

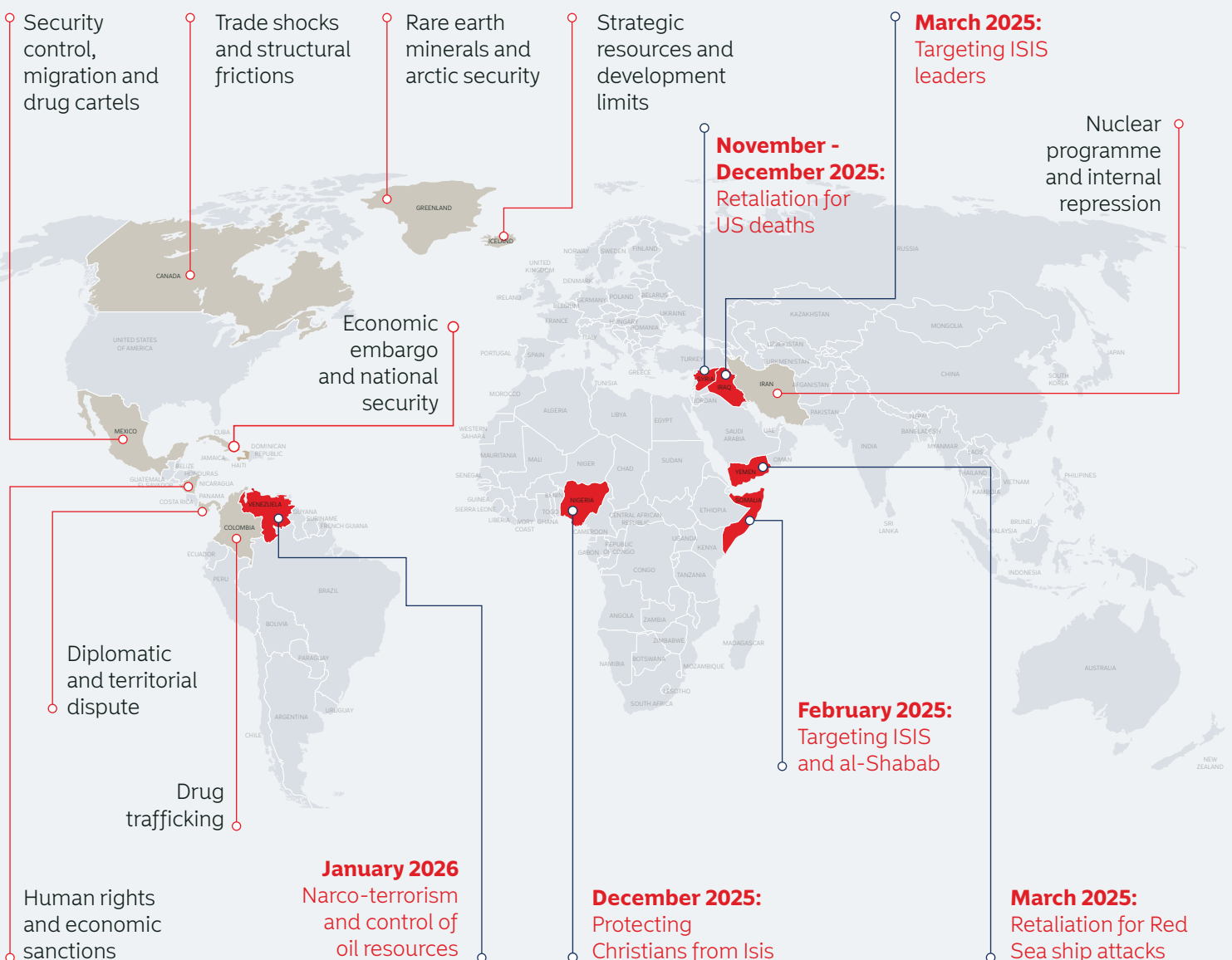
Washington's

January 2026

As global power fractures and geopolitical rivalry sharpens, the United States (US) has moved from selective engagement to a more assertive, region-by-region strategy aimed at securing its immediate neighbourhood, protecting strategic chokepoints and constraining rivals. From sanctions and military signalling to trade leverage and diplomatic coercion, US foreign policy is increasingly shaped by geoeconomics, where influence, supply chains and security are tightly intertwined.

Latin America, Africa and the Middle East have emerged as key pressure zones. In the Western Hemisphere, Washington is reasserting control over migration routes, energy assets and political outcomes close to home. In Africa, competition with China and Russia over minerals, ports and security partnerships has intensified. And in the Middle East, energy security, maritime routes and Iran's regional influence continue to anchor US involvement. Together, these regions form a shifting map of pressure points, revealing how American power is being redeployed in a more contested, multipolar world.

