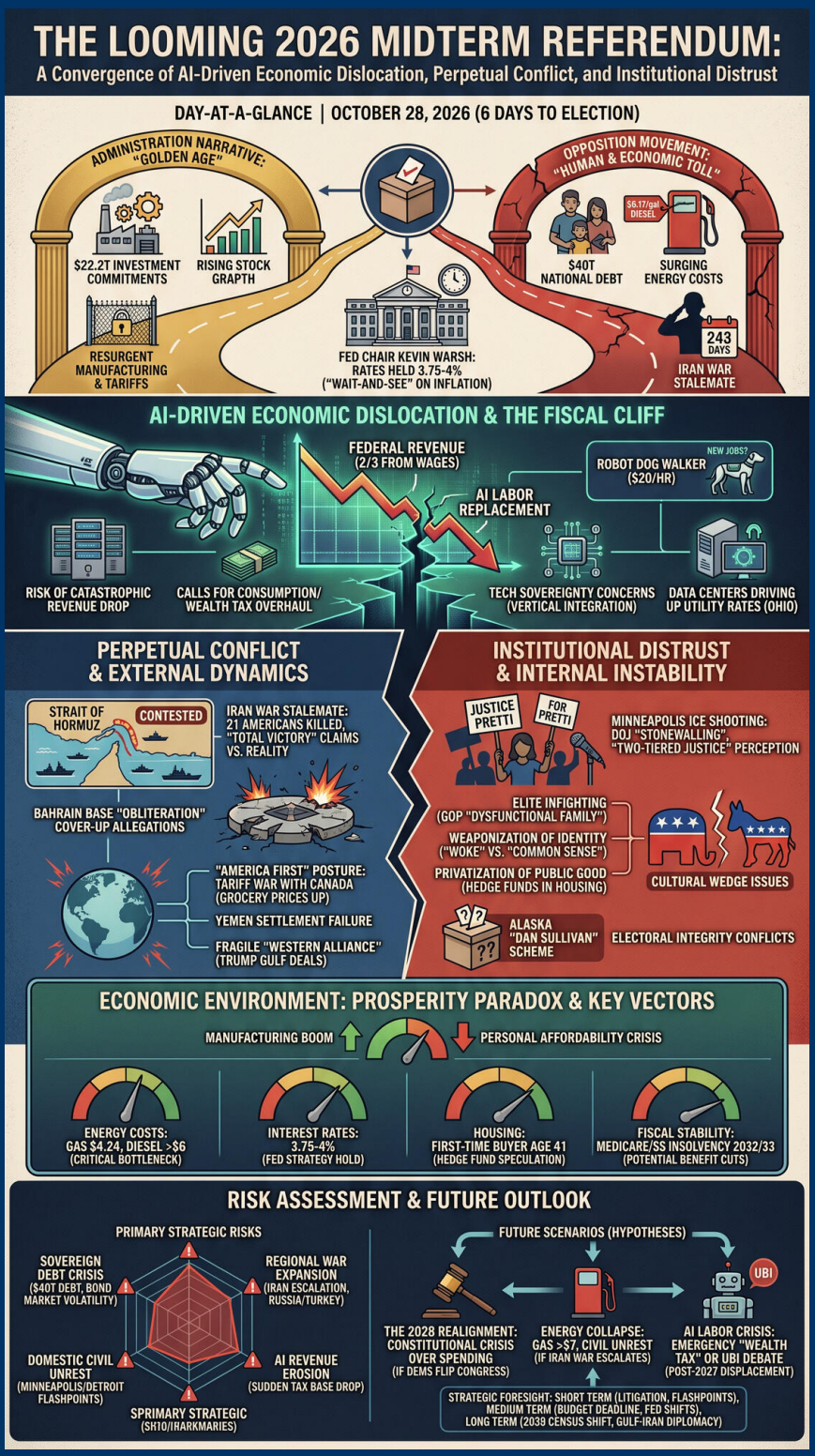
TODAYS TRENDS ON CAPITOL HILL

OCTOBER 28, 2026

THE GDELT PROJECT



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THE LOOMING 2026 MIDTERM REFERENDUM: A CONVERGENCE OF AI-DRIVEN ECONOMIC DISLOCATION, PERPETUAL CONFLICT, AND INSTITUTIONAL DISTRUST

DAY-AT-A-GLANCE

On October 28, 2026, the United States stands six days away from a pivotal midterm election that has seen a record-breaking $11.2 billion in campaign spending. The political landscape is defined by a sharp divergence between the incumbent administration's narrative of a "Golden Age" and a mounting opposition movement focused on the human and economic toll of an eight-month-old war with Iran. While the administration touts $22.2 trillion in new investment commitments and a resurgent manufacturing sector protected by aggressive tariffs, the electorate is grappling with a $40 trillion national debt and energy costs that have surged despite the closure of the southern border. The Federal Reserve, led by Chair Kevin Warsh, has opted to maintain interest rates at 3.75% to 4%, signaling a cautious "wait-and-see" approach as inflation remains stubbornly above target despite the administration's "monetary medicine."

