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The Midterm Variable.

Protecting *GCC–US Investment* Through 2026.

A non-partisan working position on the single variable that reprices every Gulf–US deal between now and November: the midterm elections. If the House changes hands, the gains of this administration’s Gulf agenda meet a new majority with subpoena power and an agenda. And the states are already fighting – California and New York moving on the Gulf-backed Paramount transaction. Two fights, one investor exposed. What a new majority can do, what the states can do, and how a GCC principal protects the gains – with a government-relations posture that must, finally, be bipartisan.

FOREWORD · THE FIRM'S POSITION

The Gulf principal who has deployed into the United States under this administration – into media, energy, infrastructure, AI, and the headline transactions of the last two years – has, whether or not it is named on the term sheet, taken a *political position*. The deals are associated with the current White House, and in American politics nothing associated with a sitting president survives a change of majority unexamined. The firm’s working position is that the November 2026 midterms are not background noise to the GCC investment thesis; they are the *variable that reprices it*. A House that changes hands gains committees, subpoenas, and an oversight agenda. The states are already in the field. The principal who treats the gains as settled – rather than as exposures to be protected before the new Congress is seated – has mispriced the deal. The discipline is bipartisan, and it begins now. Non-partisan; the firm takes no side on the merits of either party or any transaction.

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Contents & *Reading Plan.*

A six-part position on the midterm variable and how a GCC principal protects US investment through it – grounded in the live record as of June 2026. Each part closes in a protective move that can be put in motion before November.

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READING PLAN FOR THREE READERS

The *sovereign fund or holding with US exposure* reads Parts I, III, and V first – the math, the oversight powers, and the defensive posture. The *principal in a live, named transaction* reads Parts II and IV first – the two fights and the angle of attack are where the immediate exposure sits. The *family office or new entrant* reads Parts I and VI first – the variable and the bipartisan hedge that should shape entry from day one.

The midterms are everything. A deal celebrated in one Congress can be subpoenaed in the next. Protect the gains before the new majority is seated – and build the one posture that survives whoever wins: a bipartisan relationship.

SECTION I · THE MIDTERM MATH

Why a House flip is the *base case* to plan against.

Risk management plans against the probable, not the comfortable. As of June 2026, the probable outcome in the House is a change of control – and a prudent GCC principal plans against it whether or not it comes to pass.

I.1 · THE NUMBERS, READ PLAINLY.

Democrats need a net gain of three seats to take the House, and the structural forces of a midterm – which historically run against the party holding the White House – favor them; most forecasters rate the House as theirs to lose. The Senate is the mirror image: Republicans defend a 53–47 majority on a map where Democrats need a net of four, a steeper climb. The most likely shape of the next Congress, then, is a *split* – a Democratic House, a Republican-held or closely-contested Senate. Plan against the split, because the split is where the oversight power and the protection diverge most sharply.

I.2 · WHY THE SPLIT IS THE DANGEROUS CASE FOR THE GULF INVESTOR.

A unified government of either party is, paradoxically, more predictable. The dangerous case is the split, because a House controlled by the party out of the White House gains the one thing it most wants and most lacked: *the power to investigate*. Oversight does not require sixty votes or a signature. A single chamber, a single committee gavel, is enough to open an inquiry, issue a subpoena, and put a Gulf-linked transaction on the public record. The Senate cannot stop it, and the White House cannot veto it.

I.3 · WHY THIS ADMINISTRATION'S GULF GAINS ARE SPECIFICALLY EXPOSED.

The exposure is not generic. This administration has made its Gulf agenda a signature – the Abraham Accords legacy, the US–Iran opening, the wave of sovereign capital into US media, energy, and infrastructure. *The more closely a deal is associated with the President, the more attractive it is as an oversight target for a new majority*, because the political value of the inquiry rises with the proximity to the White House. The Gulf principal inherits that proximity whether or not it sought it.

Plan against the probable: a Democratic House, a contested Senate. The split is the dangerous case, because oversight needs only one chamber – and a deal's closeness to the President is exactly what makes it a target.

SECTION II · TWO FIGHTS

The states and the Congress — *different battles.*

The Gulf principal tends to watch Washington and miss the statehouse. That is a mistake. There are two distinct fights over Gulf-linked deals, they run on different tracks, and the states are already in the field.

THE STATE FIGHT — ALREADY LIVE

The states do not need the midterms. They are fighting now. In the Gulf-backed Paramount–Warner Bros. Discovery transaction — disclosed at roughly 38.5% Gulf sovereign-fund equity from Saudi, Qatari, and Abu Dhabi funds — California’s Attorney General, joined by New York, has signaled antitrust litigation to block the deal. This is a *state-law* fight, run by elected attorneys general, on antitrust and consumer-protection grounds, and it is independent of who controls Congress. A Gulf principal can clear every federal hurdle and still be enjoined by a state court.

