Special Bulletin

A Japanese Perspective on the International Energy Landscape (776) January 16, 2026

The Tremors Triggered by President Trump's Strategic Initiatives at the Outset of 2026

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From the very beginning of 2026, the world has been shaken by the policies of President Trump, prompting renewed and intense global attention to the initiatives under "Trump 2.0." at the start of the new year 2026.

The first shock, as noted in the previous issue of my essay *"Perspective on the International Energy Landscape,"* occurred on January 2 (local time), when U.S. forces carried out a military strike on Caracas, the capital of Venezuela, detaining President Maduro and transferring him to the United States. Subsequently, President Trump presented a plan to place Venezuela's oil resources under US "management." Under the broader concept now commonly referred to as the "Donroe Doctrine," which seemingly treats the Western Hemisphere as a U.S. sphere of influence, President Trump also reignited controversy on January 9 by expressing renewed interest in acquiring Denmark's territory of Greenland for reasons of U.S. national security.

The second major development followed closely after the Venezuela shock, this time involving rising tensions in Iran, with the United States again positioned at the center. As Iranian society faced severe economic hardship, including spiraling inflation, anti-government demonstrations that had begun late last year escalated. The government's suppression efforts led to chaos so severe that accurate assessments became difficult, with some reports indicating that over 3,000 people had been killed. Amid these circumstances, speculation arose that the United States might conduct military strikes against Iran in response to the government's continued repression. This, in turn, intensified tensions around Iran. As I write this essay, some observers believe that both the demonstrations and the crackdown are beginning to subside, reducing the likelihood of U.S. military action. Even so, the outlook remains highly uncertain.

The third significant move came on January 7, when President Trump issued a presidential memorandum declaring U.S. withdrawal from, and termination of funding to, 66 international organizations, including the UN Framework Convention on Climate Change (UNFCCC). According to the administration, these organizations and their activities fail to serve—indeed, may even undermine—U.S. national interests.

Thus, throughout early January, the world found itself compelled to follow President Trump's rapid succession of initiatives with utmost seriousness. This applied equally to America's allies, its strategic competitors, and the Global South. It is no exaggeration to say that the world entered a period in which every move of "Trump 2.0" would be monitored with renewed vigilance.

Given the purpose of this essay series—*Perspective on the International Energy Landscape*—I now focus on the implications of these initiatives for global energy markets. The first and second developments, in particular, are profoundly significant when viewed through the lens of geopolitical tension and its effects on the stability of energy markets. Both Venezuela and Iran are important oil-producing and oil-supplying states. Heightened geopolitical risk involving these countries naturally carries the potential to raise crude oil prices. However, the key question is whether such risks actually disrupt oil supply and reduce physical volumes available to the global market. Indeed, in the case of Venezuela, crude prices initially rose in response to heightened geopolitical risks. Yet markets soon shifted their view: if Venezuelan oil were to come under U.S. "management," global supply would not be cut off. On the contrary, oil constrained by earlier sanctions might even return to markets. As this interpretation gained traction, crude prices began to decline again.

A similar pattern appears to be unfolding regarding tensions in Iran. As speculation grew that the United States might launch a military strike, upward pressure on crude prices intensified. WTI futures rose sharply from USD 55.99 on January 7 to USD 62.04 on January 14, reflecting market expectations of potential supply disruptions. However, once hopes emerged that further escalation might be avoided, WTI retreated to USD 59.19 on January 15, once again falling below USD 60. Of course, given the uncertainty surrounding future developments, crude markets are likely to remain highly sensitive to geopolitical risk.

More important, however, is the renewed realization among market participants that the policies and actions of "Trump 2.0" can themselves become major factors shaping international oil markets and crude prices—and at times drivers of instability. Historically, the United States was often expected to serve as a stabilizing force within the global energy order. But prior to the shale revolution, America was a massive net oil importer; today, as the world's largest producer capable of self-sufficiency and as a nation that considers oil power a central pillar of "Energy Dominance," its strategic calculus differs markedly. The world must now recognize this altered reality objectively.

Beyond geopolitical risks and market stability, the announced withdrawal from the UNFCCC and related organizations is also poised to exert significant influence on international energy affairs through its impact on global climate policy. It has long been evident that the Trump administrations—both in the first term and now in Trump 2.0—do not prioritize climate change mitigation. This was made abundantly clear when, on the very first day of his inauguration last year, President Trump issued an executive order to withdraw from the Paris Agreement. After this withdrawal was declared, various commentators suggested that the United States might eventually leave the UNFCCC itself. Yet the recent announcement represents an even stronger and more deliberate withdrawal from the international architecture of climate governance, based explicitly on the claim that such frameworks are incompatible with U.S. national interest. Under Trump 1.0, the United States exited the Paris Agreement; the subsequent Biden administration rejoined it; and now, under Trump 2.0, the United States has again withdrawn. Opinions differ as to whether it would be technically possible for a future administration to rejoin the UNFCCC; some argue it would be extremely difficult, while others maintain it is still feasible. Regardless, reentry has clearly become more challenging. At a minimum, the United States is likely to remain disengaged from climate action during the period of "Trump 2.0." And even if it does reenter the framework someday, that very act would represent yet another dramatic policy reversal. The growing amplitude of these policy swings will leave the world repeatedly subject to volatility in US policy.

The policies of Trump 2.0 continue to astonish the world, and his recent initiatives are reminiscent of the wave of executive orders issued immediately after his earlier inauguration. Compared with that initial "start-dash," many now interpret the current series of moves as initiatives aimed at influencing the midterm elections this autumn. These initiatives reflect President Trump's prioritization of American national interest above all else and seem intended to appeal strongly to his core supporters. Issues such as combating narcotics and illegal immigration, pursuing “Energy Dominance,” adhering to the “Donroe Doctrine,” and rejecting globalist agendas perceived as undermining U.S. priorities seemingly all lie beneath the surface. In any case, every nation—including Japan—must objectively and accurately assess this global “reality” and formulate strategic responses to navigate the challenges it presents.

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