We have noted in previous editions of this newsletter that the Trump administration's response to Iran is complicated by an ideological schism between the MAGA isolationist and traditional conservative factions of Trump's coalition.

- Axios writes: "On two core articles of faith — no foreign wars and no protections for unauthorized immigrants — the Trump administration is facing a rare MAGA purity test... No debate has proven more divisive for the "America First" movement than Israel's war against Iran, and whether the U.S. should intervene to fully eliminate Tehran's nuclear program."

Conservative pundit Tucker Carlson, a key isolationist, will release an [interview](#) with Senator Ted Cruz (R-TX) later today that includes a robust examination of Cruz's position supporting military action.

- Rep Marjorie Taylor Greene (R-GA), a staunch Trump ally, said on X: "Anyone slobbering for the U.S. to become fully involved in the Israel/Iran war is not America First/MAGA."
- Sumantra Maitra wrote in The American Conservative: "A U.S. war with Iran has bipartisan opposition from both right- and left-wing congressmen. The people hate the idea of it."

Trump issued several statements on Truth Social this week that appeared to signal a break with the MAGA isolationists, a position Trump has long endorsed as part of his "America First" pledge to end US adventurism abroad.

- Trump said: "AMERICA FIRST means many GREAT things, including the fact that, IRAN CAN NOT HAVE A NUCLEAR WEAPON. MAKE AMERICA GREAT AGAIN!!!"
- Trump also noted: "Somebody please explain to kooky Tucker Carlson that," IRAN CAN NOT HAVE A NUCLEAR WEAPON!"

One of Trump's MAGA confidants, Laura Loomer, issued a statement on X, appearing to endorse limited military action: "An air strike on a nuclear facility is not a full scale war. Why is this so hard for people to understand?"

- Fox News' Peter Doocy reported yesterday that Trump's Director of National Intelligence, Tulsi Gabbard, was left out of a key Camp David meeting to discuss the conflict on June 8. Gabbard's marginalisation indicates that the Iran hawks have more influence over Trump's foreign policy decisions than the isolationists.
- Gabbard notably said in Congressional testimony in March that US intelligence "continues to assess that Iran is not building a nuclear weapon" Trump dismissed those comments aboard Air Force 1 on Monday: "I don't care what she said. I think they were very close to having [a nuclear weapon]."

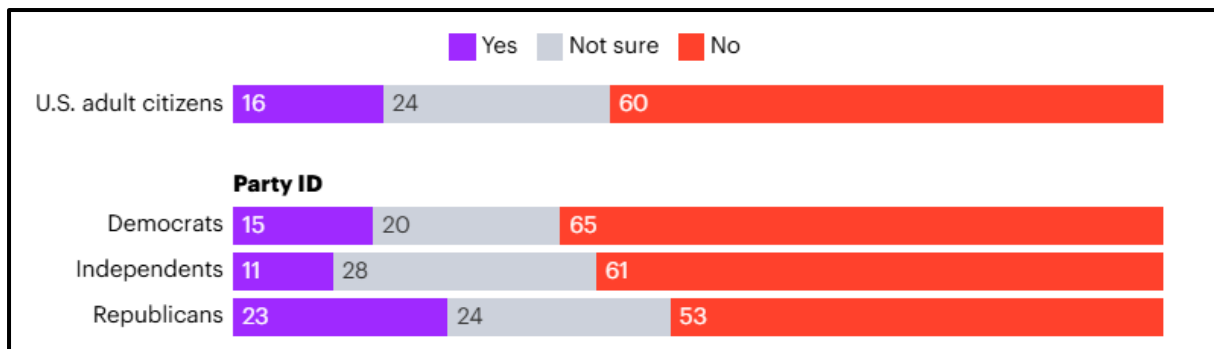
In Congress, the interventionists appear to predominate. Senator Lindsay Graham (R-SC), a long-time Iran hawk and Trump ally, told Fox News on Sunday: “We back Israel to the hilt, all the way... It’s time to close the chapter on the Ayatollah and his henchmen.”

