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CGS Newsletter

GLOBAL UP-TO-DATE

A Monthly Newsletter by Centre for Governance Studies

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CONTRIBUTORS

1. **Roman Uddin**
   Senior Research Associate
2. **Nuzhat Tabassum**
   Program Assistant (CGS)
3. **Md. Saiful Islam Shanto**
   Research Assistant (CGS)
4. **Jahanara Jaba**
   Research Assistant (CGS)

ASSISTANT EDITOR

Roman Uddin

Senior Research Associate

A cgs Publication

The world around us is changing rapidly. Wars, new turn in global politics, human rights issues are occurring every day, posing new challenges and concerns. Global Up-to-Date is an initiative by Centre for Governance Studies (CGS) which will work as a hub for explaining the contemporary global issues.

The regular briefs will focus and explain the issues related to International Politics, Economy, Security, Human Rights, and Development. There will be a monthly printed version newsletter containing briefs of all the contemporary global important issues. The online version contains regular updates of the pressing issues along with the PDF version of the news letter.

Bulgaria's Adoption of the Euro: A Milestone in European Economic Integration

Roman Uddin

Bulgaria's adoption of the euro on January 1, 2026, marked a historic milestone in the country's economic and political integration with the European Union. As the 21st member to join the eurozone, Bulgaria replaced its national currency, the lev, which had been in use for 146 years, with the euro following a one-month dual circulation period during January 2026. This transition ended the lev's role as legal tender from February 1, 2026, and integrated Bulgaria fully into the monetary union, granting its central bank governor voting rights on the European Central Bank's Governing Council and making the Bulgarian National Bank a full shareholder in the ECB.

The path to this adoption began long before 2026. Bulgaria joined the European Union in 2007 and committed to adopting the euro once it met the Maastricht convergence criteria, which include price stability, sound public finances with deficits below 3 percent of GDP and debt below 60 percent, long-term interest rate convergence, and exchange rate stability within the Exchange Rate Mechanism II for at least two years. To stabilize its economy after hyperinflation in the 1990s, Bulgaria introduced a currency board in 1997, pegging the lev to the German mark initially and then to the euro at a fixed rate of 1.95583 lev per euro from 1999 onward. This arrangement provided exchange rate stability but limited independent monetary policy. Bulgaria entered ERM II in July 2020, setting the stage for eventual entry, though initial targets for 2024 or 2025 were delayed.

Delays occurred primarily due to challenges in meeting the inflation criterion amid global energy shocks, supply chain disruptions, and post-pandemic effects. In 2024 convergence assessments, Bulgaria's inflation exceeded the reference value, prompting postponements. Political instability, with multiple elections and coalition governments since 2021, further hindered necessary reforms in areas such as anti-corruption, judicial independence, and fiscal discipline. Public skepticism, amplified by disinformation and fears of price increases or loss of sovereignty, also contributed to hesitation. By early 2025, however, inflation moderated, fiscal indicators remained strong with public debt at around 24 percent of GDP, one of the EU's lowest, and other criteria were fulfilled. Bulgaria requested an extraordinary convergence report in February 2025, leading to positive evaluations from the European Commission and ECB in June 2025. The Council of the EU approved the adoption on July 8, 2025, confirming the January 1, 2026, date.

The timing of 2026 reflected improved economic conditions, including post-recovery growth, contained inflation, and greater political cohesion under the government in place. These factors allowed Bulgaria to overcome earlier barriers and capitalize on a window of stability.

Economically, the adoption brings substantial benefits alongside some risks. Reduced transaction costs in trade with the eurozone, which accounts for over half of Bulgaria's exports and imports, enhance efficiency and price transparency, fostering competition. Lower borrowing costs arise from anchored inflation expectations and ECB support, while access to ECB liquidity facilities and crisis mechanisms strengthens resilience. Small and medium-sized enterprises save significantly on conversion expenses, and foreign investment becomes more attractive due to eliminated currency risk. Post-adoption data indicate a smooth changeover, with euro cash comprising about 70 percent of circulation by the end of January 2026 and only minor overall price level impacts, consistent with experiences in other countries like Croatia.