Recent US interventions and active threats



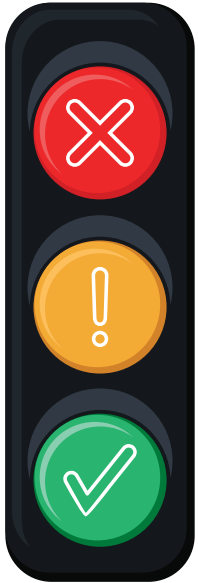


Iran – Sanctions and economic isolation

Economic vulnerabilities:

- Extensive international sanctions targeting the oil and banking sectors
- Crippling inflation and reduced foreign exchange earnings

Scenarios for US action:



Symbolic strike: This would involve targeted action to signal US resolve without crippling Iran's systems. Its purpose would be to demonstrate that Trump is willing to use force and to pressure Iran back to negotiations on foreign policy and the nuclear issue from a stronger US position. However, while it may satisfy the need to act on threats, it would fall short of meeting expectations that the US would actively protect Iranian protesters.

Strike aimed at undermining the regime: A regime-undermining strike would target Iran's security forces and possibly senior leaders, directly backing protesters and weakening the regime's ability to suppress unrest. It would closely match Trump's rhetoric and mirror recent US willingness to target top officials, as seen in Venezuela.

Intensive strikes not directed at mechanisms of repression: An alternative or complementary approach would target Iran's military capabilities (such as its ballistic missile arsenal), serving US strategic interests regardless of regime change, while raising costs and limiting Iran's ability to respond to American pressure.



Venezuela – Hyperinflation and institutional fragility

Economic vulnerabilities:

- Deep economic crisis with hyperinflation, food shortages and falling oil output
- Sanctions on officials and financial operations by Western governments
- Poor public services and infrastructure decay

Scenarios for US action:



Dictatorship tutored by a foreign force: This would involve a US-supervised authoritarian transition, in which economic reforms are implemented without genuine political liberalisation. While this could bring short-term stability, it would not deliver democracy and is seen as unlikely due to entrenched corruption within the regime. This would also incur a high political cost for US President Donald Trump to back an outcome that falls short of democratic change.

Open authoritarianism: A system where electoral competition exists but power remains concentrated in the same hands.

A democratic transition and transitional justice: A negotiated democratic transition marked by credible elections, the release of political prisoners, the return of exiles and the revival of civic life. This opening would allow Venezuela to pursue genuine transitional justice, with domestic and international legal processes working in parallel to establish accountability for crimes against humanity, deliver reparations and document political persecution.



Cuba – Embargo and structural stagnation

Economic vulnerabilities:

- Centralised state control limiting innovation and investment
- Tourism and remittances hurt by restrictions
- Global shocks

Scenarios for US action:



Pressure without regime change: In this scenario, Washington escalates economic and diplomatic pressure (oil restrictions, sanctions enforcement and rhetorical threats) but stops short of military action. Economic pain deepens, migration rises and repression intensifies, but the regime holds. The regime remains highly resilient, while opposition capacity is weak in this scenario, leaving the US without the cost and risk of direct intervention.

Targeted US intervention/leadership removal: Here, the US uses limited military or covert action (Maduro-style raid or coercive pressure) to force out the incumbent, backing a more transactional figure within the regime. Leadership changes in this scenario but the system largely survives. Short-term stabilisation is possible, but democracy does not materialise in 2026. This route fits Trump's willingness to use force without committing to nation-building, while avoiding a full occupation.

Full regime shock and uncertain transition: Under this scenario, the US applies overwhelming pressure, including military force, aimed at dismantling the Cuban regime, not just replacing its leader. But this is politically costly and resource-intensive, with no guarantee of a Democratic outcome, due to weak institutions and limited opposition infrastructure.

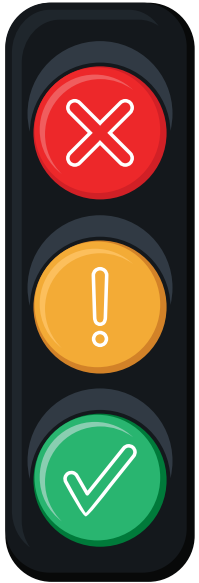


Colombia – Security alignment and drugs

Economic vulnerabilities:

- Commodity dependence (oil and coffee)
- Colombia faces structural pressures, including inequality, internal conflict legacies and global commodity price volatility
- Inequality and social investment gaps

Scenarios for US action:



Sour relations but they remain intact: In this scenario, the US uses non-military tools to pressure the incumbent over drugs and political alignment. This would entail threats of tariffs, sanctions, visa bans and cuts in aid tied to Colombia's policies or perceived failures. Colombia would face increased economic and political strain, in which the petro government would likely push back. Meanwhile, business and security cooperation would be tested.

Targeted security operations: Here, the US would take limited military action focused on drug trafficking networks but not involving full combat against the Colombian state. The US would trigger strikes on suspected drug transport vessels and production facilities linked to trafficking. Pressure would increase on criminal groups, risking a rise in diplomatic tensions.

Political leverage and election influence: Messaging favouring candidates the administration views as more aligned with US policies would become more apparent in this scenario. The US would leverage diplomatic criticism to weaken political support for incumbents and shift domestic debates on counter-narcotics. Colombia's 2026 election will become a key battleground, where US influence shapes elite calculations without direct force.



