

Chart of the Day

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From World Order to Regional Disorder

Selected areas of potential regional conflict in 2026

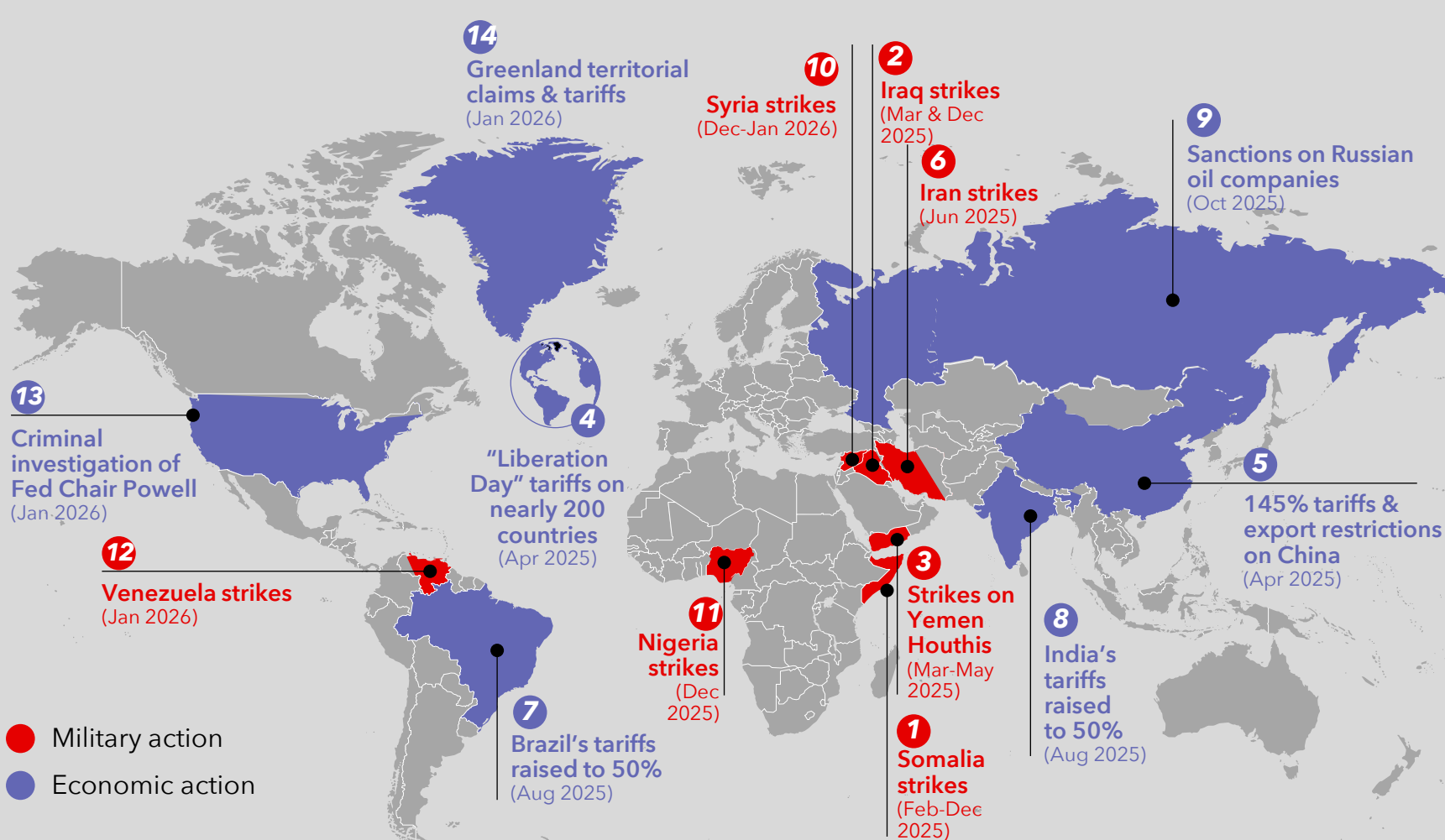


President Trump's More Assertive Foreign Policy



As evidenced by the last 12 months, President Trump has embarked on a much more aggressive policy path with greater risk appetite in his second Presidential term.