The governance environment is further complicated by the rapid emergence of Artificial Intelligence (AI), which has begun to disrupt traditional revenue models and labor markets. Economists at the Bipartisan Policy Center warn that labor replacement by AI could erode the federal tax base, as two-thirds of revenue is currently derived from wages. Simultaneously, the domestic social fabric is strained by high-profile incidents of federal overreach, most notably the fatal shooting of a U.S. citizen by immigration agents in Minneapolis, and a perceived "corruption crisis" involving both billionaire donors and personal enrichment by elected officials. This confluence of events suggests that the 2026 midterms will serve not just as a choice between parties, but as a referendum on the fundamental structure of the American social contract and its global posture.

MAJOR DEVELOPMENTS

- **Midterm Election Fever Pitch:** Campaign activity has reached unprecedented levels, with the Texas Senate race alone reaching $563 million in ad spend. High-profile surrogates, including Barack Obama and JD Vance, are blanketing battleground states like Georgia, Ohio, and Kansas to mobilize a restless electorate.
- **Federal Reserve Hold:** Chair Kevin Warsh announced the maintenance of the federal target rate, emphasizing that while the economy is expanding at a strong pace, inflation "remains elevated" and energy prices have moved higher in recent weeks.

- **The Iran War Stalemate:** Now in its 243rd day, the conflict with Iran continues to drive domestic anxiety over diesel and grocery prices. Despite multiple administration claims of "total victory," the Strait of Hormuz remains contested, and 21 Americans have been killed to date.
- **AI and the Fiscal Cliff:** New research highlights the risk that AI-driven labor displacement could cause a catastrophic drop in federal revenue, prompting calls for a radical overhaul of the tax code to tax consumption or wealth instead of labor.
- **Electoral Integrity Conflicts:** Allegations of voter fraud and "ballot confusing" tactics have emerged in Alaska, where a second Dan Sullivan was placed on the ballot, prompting accusations of a "rigged" system by the administration.
- **Diplomatic Hostility:** The expulsion of a Cuban diplomat within 24 hours after an assault on an American representative at the UN underscores the increasing volatility of international statecraft under the current administration.

KEY GOVERNANCE TOPICS

Armed Conflict & Militarization

- Critics, including Senator Chris Murphy, allege a "coordinated cover-up" regarding the extent of damage to U.S. military facilities in the Gulf, specifically the "obliteration" of the base in Bahrain.
- The administration continues to promote a "manly warrior spirit" within the military, though opponents cite eight suicides on the USS Abraham Lincoln as evidence of unsustainable deployment cycles.

Macroeconomics & Trade

- The administration claims to have secured $22.2 trillion in new investment commitments through the use of aggressive tariffs, intended to repatriate manufacturing from Canada, Mexico, and China.
- The "Big Beautiful Bill" (Trump tax cuts) remains a central point of contention, with the GOP citing it as jet fuel for the economy and Democrats labeling it a "transfer of wealth" from the poor to the 1%.
- Iowa farmers report a "Farmageddon" scenario as diesel prices hit $6.17 per gallon, threatening century-old family farms with foreclosure.

Tech Sovereignty & AI

- Bipartisan concern is growing over "vertical integration" in tech and the use of AI to deny medical claims through automated systems.
- In Ohio, Senate candidate John Husted faces backlash for facilitating the construction of 226 data centers, which critics say are driving up local utility rates for residents.

Leadership Dynamics & Governance

- Internal polarization has reached the point where the 1995 fiscal year was the last time Congress passed individual appropriations on time, resulting in a culture of "governing by reconciliation."
- A significant movement for term limits and a ban on congressional stock trading is gaining traction among independent and "no party" voters.

DEEP DIVE: TRENDS AND THEMES

The Weaponization of Cultural Identity

Both parties are increasingly utilizing cultural wedge issues as a primary mechanism for voter mobilization. The GOP has successfully framed opposition to biological males in girls' sports and the rejection of "woke" educational curricula as "common sense" defenses of American culture. Conversely, Democrats are framing the current administration's focus on "arts and crafts" and "gold medallions" in the White House as a distraction from a systemic "corruption crisis" that targets the most vulnerable.