- Former Senate Republican leader Mitch McConnell (R-KY) said: “I think what’s happening here is some of the isolationist movement led by Tucker Carlson and Steve Bannon are distressed that we may be helping the Israelis defeat the Iranians — it’s the same kind of complaint they had about helping Ukraine. I would say it’s been kind of a bad week for the isolationists.”
- Politico notes: “...many in the president’s party, of course, will fall in line and support the president whichever policy he pursues...”
- The Hill has a useful roundup of support for military action amongst Trump’s supporters in Washington [here](#).

A [survey](#) from the Economist/YouGov found that while 50% of Americans view Iran as an enemy to the US, only 16% of Americans think the U.S. military should get involved in the conflict between Israel and Iran.

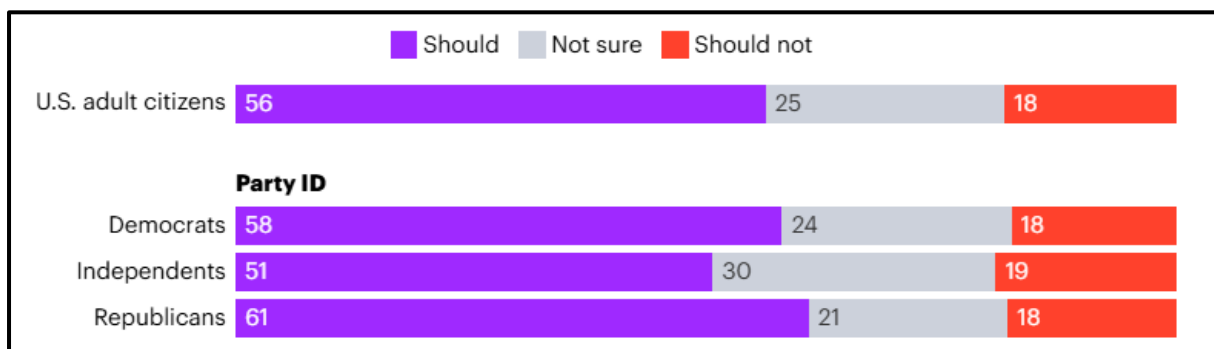
- The survey also notes that 56% of US adults believe that the US should engage in negotiations with Iran over its nuclear programme, including 61% of Republicans.

Figure 1: Do you think the U.S. military should get involved in the conflict between Israel and Iran? (%)



Source: The Economist/YouGov

Figure 2: Do you think the United States should or should not engage in negotiations with Iran over its nuclear program? (%)



Source: The Economist/YouGov

Iran's Military Capabilities

The New York Times reports that Iran “has prepared missiles and other military equipment for strikes on U.S. bases in the Middle East should the United States join Israel’s war against the country.”

- If the US does enter the war, Houthi militia will almost certainly resume striking ships in the Red Sea and pro-Iranian militias in Iraq and Syria would probably try to attack U.S. bases there, per NYT.
- NYT adds: “Other officials said that in the event of an attack, Iran could begin to mine the Strait of Hormuz, a tactic meant to pin American warships in the Persian Gulf.”

Elliott Abrams, who served as Trump’s special envoy to Iran in the first Trump administration, told Politico that Iran still could theoretically strike Gulf Arab states — including Saudi Arabia, and also potentially carry out some kind of strike against Israel.

- But Abrams argued that Iran’s air capabilities aren’t that expansive and striking the Saudis or another US Gulf ally — let alone striking U.S. ships or bases — is unlikely and would risk drawing the US into the war.

Politico notes: “A former Western intelligence official [said] the spy community suspects the Islamist regime in Tehran has sleeper cells in various countries to carry out attacks if it feels an existential threat. The regime also could round up Americans in Iran and effectively hold them hostage — as it has done in the past.”

- Behnam Ben Taleblu noted that in light of the diminished strength of Iran’s regional proxies, there are few options left for Tehran beyond diplomacy: “The Islamic Republic’s military capabilities made it an excellent crisis-bargainer, but a poor warfighter. Now that the regime has lost the pillars of its deterrence, and deterrence is at the heart of its security strategy, everything is in the nuclear basket.”