THE FEDERAL FIGHT — COMING IN JANUARY

The congressional fight is different in kind. It is not primarily about blocking a specific deal in court; it is about *oversight, narrative, and national-security framing*. Senate Democrats have already pressed the FCC for a full review of the foreign-ownership stake in Paramount. A new House majority would extend that from letters to hearings, subpoenas, and referrals. The federal fight is slower, more public, and aimed less at the transaction than at the political association behind it.

WHY THE DISTINCTION DECIDES YOUR DEFENSE

The two fights require different defenses. The state fight is litigated — it needs antitrust counsel, a state-AG strategy, and a deal structure that survives a state court. The federal fight is governed and communicated — it needs an oversight-response posture, document discipline, and a bipartisan relationship that can be drawn on when the gavel changes hands. *A principal who prepares only for Washington loses in Sacramento; one who prepares only for the courts is unready for the subpoena.*

Two fights, two tracks. The states litigate now, on state law, regardless of Congress. The federal majority investigates later, on national-security framing. Prepare for both — because clearing one does not clear the other.

SECTION III · WHAT A NEW MAJORITY CAN DO

Committees, subpoenas, the *oversight agenda*.

The power of a new majority is not abstract. It is mechanical, and it is assigned within weeks of the election. Understanding the machinery is the first step to preparing for it.

THE SPEAKERSHIP SETS THE GAVELS

Control of the House means control of the committees. Whoever holds the Speakership — in a Democratic House, the leadership now built around Hakeem Jeffries — arrives with committee assignments and chairmanships ready, and the chair controls the agenda, the witness list, and the subpoena. In the Senate, the same logic runs through the Majority Leader. *Committee control is the whole game*, and it is decided in the days after November, not the months.

THE COMMITTEES THAT MATTER TO A GULF DEAL

A Gulf-linked transaction can be reached by several committees at once: Financial Services and Banking (CFIUS, foreign investment, AML); Foreign Affairs (the Gulf relationship, the Iran opening); Intelligence and Armed Services (national-security framing); Energy and Commerce (the FCC, media, energy); and the oversight committees, whose jurisdiction is, by design, almost unlimited. A determined majority can open *parallel inquiries* across several of these at once.

THE TOOLS — AND THEIR LIMITS

The tools are real: the hearing, the subpoena for documents and testimony, the investigative report, the referral to an agency or to Justice, and the bully pulpit of the public record. Their limit is also real: a House majority cannot, by itself, pass a law, block a deal in court, or compel the executive to act. Its power is *investigative and narrative*, not directly dispositive. That distinction is the key to the defense in Part V — the threat is exposure and pressure, not, in most cases, a direct legal kill-switch.

Control of the House is control of the gavels, assigned within weeks. The tools — hearings, subpoenas, referrals — are investigative and narrative, not dispositive. The threat is exposure and pressure. Defend accordingly.

SECTION IV · THE ANGLE OF ATTACK

Affiliations, structures, and the *money deals*.

An oversight majority does not investigate at random. It follows the political return. Understanding where a new majority will aim is how a principal knows what to clean up before the inquiry, not during it.

THE TARGET IS THE ASSOCIATION, NOT THE GULF

Read the incentive honestly. A new majority's interest is rarely the Gulf investor as such; it is the *link between the investor and the White House*. The political value of an inquiry comes from what it implies about the administration — conflicts, favoritism, insider advantage. The Gulf principal is, in this frame, the instrument of an argument aimed past it. That is uncomfortable, but it is also clarifying: the exposure is proportional to proximity, and proximity can be managed.

WHERE THE SUBPOENA LOOKS

The predictable lines of inquiry: corporate affiliations and who sits on which board; the use of shell companies, pass-through entities, and layered ownership; the role of conferences, advisory fees, and intermediaries; and the national-security and AML framing that lets a financial story be told as a security story. *The structure that looked tax-efficient at signing can look like concealment under a subpoena* — not because it was wrong, but because opacity reads as intent in a hearing room.

THE 'AMERICA FIRST' INVERSION

The sharpest move available to a new majority is rhetorical: to run at the money deals using the administration's own language. A coalition can position itself as *America First on the wins where it can attack* — framing foreign capital in US media, infrastructure, and security-adjacent assets as the thing being protected against. The Gulf principal should expect its own deal to be described in terms it would never have chosen, and should have a counter-narrative ready before the framing sets.

The target is the association with the White House, not the Gulf. The subpoena follows affiliations, shells, pass-throughs, and intermediaries — and opacity reads as intent. Clean the structure and ready the counter-narrative before the inquiry, not during it.