Challenges include potential short-term inflationary pressures from rounding or perception-driven hikes, though these proved limited and were mitigated by price monitoring. The loss of residual monetary autonomy, already constrained by the currency board, exposes Bulgaria to asymmetric shocks without independent tools, and convergence remains gradual. GDP per capita, which rose from about one-third to nearly two-thirds of the eurozone average over the prior decade, is projected to reach around 55 percent by 2035, slower than in some Central European peers due to structural issues like low productivity and regional disparities. Sustained reforms in public investment, social protection, and productivity are essential to maximize gains and avoid stagnation risks.

For the country, it completes a sequence of integrations, EU membership in 2007, Schengen in 2025, and now the euro, affirming its place at the heart of Europe, boosting security, prosperity, and institutional credibility. Bulgaria gains influence in shaping eurozone policy and benefits from deeper financial integration. For the European Union, the enlargement to over 350 million users reinforce monetary union cohesion, counters narratives of decline, and demonstrates the euro's appeal even to less affluent members. It may encourage remaining non-euro states, while highlighting the need for policies addressing inequalities.

It represents the culmination of decades of reform and alignment, transforming a once-volatile economy into a more stable participant in Europe's shared monetary framework. Early indicators suggest a positive trajectory, with the transition managed effectively and long-term convergence dependent on prudent policymaking and structural improvements. This development underscores the enduring value of European integration in fostering growth and resilience amid global uncertainties.

The Monroe Doctrine Reimagined: U.S. Action in Venezuela

Nuzhat Tabassum

Photo: Matias Delacroix/AP

In January 2026, the United States launched a military operation in Caracas, marking one of the most significant foreign interventions in contemporary Latin American history. The operation culminated in the capture of Venezuelan President Nicolás Maduro and his wife. This action followed months of escalating pressure from the U.S. on multiple fronts: military, economic, and political. The Trump administration presented its policies as a battle against "narco-terrorism." However, critics contend that the underlying motivations were more complex, involving oil interests, strategic geopolitical positioning, and a desire for hegemony within the Western Hemisphere.

The issue fundamentally revolves around Venezuela's oil, especially its heavy, sour crude. Crude oil's characteristics vary, primarily in terms of viscosity and sulfur content. Lighter, sweeter crudes are typically easier and less expensive to refine, which is why they fetch higher prices. Heavy, sour crude, on the other hand, is denser, contains more sulfur, and is more expensive to turn into fuels like gasoline, diesel, kerosene, and jet fuel. Venezuela's oil, found mainly in the Orinoco Oil Belt, is notably dense and tar-like, necessitating sophisticated extraction methods like steam injection and the use of diluents.

Despite these challenges, Venezuela holds an estimated 303 billion barrels of proven oil reserves the largest in the world. Most of these reserves are heavy, sour crude. While most U.S. production is light, sweet crude but nearly 70 percent of U.S. refining capacity especially along the Gulf Coast in Texas and Louisiana was built decades ago to process heavier crude grades like those from Venezuela. Industry analysts argue that renewed access to Venezuelan oil would benefit U.S. refineries “tremendously,” as many facilities were specifically designed for that feedstock.

Venezuela's oil history began in 1922, when a colossal well at Los Barrosos-2 in the Maracaibo Basin erupted, turning the nation into a petroleum giant, earning the moniker "The Millionaire of America." The Venezuelan oil industry was nationalized in 1976, a move orchestrated by President Carlos Andrés Pérez. This led to the establishment of Petróleos de Venezuela, SA, or PDVSA. Foreign firms received roughly $1 billion in compensation for the loss of their concessions, yet they were permitted to continue operating as PDVSA affiliates.