Mexico – Security, migration, trade and sovereignty

Economic vulnerabilities:

- Border security and migration
- Flow of fentanyl and organised crime
- Trade and investment policy disputes

Scenarios for US action:



Muddle through: Here, Washington largely maintains existing policies toward Mexico without deep new commitments or strategic shifts. Cooperation on border issues would stay superficial, with limited investment in infrastructure, technology or shared management. Border management remains inefficient in this scenario, with little improvement in trade facilitation or security coordination. Diplomatic engagement would cycle through familiar talk but would yield few structural reforms.

Hard border: Borders would operate with heightened restrictions, slowing trade and movement, and potentially increasing social and economic friction. Economic sectors that depend on efficient border crossings would suffer and diplomatic relations would become more transactional and fraught.

Long-term cooperation: The border would become a catalyst for prosperity rather than a barrier. This would enable faster trade, better security, environmental benefits and deeper US-Mexico ties. Economic gains would involve increased jobs and trade flows on both sides. Joint border initiatives would strengthen trust and institutional partnerships between the US and Mexico, with enhanced commerce generating significant economic gains.



Canada – Trade and sovereignty tensions

Economic vulnerabilities:

- Low defense spending
- Sovereignty battle with the US
- Security and border friction

Scenarios for US action:



Business as usual with friction: Relations would continue along a familiar path, with close economic ties and cooperation remaining central, but tensions would flare intermittently over trade disputes, tariffs and diplomatic spats. Border cooperation and economic integration would remain strong, but bilateral relations would be marked by occasional conflict and negotiation, requiring continuous diplomatic management.

Economic and strategic decoupling: Traditional Canada-US economic interdependence would erode, leading to strategic realignment as Canada seeks new supply chains, trade partners and security frameworks independent of Washington. US pressures would escalate beyond normal trade disputes to target deeper economic and financial linkages.

Resilient sovereignty and managed competition: In this scenario, Canada preserves sovereignty and autonomy while maintaining robust ties with the US. Collaboration could expand where interests align and Canada would assert independence where they diverge. Canada would strengthen its political and economic institutions, maintain alliances (e.g. NATO and European Union partners), and reinforce domestic resilience, while carefully managing the bilateral relationship.

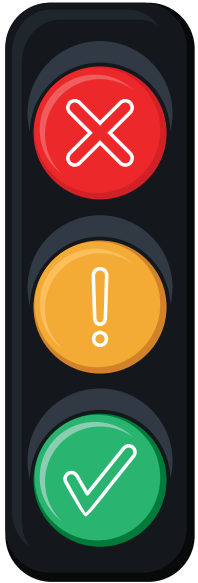


Panama – Embargo and structural stagnation

Economic vulnerabilities:

- Dependence on the Panama Canal, which is vulnerable to climate shocks
- High external debt
- Strongly linked to North America

Scenarios for US action:



Strategic partnership and canal security: In this scenario, stronger bilateral ties, economic stability, and reinforced Canal operations would ensue. Panama would gain investment and geopolitical backing from the US, mitigating external pressures. This path would preserve US strategic interests, while respecting Panamanian sovereignty. Joint efforts would grow in counter-narcotics, anti-money-laundering, and border security, while trade ties and investment incentives would be enhanced.

Competitive influence: Here, Panama would navigate between US and Chinese interests, while trying to preserve its autonomy. Economic pressures could intensify as US-China rivalry deepens, with Panama seeking to leverage both sides. The resulting uncertainty would likely weigh on growth and investment.

Tension and strategic contestation: Relations would become transactional or adversarial, risking political backlash in Panama, public protests and greater uncertainty for investors. While direct military intervention remains unlikely even in this scenario, heightened tension could slow economic cooperation and impact Panama's strategic role.



Nicaragua – Growing alignment with US rivals and human rights abuses

Economic vulnerabilities:

- Heavy reliance on remittances
- Trade exposure to the US
- Narrow economic structure

Scenarios for US action:



Managed relations and limited pressure: Nicaragua's economy would remain connected to the US, with pressure mostly concentrated on political elites. Remittances and trade would help sustain growth, but structural vulnerabilities would persist. This balanced approach would keep bilateral ties tense but manageable, with continued remittance inflows and modest cooperation in areas like anti-narcotics.

Escalation and economic coercion: Export-dependent sectors would weaken and remittances would shrink under tighter US policies, leaving growth slower. Nicaragua would feel pushed closer to alternative partners (e.g. China or Russia), which would increase geopolitical tension. The regime would face greater fiscal stress and instability would broaden.

Strategic containment and isolation: Here, Nicaragua's economy would face severe external constraints, pushing it to further align with non-Western partners. US-Nicaragua relations would become highly adversarial. Growth would contract sharply, while fiscal balances deteriorate and social pressures would increase substantially.

Sources: US Department of State, Atlantic Council, Council on Foreign Relations, Deutsche Welle, The Independent, Justiceinfo.net and Momentum Investments

equilibrium