The Privatization of Public Good

A recurring theme is the perceived encroachment of "private equity" and "multinational billionaires" into foundational sectors like single-family housing, health care, and nursing homes. Candidates in IOWA and TEXAS are calling for moratoriums on hedge funds buying residential property, arguing that the American Dream of homeownership is being transformed into a "rental society" managed from Wall Street.

The Fragility of the Federal-State Compact

The 2026 news cycle highlights a growing tension in "fiscal federalism," where the federal government is perceived as shifting costs for programs like SNAP and Medicaid to the states. This shift is particularly acute in states with balanced budget requirements, where revenue impacts from federal tax changes create immediate crises for local governance.

INTERNAL DYNAMICS & DOMESTIC INSTABILITY

Domestic stability in the U.S. is increasingly threatened by a collapse in trust in legal and law enforcement institutions. The Pretti family's news conference in Minneapolis serves as a stark indictment of the Department of Justice, which they accuse of "stonewalling" and "cruelty" following the murder of their son by federal ICE agents. The perception of a two-tiered justice system is exacerbated by reports of "dark money" groups allegedly violating federal election laws with impunity while average citizens face five-year prison sentences for fixing their own tractors outside of "authorized" environmental centers.

Elite infighting is also visible within the GOP, where Senator Darline Graham acknowledges a "dysfunctional family" dynamic following the death of her brother, Lindsey Graham, and the subsequent "Write-in Ralph" movement that threatens to split the conservative vote. In Ohio, the use of a candidate's estranged mother in a political ad by Vivek Ramaswamy has sparked a debate over the "depraved moral compass" of modern campaigning, further deepening partisan wounds ahead of the midterms.

EXTERNAL DYNAMICS & GLOBAL POSTURE

The international system is portrayed as increasingly anarchic and hostile to U.S. interests. The administration's "America First" posture has led to a tariff war with Canada, described by critics as an alienation of "friendly neighbors" that has sent grocery prices soaring. In the Middle East, the failure to secure a political settlement in YEMEN despite U.S. refueling and intelligence support

for the Saudi-led coalition illustrates the limits of military power alone. The framing of the world stage is one of "Western Alliance vs. Tyranny," yet this alliance is frayed by the Trump family's personal financial deals with Gulf states, which critics argue have "corrupted" American foreign policy.

THE ECONOMIC ENVIRONMENT

The economic climate is one of stark contrasts: high-level manufacturing booms and record stock market indices juxtaposed against a "personal affordability crisis" for the working class. While the poverty rate is reportedly at its lowest level in history for many demographics, consumer confidence is fragile, driven by the volatility of the bond market, which some analysts now describe as the "new king" of the U.S. economy.

Key Economic Vectors

- **Energy Costs:** National average unlead gas is $4.24; diesel remains a critical bottleneck for agriculture and logistics, exceeding $6 in some states.
- **Interest Rates:** FOMC maintained a target range of 3.75% to 4%, with a new 2027 meeting schedule focused on strategy rather than just policy.
- **Investment Flows:** $22.2 trillion in commitments, with Apple alone investing $600 billion domestically, 10% of which is slated for Texas.
- **Housing:** Average age of a first-time homebuyer has risen to 41 years old, driven by hedge fund speculation and a supply crunch.
- **Fiscal Stability:** Medicare and Social Security trust funds face insolvency in 2032/2033, with potential benefit cuts of 18-22% if no action is taken.

LEADERSHIP CHANGES

Strategic shifts in the current political environment indicate a hardening of factional lines and a preparation for the post-Trump era.

- **Kevin Warsh:** As the new Federal Reserve Chair, he is asserting independence from the White House while navigating a board dominated by appointees from previous administrations.
- **Andy Burnham:** Serving as the British Prime Minister, he is leading a "Brexit reset" and a return to public ownership of critical utilities like water.
- **Darline Graham:** Following her brother's death, her projected win in the South Carolina Senate race stabilizes a key GOP seat but leaves her vulnerable to claims of "name-only" governance.
- **Kyle Diamandis:** As FDA Commissioner, he is increasingly visible on the campaign trail, signaling the politicization of health regulatory roles.
- **Todd Blanche:** The Attorney General faces intense scrutiny for his handling of the Minneapolis ICE shooting investigation and his refusal to engage with victims' families.