Brian Carter at the American Enterprise Institute, noted that Israel has succeeded in taking out much of the infrastructure Iran needs to mount significant attacks on Israel.

- Carter said: “Those cruise missiles move so slowly that they can be easily detected and intercepted. It’s about a nine-hour flight of drones from Iran to Israel. So it creates challenges. And the Israelis have shot down every Iranian drone that has targeted Israel in this round of escalation as well.”

Congressional Authorisation

Axios reports that Republican leaders in Congress are “avoiding direct answers on whether President Trump needs approval from Congress before taking military action against Iran.”

- Senate Majority Leader John Thune (R-SD) said: “Those questions have been debated, litigated for a long time about ... how much authority the President has as commander in chief,”
- Senate Minority Leader Chuck Schumer said at a press conference yesterday: “I believe Congress and the Senate, Senate Democrats, if necessary, will not hesitate to exercise our authority,”.
- Axios notes: “Lawmakers have privately stressed to Schumer the need to maintain the military’s flexibility in this situation, sources tell us.”

As noted in previous edition of this newsletter, Senator Tim Kaine (R-VA) has introduced a privileged resolution asserting Congressional authority over war powers.

- Kaine won't be able to force a vote on the resolution until 10 days after it was filed (it will ripen next week) and will need a handful of Republican votes to pass. The prevailing view is that the resolution will be largely symbolic and likely to be killed in the House or vetoed by Trump, should it pass the Senate.

Congressional Business

The House is OUT

The Senate is IN

Committee Schedule –

- 09:30 ET 14:30 BST: SENATE Armed Services: Hearings to examine the President's proposed budget request for fiscal year 2026 - **Defense Secretary Pete Hegseth to testify** [LIVESTREAM](#)
- 10:00 ET 15:00 BST: SENATE Energy: Hearings to examine the President's proposed budget request for fiscal year 2026 for the Department of Energy. **Secretary Chris Wright to testify**
- 10:30 ET 15:30 BST: SENATE Appropriations: Hearings to examine proposed budget estimates for fiscal year 2026 for the Army. **Secretary Daniel Driscoll to testify**

Big Beautiful Bill

Vice President JD Vance told reporters on Capitol Hill yesterday that Congress is “in a good place” to get the Big Beautiful Bill to Trump’s desk by July 4.

- Vance said: “I mean, look, I can’t make any promises ... I can’t predict the future, but I do think that we’re in a good place to get this done by the July 4 recess.”
- Politico notes: “Vance said he was “gratified and optimistic” by what he heard from GOP senators who are racing to resolve major policy disputes over Medicaid and tax incentives after Senate Finance proposed changes Monday that caught some Republicans off guard.”

The Senate Parliamentarian is expected to conclude work on the bill this week or early next week. If that goes to plan, Republican leadership could have a full text of the bill available by Monday, setting up a possible full Senate vote on the weekend of June 28.

- There are still major hurdles to overcome if the Senate is to hit its target, including resolving concerns with conservatives pushing for steeper cuts and moderates with issues on Medicaid.
- Punchbowl News writes: “We’ve heard this a lot from Senate Republican leaders — that failure can’t be an option because the consequences are simply too dire. That includes being forced to negotiate with Democrats on the debt limit and the expiration of the 2017 Trump tax cuts at the end of this year.
- “Senate GOP leaders are banking on the pressure getting to the GOP holdouts at the later stages of the reconciliation debate. That clearly hasn’t happened yet that”.

The nonpartisan Congressional Budget Office yesterday released a new “dynamic” score that estimates the bill would increase budget deficits by as much as USD\$2.8 trillion over the next decade.

- CBO Director Phillip Swagel said the bill’s economic effects would increase deficits and interest rates, leading to an on-net increase in the national debt. Trump’s tax cuts, among other measures, would lead to a \$3.7 trillion decline in federal revenue over the next ten years, per [The Hill](#).
- Axios notes: “Scoring the effects of a given piece of legislation is always a matter of controversy. In 2022, Republicans argued the CBO underestimated the cost of President Biden’s Inflation Reduction Act, which was originally credited with \$238 billion in deficit reduction over a decade. But a 2024 CBO analysis calculated the IRA would actually increase the deficit by \$300 billion over 10 years, due to the popularity of some of the EV tax credits.”