SECTION V · PROTECTING THE GAINS

Defense posture, structure, and the *litigation bench*.

The administration itself is not naive to this fight – its own legal-defense apparatus is experienced in both domestic challenges and CFIUS scrutiny. The Gulf principal should be equally prepared, and on its own account.

ENGAGE THE SCOPE OF DEFENSE EARLY

The mistake is to treat legal defense as a thing you assemble after the subpoena arrives. By then the documents exist, the structure is fixed, and the narrative is set. The discipline is to *engage the scope of defense before the inquiry* – to assume the deal will one day be examined and to build it, document it, and structure it to survive that examination. The party that prepares its defense in calm is the party that is not improvising it under a gavel.

STRUCTURE FOR DAYLIGHT, NOT JUST EFFICIENCY

Revisit the structure through the eyes of a hostile committee. Layered ownership and pass-through vehicles that were built for tax or liability efficiency should be tested against a different question: how does this look on a hearing-room screen? Where opacity is not essential, *choose daylight* – clear ownership, documented governance, demonstrable arm's-length terms. The CFIUS posture in particular should be clean and, where prudent, voluntarily filed, so that the federal review is a shield the principal raised, not a weapon raised against it.

BUILD THE LITIGATION BENCH NOW

The best litigators are a finite resource, and a contested deal needs them on retainer before the fight, not after. There is a market dynamic worth understanding: as the two-year countdown to a possible new administration begins, *top-tier counsel – the Am Law 100 bench – has its own incentive to take on these matters*, positioning for the work and the relationships of a changed Washington. The principal who builds the bench early secures both the talent and its loyalty before the rush.

THE STATE TRACK NEEDS ITS OWN BENCH

Federal defense is not state defense. The Paramount matter shows state attorneys general litigating on antitrust grounds in their own courts. A principal exposed to the state fight needs antitrust and state-AG specialists – a different bench from the oversight-response team – engaged in parallel. *One fight, one bench; two fights, two benches.*

Engage the defense before the inquiry, not after. Structure for daylight, not just efficiency. And build both benches – federal oversight and state antitrust – while the best counsel is still available, because it will not be later.

SECTION VI · THE BIPARTISAN HEDGE

The only GR posture that *survives a change of majority*.

Everything above leads to one conclusion. A government–relations strategy anchored to a single party, or a single president, is a position with a four–year clock on it. The only durable hedge is bipartisan, and it must be built before it is needed.

A ONE-PARTY POSTURE IS A DEPRECIATING ASSET

The Gulf principal who built its entire US relationship through one administration holds a position that loses value the moment the majority shifts. Access that depended on the White House does not transfer to the committee that now holds the subpoena. *Relationships built only on one side of the aisle are not relationships; they are exposure with a friendly face*, and the face changes on a fixed electoral clock.

WHY THE STAKES RUN BOTH WAYS

The administration's own incentives align the Gulf principal's interest with stability. The President's legacy and re–election narrative are tied to success in the Gulf — the Iran opening and the Abraham Accords among them — and any visible loss on that front mobilizes the opposing base. The Gulf principal is therefore caught between an administration that needs its deals to succeed and an opposition that gains from their failure. *Neutrality is not available; only balance is.*

BUILD THE OTHER HALF OF THE ROOM

The protective move is to build the relationships the principal does not yet have — with the members, staff, and committees of the party it has not courted — in calm, before the inquiry, on the substance of the investment's benefit to American jobs, supply chains, and security. A relationship opened during a subpoena is worth little; one built a year earlier is worth everything. The work is quiet, bipartisan, and begun now.

THE STANDING OFFER

For the GCC principal, the firm's role is the bipartisan one: mapping the exposure across both fights, building the relationships on the side of the aisle the principal lacks, readying the oversight–response and litigation benches before they are needed, and keeping the strategic–communications posture credible to a Congress of either party. *Strategic communications and government relations, at this level, are not a campaign for one side. They are an insurance policy against the other.*

A one–party posture depreciates on a four–year clock. Build the other half of the room now — quietly, on the substance — because the only government–relations strategy that survives a change of majority is the one that was bipartisan before it had to be.

Editorial · non–partisan, and not legal, tax, or investment advice. This Almanac takes no position on the merits of any party, candidate, administration, or transaction; named matters (including the Paramount–Warner Bros. Discovery transaction and related state and congressional actions) are described neutrally from contemporaneous public reporting for instructional purposes. Election outcomes are uncertain and forecasts change. Every transaction and engagement should be validated, before action, with US counsel of record. The signing authority is, and remains, the principal's.

FROM THE CHAIRMAN'S DESK

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