After Hugo Chávez took office in 1999, the landscape shifted dramatically. He tightened the government's grip on the oil sector. Then, in 2007, he ordered foreign firms to turn over a 60 percent share of their joint ventures to PDVSA. ExxonMobil and ConocoPhillips refused, leading to the seizure of their assets. Chávez also removed technical experts from PDVSA and redirected oil profits to fund political and military objectives. Investment in infrastructure declined sharply, and production began falling even before his death in 2013.

When Nicolás Maduro succeeded Chávez, oil prices soon collapsed in 2014, pushing Venezuela into an economic catastrophe marked by hyperinflation, poverty, and mass migration. U.S. Sanctions, first levied in 2005 and then significantly ramped up in 2019 under Trump's administration, severely limited Venezuela's ability to obtain foreign capital and technology.

In this context, the Trump administration ramped up its pressure tactics in 2025. The U.S. government labeled Venezuelan gangs like Tren de Aragua as terrorist groups and put a $50 million bounty on Maduro. More than 30 strikes were carried out on boats in the Caribbean and Pacific, reportedly killing over 100 people. The administration alleged these ships were connected to drug trafficking, specifically the smuggling of fentanyl. Yet, counternarcotics specialists and DEA evaluations suggest Venezuela plays a limited role as a transit point for cocaine, and doesn't produce fentanyl. Critics argue the anti-drug rationale lacks supporting evidence.

On January 3, 2026, more than 150 U.S. aircraft entered Venezuelan airspace in a pre-dawn operation. American forces captured Maduro and his wife in Caracas. The administration invoked Article II constitutional powers and emergency statutes, describing its actions as part of a “noninternational armed conflict” against drug cartels.

The strategic rationale underpinning these maneuvers was presented through a reinterpreted lens of the Monroe Doctrine to thwart imperial European encroachment, the doctrine subsequently transformed via the Roosevelt Corollary to legitimize U.S. intervention in Latin America when instability or misconduct was perceived. The Trump administration has advanced what it calls a new

“Trump Corollary,” elevating the Western Hemisphere as the top U.S. strategic priority. This reinterpretation ties U.S. security and prosperity as inextricably linked to maintaining dominance in Latin America and preventing rival powers especially China and Russia from gaining access to crucial resources like oil, essential minerals, ports, and military bases. Venezuela serves as a prime example. Its connections with China, Russia, and Cuba, coupled with its vast oil reserves and strategic Caribbean location near vital shipping routes, have been used to justify a more aggressive U.S. stance.

Following Maduro’s capture, Vice President Delcy Rodríguez was sworn in as interim president and received conditional backing from Washington. The U.S. announced it would oversee Venezuela’s oil sector and potentially influence governance during a transitional period. An executive order declared a national emergency to safeguard Venezuelan oil revenues in U.S. custody, shielding the funds from creditors and controlling the Venezuelan oil revenue in a way it believes will help stabilize the country and advance broader policy goals.

