

## U.S Observer Daily Briefing

By Kaswar Klasra

Global diplomacy is currently dominated by a resurgence of the "America First" doctrine, characterized by aggressive unilateralism and economic protectionism. A pivotal moment occurred in early January 2026 with the U.S. military operation in Venezuela, aimed at ousting Nicolás Maduro to secure energy interests. This has prompted a "Trump Corollary" to the Monroe Doctrine, reasserting U.S. hegemony in the Western Hemisphere.

In response, traditional allies are pivoting; notably, Canada has forged a "New Strategic Partnership" with China to diversify trade amid U.S. tariff pressures. Meanwhile, the tech-war continues as Washington greenlights conditional sales of high-end Nvidia H200 chips to China—contingent on a 25% federal "cut." These moves signal a world moving away from liberal internationalism toward a fragmented system of bilateral deals and resource-driven competition.

### 1- China Senses Opportunity as U.S. Targets Iran and Venezuela

China sees opportunities to enhance its global influence as the U.S. under Trump targets Iran and Venezuela with military actions. By positioning as a stable alternative, China aims to challenge the U.S.-led world order, though its support for allies remains pragmatic according to experts.

<https://www.washingtonpost.com/world/2026/01/16/trump-venezuela-iran-china>

### 2- Trump's Venezuela Strategy Tests US-China Rivalry in Latin America

Trump's hardline strategy in Venezuela, involving special forces abduction of Maduro, tests U.S.-China rivalry in Latin America. This reductive approach, lacking incentives, allows China to maneuver and potentially gain ground in the region amid broader great power competition.

<https://www.bloomberg.com/news/articles/2026-01-16/trump-s-venezuela-strategy-tests-us-china-rivalry-in-latin-america>

### 3- How Xi Can Win in Rivalry With US by Doing Absolutely Nothing

Summary:

As Donald Trump annoys traditional U.S. allies, China's Xi Jinping can win in the rivalry by simply maintaining stability, swaying allies like Canada towards Beijing amid trade tensions and political frictions created by U.S. policies.

Link: <https://www.bloomberg.com/news/newsletters/2026-01-16/how-xi-can-win-in-rivalry-with-the-us-by-doing-absolutely-nothing>

#### 4- Canada's Leader Patches Things Up with China as Rift with Trump Upends Old Certainties

##### Summary:

Canadian Prime Minister Mark Carney announces a new strategic partnership with China during a meeting with Xi Jinping, aiming to reset ties as Trump imposes tariffs and creates political friction, prompting Canada to diversify away from U.S. reliance.

<https://www.cnn.com/2026/01/16/china/china-canada-carney-intl-hnk>

#### 5- Stock Investors' Strategy for 2026: 'Don't Fight the White House'

##### Summary

In 2026, President Trump's foreign policy moves, including the U.S. attack on Venezuela boosting oil stocks and restrictions on Nvidia's chip sales to China causing declines, prompt investors to adopt a 'Don't fight the White House' strategy for market decisions.

<https://www.nytimes.com/2026/01/16/business/stock-market-trump-policy.html>

#### 6- Canada Breaks With U.S. to Slash Tariffs on Some Chinese Electric Vehicles

##### Summary

Canada will slash tariffs on up to 49,000 Chinese electric vehicles to 6.1%, diverging from the U.S. 100% rate, as part of a new strategic partnership with China, which reciprocates by reducing tariffs on Canadian canola products amid U.S. tensions.

<https://www.nytimes.com/2026/01/16/world/canada/canada-slash-tariffs-chinese-evs.html>

#### 7- US Faces Skepticism Over Deterring China as Trump Eyes Greenland

##### Summary

As President Trump threatens to seize Greenland, officials at the Honolulu Defense Forum express skepticism that U.S. actions in the Western Hemisphere, like in Venezuela, will effectively deter China in the Indo-Pacific region amid global strategic concerns. (40 words)

<https://www.bloomberg.com/news/articles/2026-01-16/us-faces-skepticism-over-deterring-china-as-trump-eyes-greenland>

#### 8- Slovak Premier Fico to Meet Trump in a Bid to Strengthen US Ties

Slovak Prime Minister Robert Fico, a vocal EU critic, will meet President Trump at Mar-a-Lago to bolster U.S. relations, while keeping business with Russia, and considering a €15 billion nuclear contract for U.S.-based Westinghouse, impacting U.S.-EU affairs. (42 words)

<https://www.bloomberg.com/news/articles/2026-01-16/slovak-premier-fico-to-meet-trump-in-a-bid-to-strengthen-us-ties>

#### 9- Iran Protests Abate After Deadly Crackdown, Residents and Rights Group Say

Following a deadly crackdown, protests in Iran have subsided temporarily, with additional arrests ongoing. Rights groups and residents report this amid U.S. threats of intervention if the killings persist, highlighting escalating tensions in U.S.-Iran foreign relations. (38 words)

<https://www.reuters.com/world/china/iran-protests-abate-after-deadly-crackdown-residents-rights-group-say-2026-01-16/>

#### Russian Forces Capture Two Villages in Eastern Ukraine, Defiance Ministry Says

Summary:

The Russian defense ministry announced the capture of two villages in eastern Ukraine's Donetsk and Zaporizhzhia regions, intensifying the ongoing conflict and raising concerns in U.S.-Ukraine relations with broader global security implications for international stability. (38 words)

<https://www.reuters.com/world/europe/russian-forces-capture-two-villages-eastern-ukraine-defence-ministry-says-2026-01-16/>

Ends