

A YEAR OF UNCERTAINTY

In 1992, The Dilenschneider Group issued its first trend report, and we have continued to do so for the past 33 years. As we look around today, however, we see that dozens of people and organizations are writing the same kind of reports (the sincerest form of flattery, we like to think), so we will not be doing one this year. In its place, we have put together a number of briefly summarized points that we believe are worth your attention. They follow here:

Introduction

President Trump dominates the news and shapes events, both domestic and international, in ways that are shocking for many Americans and exhilarating for many others. Polls show public support falling, but he appears undeterred. It is impossible to list here all the areas he's moving in now and will in the future. Suffice it to say he's in the driver's seat, and how he steers our nation is the great question.

Domestic

The exercise of presidential power challenges the Constitution. The Supreme Court will make pivotal decisions on crucial issues ranging from the legality of Trump's tariffs, to birthright citizenship, to the possibility of a third term, to the independence of the Federal Reserve.

The midterm elections will be the most intense and expensive ever (think of all the billionaire donors like Elon Musk who'll try to influence the outcome). Democrats aim to capture at least the House and conceivably the Senate. But Trump — who sees impeachment looming — will do everything in his power to keep Republicans in charge. One major question: Will GOP candidates see loyalty to Trump as the key to winning, or will edging away seem the right strategy?

The economy held up reasonably well in 2025, but many elements — sluggish hiring, unemployment increases, creeping inflation — are

question marks for 2026. Affordability — especially rising food prices, housing and healthcare — will shape the polls, and elections.

Political polarization is pulling a nation already fractured by social, cultural and religious conflicts further apart. The tensions between politicians and their constituents are widened by everything from infuriating allegations of insider trading in Congress to the refusal of some officeholders to even face voters in town hall meetings.

Mass deportations unsettle public opinion, with a majority of Americans saying we've gone too far. One poll found that 61% believe ICE tactics are too tough. Fifty-six percent say the administration is prioritizing deportation of “people who aren’t dangerous criminals.”

The perilous lack of housing that's affordable even for the middle class imperils the economy, from young couples to home builders to paint stores.

Erosion of the healthcare system (e.g., rural hospitals closing) and huge increases in the cost of health insurance are leaving more and more people without care or coverage.

Artificial intelligence is growing explosively. How it will affect us all is the subject of a raging debate. Advocates predict dazzling benefits — like, say, great leaps forward in cancer cures. Worriers fear everything from massive job cuts, to soaring energy costs driven by AI data centers' insatiable thirst for electric power, to a bursting AI bubble triggering an economic crisis.

Distrust of the media is being fueled by major corporate consolidation of news and entertainment outlets, putting control over what we read, see and hear in the hands of a powerful few. Nonstop attacks on traditional media from both left and right compound the distrust.

The rapid rise of online gambling is undermining the integrity of our sports. On top of that, new "predictive markets" allow betting on all kinds of events — politics, markets, pop culture (e.g., the date of Taylor Swift's wedding). Gambling addiction is spreading dangerously, and more fixing scandals are inevitable.

Addictive social media platforms like TikTok, Instagram, Facebook and X are accused of spreading withdrawal, depression, even mental illness, especially among young men, and there's evidence to support it.

Self-driving vehicles — especially robotaxis — will continue pushing into major cities, providing hopes for improved public transportation for some, but creating serious safety fears for many others. Skies full of delivery drones may become a hot topic too.

The Epstein files remain a ticking time bomb.

International

China is the 1,000-pound gorilla. Its trillion-dollar-plus trade surplus last year raises enormous questions about its potential to dominate the world's economy. Trump's tariffs combined with his aggression toward many of America's traditional allies play into Beijing's hands. Add to that the threat that international business consultant Ram Charan identifies as China's "90% model" — its ability to deliberately devastate targeted industries in other nations by flooding the market with underpriced goods (think steel, textiles, solar panels, electric cars). Look for Charan's book on this to come out in March.

We won't try to spell out all the potential flashpoints in 2026, but here are the ones we know (so far) to watch:

- Greenland
- The future of NATO AND U.S.-European relations

- The Ukraine-Russia war
- Gaza, the West Bank, Israel's October elections
- Venezuela and its vast oil reserves
- Threats of military force in Colombia, Cuba, Panama (the canal)
- Iran
- Canada (the 51st state issue)
- China invading Taiwan
- The future of energy sources — oil & gas vs. renewables
- Climate change

Given the number and enormity of upcoming events, we will likely have another report like this one near the end of summer. Meanwhile, your thoughts will be appreciated.

Best wishes,

Robert L. Dilenschneider