EDITORIAL POSTURE & STORY HIERARCHY

The network's editorial choices reflect a nation consumed by election logistics and the domestic impact of foreign policy. The "Lead Stories" are dominated by Midterm Power Rankings and high-velocity campaign rallies. However, there is a "Buried Story" regarding the actual war plan for Iran, which some officials describe as "insane" and likely to target civilian infrastructure, yet it receives

far less airtime than jokes about the Cheesecake Factory. The tone is generally anxious and nationalistic, frequently utilizing fear of "Marxist" takeover or "Nazi-ism" to bypass substantive policy debate. A **Conspicuous Omission** is the lack of detailed coverage on the Strait of Hormuz blockade's technical military status, with the network preferring to focus on the political theater of "who is winning" rather than the strategic reality of "how the war is actually being fought."

GEOPOLITICAL FRAMING

The subtext of the day's stories suggests a world where traditional norms of diplomacy have been replaced by a "personalities-first" model, where alliances are transactional and loyalty to a single leader is the primary currency.

COUNTRIES

- **Isreal:** Framed as the high-tech firewall of the Western Alliance, essential for U.S. R&D but currently paralyzed by a "whackbat" electoral system and the growing power of its Arab voting minority.
- **Canada:** Paradoxically portrayed as an economic adversary by the administration but a "friendly neighbor" by the opposition; currently the target of the most significant trade friction in North America.
- **Iran:** Framing shifts between an "obliterated" nuclear program and an "imminent threat," consistently used as the primary scapegoat for domestic energy price hikes.
- **Somalia:** Characterized by the administration as a "piece of land" with no government, used as a rhetorical cudgel to attack domestic political opponents.

LEADERS

- **Donald Trump:** Portrayed as a "master of emergency" by his base and a "mentally unbalanced narcissist" by his foes; his leadership is inextricably tied to his personal wealth, now estimated to have increased by billions while in office.
- **Benjamin Netanyahu:** Framed as a "war prime minister" whose survival is essential for regional stability but who may be "rooting for chaos" to maintain his domestic political grip.
- **Abdul El-Sayed:** Cast as a "radical extremist" and "jihadi" by the GOP, while his supporters see him as a "public health fighter" cleaning up "corporate messes."

INFORMATION WARFARE ENVIRONMENT

The 2026 information environment is characterized by "narrative seeding" and the use of "fake candidates." In Alaska, the GOP allegations of electoral fraud involving a man changing his name to match a sitting senator's is a clear instance of psychological operations designed to undermine confidence in the results before they are tallied. Simultaneously, the use of "AirDrop" technology during live rallies to distribute unsanctioned images of an opponent's "Sunday School bulletin board" demonstrates a new, peer-to-peer front in digital propaganda. The delta between the administration's claim of "total victory" and the reported obliteration of Gulf bases illustrates a fundamental disconnect between ground truth and state messaging.

HYPOTHESES AND FUTURE OUTLOOK

- **The 2028 Realignment:** If Democrats flip the House and Senate, the administration will likely shift toward unilateral executive control over spending and foreign policy, leading to a constitutional crisis over the power of the purse by early 2027.
- **Energy Collapse:** Should the Iran War escalate to target civilian infrastructure, domestic gas prices could top $7.00 by the winter, potentially sparking mass civil unrest in blue states where regulations further inflate costs.
- **AI Labor Crisis:** As corporations aggressively adopt AI to offset high interest rates, a sudden labor displacement event in the first half of 2027 may force an emergency "Wealth Tax" or "Universal Basic Income" debate that will cross traditional party lines.

STRATEGIC FORESIGHT

Short Term (1-4 Weeks):

- Expect post-election litigation in at least 15 states, with a focus on Alaska and Texas, where narrow margins are anticipated.
- Potential for "flashpoint" violence if federal troops are deployed to polling places as threatened by some executive officials.

Medium Term (1-6 Months):

- The February 2027 budget deadline will be the first major test of a potentially divided government, with the Iran War funding serving as the primary leverage point.
- Regulatory shifts toward "strategy meetings" at the Fed will alter how markets price in long-term risk.

Long Term (1-5 Years):

- The 2030 Census will likely result in a mass transfer of power to the "Red Sunbelt" (Texas, Florida), cementing a GOP majority for a decade and potentially leading to the "abolition of the Senate" movements currently advocated by the DSA.
- The "Western Alliance" will be redefined by direct Gulf-Iran diplomacy, reducing U.S. regional hegemony.