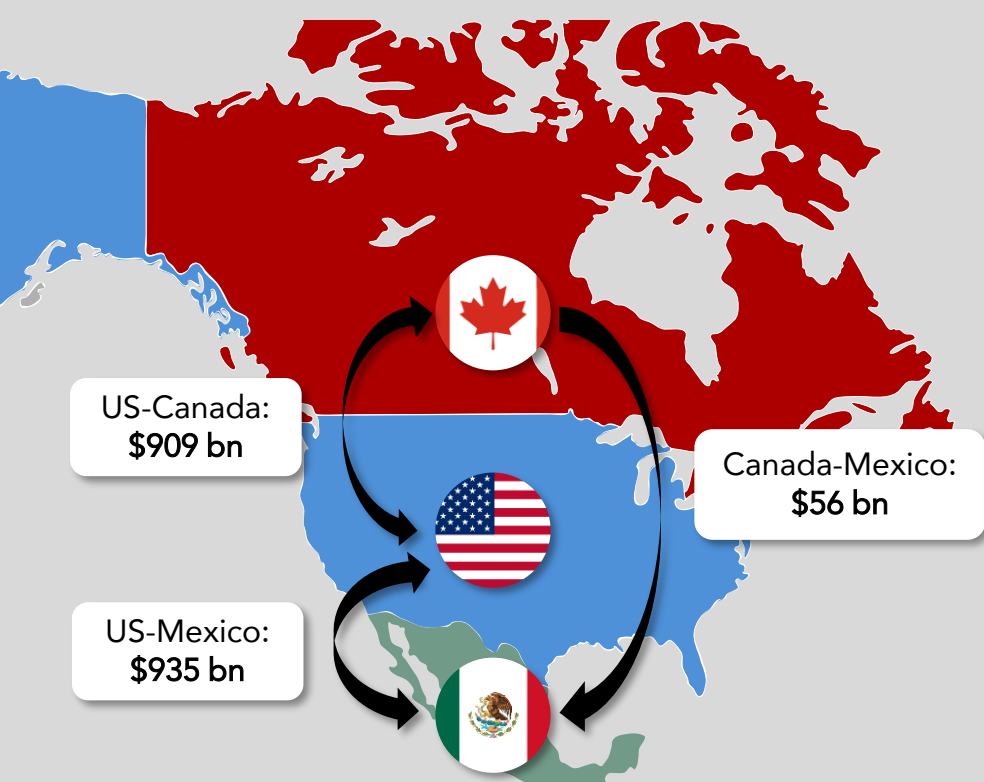
Selected US military and economic policy actions (2025-26)



Threatening to Withdraw from "Irrelevant" USMCA in 2026

The USMCA (US-Mexico-Canada Agreement) governs trade in the world's largest trading bloc, representing over \$30 trillion of GDP. With the USMCA's first joint review set for July 1, 2026, President Trump has repeatedly threatened to withdraw from the "irrelevant" agreement to gain leverage in negotiations (as he did with NAFTA previously). Another possibility would be to opt against immediate extension in favor of annual reviews.

Trade in goods and services (2024)



Non-trade objectives (border, fentanyl, defense)
Stricter rules of origin (US content, labor enforcement, China trans-shipping protections)
Digital Trade & Taxes (focus on Canada's digital service taxes & other tech focused regulations)
Agriculture policy (market access, GMO corn, dairy)
Governance & dispute settlement (enforcement, withdrawal mechanisms & bilateral alternatives)

Source: Office of the USTR. Data as of January 14, 2026.

New Era of Geo-Strategic Fragmentation

<p>New Era of Geo-Strategic Fragmentation</p> <p>Fluid multi-polar rebalancing. US-China decoupling and spheres of influence.</p>	<p>The "Donroe" Doctrine</p> <p>Trump corollary to Monroe Doctrine (1823). No material Congressional oversight. Transactional foreign policy (corporate access and commercial interests). Resource and Western Hemisphere focused.</p>
<p>Restructuring of Post-WW2 Global Architecture</p> <p>"Power-based" global architecture replacing the post-WW2 multilateral, rules-based system of prior 75 years. Weakening of legacy institutions (i.e., UN, WTO, WHO, NATO).</p>	<p>Technology & Stealth Force Projection</p> <p>Asymmetric power via stealth force projection, real time intelligence fusion, cyber-sabotage and high-end technology capabilities.</p>
<p>"Hard" Power Over "Soft" Power</p> <p>More unilateral military strikes, especially in own hemisphere. US reticence with "boots on the ground."</p>	<p>Quagmire Risk</p> <p>Virtual occupations have no precedent; actual occupations have bad track record. High risk of open-ended mission drift.</p>

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"Macro stability isn't everything, but without it, you have nothing."