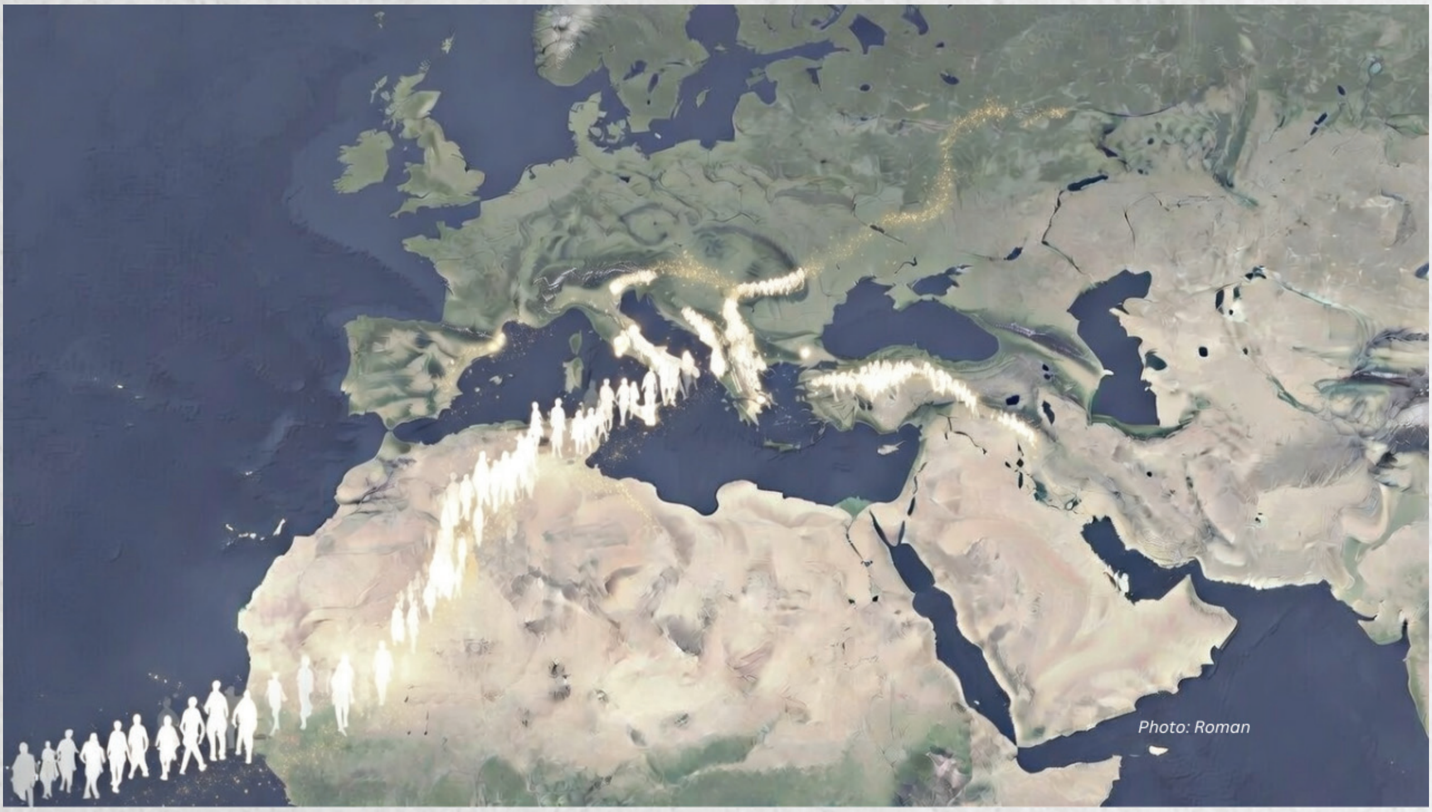
The administration has encouraged American oil companies to invest heavily in rebuilding Venezuela’s oil industry, promising favorable arrangements and selective removal of sanctions. Chevron, operating under sanctions exemption, plans to increase production. ExxonMobil, however, has described Venezuela as “uninvestable” under current conditions.

Beyond the oil, geopolitics is a major player. Venezuela has cultivated close relationships with China, Russia, Iran, and Cuba, all while under the weight of U.S. sanctions. China, for its part, has poured money into infrastructure and resource projects throughout Latin America. The Trump administration's approach was clear: prevent rival powers from gaining access to key assets in the Western Hemisphere. This included energy reserves, ports, minerals, and communication networks. Venezuela also holds substantial deposits of gold and rare earth elements, both of which are essential for advanced manufacturing and defense technologies.

Rebuilding Venezuela's oil industry is a long-term project, possibly decades. The existing infrastructure is crumbling, a skilled workforce has largely departed, and the political climate is anything but stable. It's hard to say if any intervention will bring back economic health or just make things worse. One thing is clear: Venezuela's heavy, sour crude, once seen as a technical hurdle for refiners, is now at the heart of a much bigger struggle. This involves global energy markets, competition between major powers, internal politics, and the limits of international law.