RISK ASSESSMENT

The primary strategic risk to the United States is the erosion of institutional trust, which could render the government incapable of responding to the next major external shock.

- **Sovereign Debt Crisis:** Risk of a global flight from U.S. Treasuries as the national debt hits $40T and the bond market becomes "the new king." **Triggers:** Failure of a 10-year Treasury auction or a breakdown in budget negotiations. **Likelihood:** Moderate. **Impact:** Catastrophic economic collapse. **Mitigations:** Bipartisan commitment to long-term fiscal reform and AI-driven efficiency gains.
- **Regional War Expansion:** Risk of the Iran War drawing in Turkey or Russia as the Strait of Hormuz remains contested. **Triggers:** U.S. strike on Iranian civilian infrastructure or an "accidental" hit on a Russian vessel. **Likelihood:** High. **Impact:** Global energy supply disruption and possible world war. **Mitigations:** Immediate opening of direct diplomatic channels with Tehran.

- **Domestic Civil Unrest:** Risk of mass protests in Minneapolis or Detroit following perceived "lawless" actions by federal agents. **Triggers:** A second fatal shooting of a citizen or a refusal by DOJ to release the Pretti evidence. **Likelihood:** High. **Impact:** National state of emergency and suspension of civil liberties. **Mitigations:** Transparent federal investigation and retraining of ICE/CBP agents.
- **AI Revenue Erosion:** Risk of a sudden 20% drop in federal income tax receipts. **Triggers:** Mass white-collar layoffs in the accounting and legal sectors. **Likelihood:** Moderate. **Impact:** Immediate insolvency of Social Security and Medicare. **Mitigations:** Shifting the tax base from labor to capital/wealth.
- **Electoral Delegation Crisis:** Risk of Congress refusing to certify 2026 results. **Triggers:** Widespread use of "name-confusion" candidates or allegations of illegal alien voting in Maine/Texas. **Likelihood:** Moderate. **Impact:** Political paralysis and loss of government mandate. **Mitigations:** Passage of the SAVE America Act and nationwide voter ID.

GAPS & BLIND SPOTS

The current news cycle presents an incomplete picture of several critical issues necessary for a full strategic assessment.

- The technical status of rebuilding military bases in the Gulf remains opaque; we do not know the actual cost or timeline for restoring "obliterated" facilities.
- There is a lack of verified data on the extent of Muslim Brotherhood infiltration of domestic charities; current reporting relies heavily on partisan accusations.
- The "Golden Age" investment claims of $22.2 trillion lack a detailed breakdown of what percentage is realized vs. non-binding commitments.
- The impact of high nitrate levels in water on the workforce productivity of agricultural states (IOWA) is under-analyzed compared to its health impacts.
- The relationship between the Bolsonaro visa grant and U.S. strategic interests in the Amazon/Latin America is entirely absent from the discourse.

CONTRARIAN NARRATIVE SCENARIOS

- **The "Stalling Tactic" Hypothesis:** The administration's repeated claims of "total victory" in Iran, followed by immediate requests for more funding, may be a deliberate stalling tactic to deplete U.S. munitions stocks in preparation for a strategic pivot toward Venezuela or a permanent occupation of the Gulf oil fields.
- **The "Managed Collapse":** Some analysts suggest that the record spending in the midterms is not a sign of democratic vigor but a desperate attempt by "legacy elites" to buy time before the AI-driven economic shift renders the current tax and political system obsolete.
- **Black Swan Event:** An AI-controlled drone swarm originating from a domestic "lone wolf" actor could hit a major U.S. power grid hub during the winter, forcing a nationwide transition to data-center-controlled private grids and the functional end of public utility management.

RECOMMENDATIONS & IMPLICATIONS

For Statecraft/Public Sector:

- **Security:** Redefine "Homeland Security" to include protection from automated violence (drones/AI) rather than just border regulation.
- **Economic:** Accelerate the de-taxing of labor and transition to consumption-based revenue to protect the treasury from AI displacement.
- **Diplomatic:** Formalize a Strait of Hormuz Security Pact that includes non-Western powers to distribute the burden of regional stability.

For Private Sector/Investors:

- **Capital Allocation:** Move toward land holdings protected from institutional specualtion (avoid hedge fund-dominated areas) and prioritize energy-independent manufacturing.
- **Supply Chain:** Diversify away from Canadian trade routes due to the risk of permanent tariff escalation and retaliatory "booing" of U.S. economic interests.
- **Compliance:** Prepare for radically increased transparency requirements in data center energy consumption and community profit-sharing models.