Crypto

The Senate yesterday voted 68-30 to pass the GENIUS Act, landmark legislation that establishes the first regulatory framework for stablecoins. The GENIUS Act is the first major crypto bill to pass the Senate.

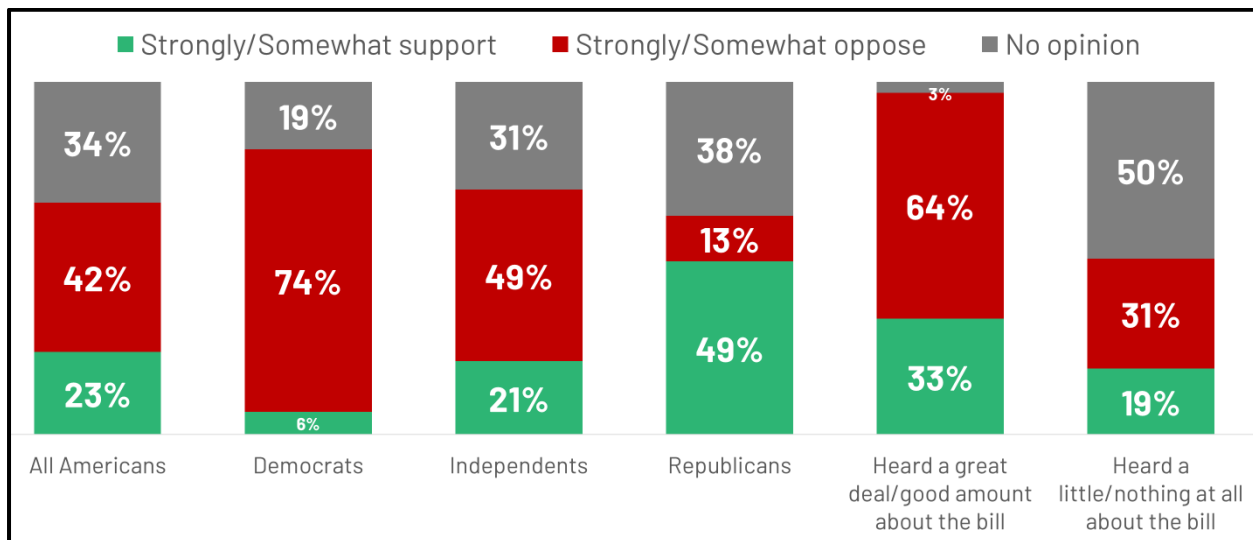
- CNBC [notes](#) that the bill establishes for the first time, “federal guardrails for U.S. dollar-pegged stablecoins and creates a regulated pathway for private companies to issue digital dollars with the blessing of the federal government.”
- CNBC adds: “The bill still faces hurdles in the Republican-held House, but passage in the Senate signals a turning point — not just for the technology, but for the political clout behind it.”

Chart of the Day

Politico notes: “Three separate polls released in the last week showed that more Americans who are aware of the legislation do not support it, though the split remains largely along party lines.”

- A new survey from the [Washington Post/Ipsos](#) has found that only 23% of Americans strongly or somewhat support the Big Beautiful Bill.
- Ipsos notes: “Many Americans are unfamiliar with the One Big Beautiful Act. However, more say they oppose rather than support the bill, while one in three say they have no opinion.”
- A Quinnipiac University poll last week found that 53 percent of voters oppose the bill, with 27 percent supporting and 20 percent not offering an opinion.
- A KFF Health Tracking poll found 64 percent of adults having an unfavorable view of the legislation and 35 percent having a favorable view.

Figure 3: “Do you Support or Oppose the Budget Bill Changing Tax, Spending, and Medicaid Policies?”



Source: Washington Post/Ipsos

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