Why the ‘Route-Based Approach’ is the Future of Global Migration Governance

Md. Saiful Islam Shanto



The traditional framework for managing global migration is undergoing a fundamental transformation. For decades, international aid and government policies operated under a country-specific model. If a crisis erupted in a specific nation, resources were funneled into that localized geographic box. However, the reality of human movement in the 21st century defies these static boundaries. People on the move travel across multiple borders, navigate complex transit zones, and head toward shifting destinations. In a landmark shift, the International Organization for Migration (IOM) launched its 2026 Global Appeal, requesting USD 4.7 billion to assist 41 million people. This appeal represents a strategic pivot toward a "route-based approach" designed to handle irregular migration and climate-induced displacement with unprecedented continuity.

The route-based approach is a framework that prioritizes the entire journey of a migrant over their location at a single moment. By focusing on migration corridors, the international community can provide protection at every critical junction. This shift is driven by staggering statistical realities. By the end of 2024, internal displacement reached an all-time high of 83.4 million people. This surge was fueled by intersecting crises, including conflict and economic instability. In 2024 alone, disasters triggered 9.8 million new displacements, a 27 percent increase from the previous year. These figures demonstrate that migration is a fluid, regional phenomenon. Treating it as a series of isolated national problems is no longer a viable strategy.

Efficiency is the primary driver of this new model. Under the old system, a migrant might receive medical aid in one country but find themselves without support the moment they cross into a neighboring state. These gaps create opportunities for exploitation. Human traffickers thrive in "no-man's-lands" where official humanitarian presence is weak. By monitoring entire routes, such as the Eastern Route from the Horn of Africa to the Arabian Peninsula, the IOM can strategically place Humanitarian Service Points (HSPs). These points provide clean water, food, and health screenings regardless of a person's legal status or the specific country they are transiting.

The human cost of the previous fragmented approach has been devastating. The year 2024 was the deadliest for migrants since 2014, with at least 9,197 documented deaths. A significant portion of these fatalities occurred in transit zones where aid was unavailable. In Asia alone, nearly 2,800 people lost their lives in 2024 while fleeing violence or environmental degradation. A route-based strategy addresses this by creating a "continuum of care." When humanitarian organizations coordinate across borders, they can track vulnerabilities as they evolve. This allows for earlier interventions that prevent a difficult journey from becoming a fatal one.

Climate change adds urgency to this transition. Environmental displacement is rarely a straightforward move from one home to a final destination. In regions like South Asia, the process is often step-wise. A family may move from a coastal village destroyed by rising sea levels to a nearby town, then to a metropolitan hub, and eventually across international borders for work. This is a progressive journey of survival. The route-based approach utilizes the Displacement Tracking Matrix (DTM) to monitor these patterns in real-time. By analyzing data from 170 countries, the IOM can anticipate where groups are likely to move. This "anticipatory action" enables agencies to prepare transit centers before a sudden influx occurs, reducing the risk of local conflict and resource exhaustion.

The 2026 funding environment makes this shift a practical requirement. Global aid budgets are facing constraints. The IOM's 2026 appeal of USD 4.7 billion is a 42 percent reduction from the USD 8.2 billion requested for 2025. This decrease does not reflect a drop in human need; rather, it reflects a "Humanitarian Reset." The IOM must do more with less by maximizing system-wide efficiency. A route-based model allows for shared procurement and synchronized data systems among countries along the same corridor. For instance, a single regional supply chain can manage the distribution of shelter materials across several borders, reducing administrative overhead.

Furthermore, this approach offers a sustainable path for host communities. When migration is managed as a regional corridor, responsibility does not fall solely on the country of destination. It encourages "regional responsibility-sharing." Neighboring states can coordinate on labor migration pathways that align with market needs. The 2026 appeal specifically requests USD 257 million to support safe return and sustainable reintegration. By providing migrants with legal options and a clear path for return, the appeal aims to reduce the desperation that drives people toward dangerous irregular routes. Currently, 168 million migrant workers sustain essential sectors like healthcare and agriculture globally. Facilitating their movement through regular pathways strengthens both origin and destination economies.