LEGISLATIVE ROUNDUP

The current session is dominated by a frantic effort to pass "America First" priorities before a potential shift in power. Major debates are focused on voter identification, energy deregulation, and a fundamental rethinking of managed care in health systems.

BILLS DISCUSSED/DEBATED:

- **SAVE America Act:** Mandates proof of citizenship for voting and photo ID, intended to "defend sacred elections" from perceived foreign/illegal interference.
- **Ratepayer Protection Act:** A bipartisan bill designed to force big tech companies to pay for their own electricity infrastructure rather than shifting costs to consumers.
- **The Big Beautiful Bill (V2):** Legislative effort to make car loan interest deductible provided the vehicle is manufactured domestically.
- **I-WILL Fund (Iowa):** A proposed state-level conservation bill to clean up water and address the "cancer crisis."
- **Homes Act:** A proposal to stop tax breaks for corporations buying up houses and driving up prices.

HEARINGS & PRESS EVENTS:

- **Federal Reserve Press Conference:** Chair Kevin Warsh explained the hold on interest rates and the "wait-and-see" stance on inflation and energy.
- **Alex Pretti News Conference:** A family's public demand for DOJ transparency regarding the Minneapolis ICE shooting.
- **Bipartisan Policy Center Fiscal Outlook:** A gathering of economists discussing the insolvency of Social Security and the AI threat to the tax base.

KEY STORIES

- **Midterm Spending Surge:** Analysts report $11.2 billion total price tag for the cycle, with Texas and Ohio serving as the "marquee matchups" that will decide the Senate majority.

- **The Minneapolis ICE Shooting:** Michael and Susan Pretti held a press conference 275 days after their son was killed by federal agents while he was lying face down on the ground.
- **The Iran War's Domestic Toll:** Reports of military families struggling to heat their homes with $5.00+ oil while their loved ones are deployed for record durations on the USS Abraham Lincoln.
- **Voter ID Referendum in Ohio:** Issue 3 on the ballot to amend the state constitution to require photo voter ID, a central point of the Husted/Brown Senate contest.
- **The "Sixpack" Congresswoman:** Ashley Hinson's Iowa campaign recounts her first win by only six votes, emphasizing the "turnout election" nature of the 2026 midterms.
- **Cuba Diplomat Expulsion:** Marco Rubio signed paperwork to eject a Cuban diplomat who tried to assault Ambassador Mike Waltz at the UN.
- **Hedge Fund Housing Crackdown:** IOWA governor candidate Zach Lane calls for a ban on $1 trillion funds buying up homes in Des Moines and Council Bluffs.
- **The "Silver Tsconami":** Healthcare entities in IOWA report 842 closures in six years, leading to a "massive bed shortage" for the aging baby boomer population.
- **The "Dan Sullivan" Scheme:** Allegations of voter confusion tactics in Alaska where a namesake candidate was recruited to siphon votes from the incumbent senator.
- **Robot Dog Walkers:** A lighter but indicative story in the New York Times about jobs created by the AI revolution, paying $20/hour.
- **The 250th Anniversary of Freedom:** Multiple speakers, including Roger Marshall, highlight that the country is celebrating 250 years, while noting freedom is "never more than one generation away from extinction."
- **A.I. Strategy Hold:** Chair Kevin Warsh announced a rescheduling of Fed meetings to focus on long-term strategy rather than just decimal points.

ABOUT THIS REPORT

Today's Trends On Capitol Hill is a public interest experiment in applying deep trend analysis to the daily business of the United States Congress to explore how responsibly applied advanced AI can help journalists, scholars and Congressional staff better understand the overarching legislative trends, themes and patterns of Congress.

No data is used to train or tune any AI model.

Each morning, we apply Google's Gemini 3 to deeply examine yesterday's Congressional activity to tease out its overarching themes and trends into a richly annotated thematic analysis. Each high-level insight is connected back to the original source material, allowing journalists and scholars to understand the legislative themes and trends and instantly click out to the underlying sources for details.

This inaugural report is based on deep analysis of CSPAN, CSPAN2 and CSPAN3 coverage in collaboration with the Internet Archive's TV News Archive. It is currently limited to the Congressional business covered on those three CSPAN channels and thus may not include all major Congressional business, may include activity from previous days that aired on a later date, and/or may include

other major federal, state and local governmental business. We will continue to refine this report to incorporate a growing array of Congressional information sources. This report is entirely machine generated using Gemini 3 and may include errors and omissions. Please verify all findings. No data is used to train or tune any AI model.

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