Migration, when managed well, is a driver of resilience. In 2024, global remittances reached USD 905 billion. This capital flow often exceeds foreign direct investment in low-income countries and serves as a lifeline for millions. However, these benefits are often overshadowed by the chaos of irregular movements. By adopting a route-based approach, the international community can reclaim the narrative. It moves the conversation away from "border security" in isolation and toward "route management." A secure border is best achieved through a well-managed corridor where people are registered, protected, and guided toward legal channels.

The 2026 Global Appeal serves as a roadmap for this evolution. It allocates USD 1.5 billion toward saving lives and another USD 1.5 billion toward driving long-term solutions to displacement. These investments transition the world from a reactive "crisis mode" to a proactive "management mode." The old methods of managing mobility are no longer sufficient. The challenges of the 21st century require a strategy that is as mobile as the people it seeks to protect. By focusing on the entire corridor, the international community can reduce suffering, eliminate gaps for exploitation, and harness the potential of human mobility. This shift represents the future of global governance—a future where safety and dignity are guaranteed at every step of the journey.

The Last Battle Toward Democratic Transition of Iran

Jahanara Jaba


Photo: Vahid Salemi / AP

Iran has entered 2026 with an unprecedented crisis of legitimacy. What started as a localized merchant strike in the Tehran Grand Bazaar in late December 2025 has rapidly transferred into a nationwide uprising that challenges the very foundations of the Islamic Republic. This movement marks the first time since 1979 that the traditional merchant class has combined forces with the youth and the industrial working class to demand a total systemic transition. As the state moved to suppress the protests, the US-based Human Rights Activists News Agency (HRANA) reported that an estimated 40,887 people were detained and 6,126 people were killed during demonstrations across various parts of the country.

The January protest is the most extensive since the “Women, Life, Freedom” movement of 2022. This current uprising originated with the gradual incorporation of economic demands into open resistance. The movements' demands quickly escalated into explicit calls for change, echoed by pro-Pahlavi (Reza Pahlavi, the exiled son of the last Shah) and pro-monarchy chants. The widespread use of anti-government slogans, most notably direct critiques of the supreme leader Ayatollah Ali Khamenei, signals a shift that goes well beyond economic hardships or decades of systematic suppression. Contextually, Iran’s political system is a hybrid of theocracy and republic, where ultimate authority lies with the unelected office of the Supreme Leader and civil liberties are heavily curtailed. The current unrest has bypassed usual calls for reform, targeting the very core of the regime's legitimacy instead.

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Amidst anti-government protests, Reza Pahlavi presents himself as the transitional symbol of reconciliation rather than just a monarchist figurehead. In a political landscape where the state has systematically restricted freedom of expression and peaceful assembly, Pahlavi has proposed a 100-day plan for interim administration. He stated that it's about securing a democratic future for all Iranians. His prominence reflects a profound desire for free elections, rule of law, and equal rights for women as citizens look for a unifying figure capable of managing a transition in the face of state-led chaos.

The defining characteristic of this protest is the absence of a monolithic supporter’s bloc. While some protestors chant for the return of the Shah, others remain wary of the revival of the monarchy. However, Pahlavi has proposed a referendum to determine Iran’s future form of government. The rising popularity of Reza arguably is less about his engagement with Iranian society but more a byproduct of the last resort in Iran’s political landscape.

What distinguishes the movement from its predecessors is a level of diversity that transcends previous movements. In 2022, the movement was ignited by the death of Mahsa Amini, who was in the custody of Tehran’s morality police. The movement was youth-led and gender focused. The uprising in 2026 is fueled by economic exhaustion, leading to a major alliance between merchants and the industrial working class since the 1979 revolution. The diverse network, which includes students, women, professionals, and local groups, has become a powerful force for change. The current movement is not just social but functional.

The Iranian government have responded by dismissing the protests with utmost cruelty. Since early January, the security apparatus has engaged in industrial-scale arbitrary detentions, with over fifty thousand citizens currently held in the security-judicial complex. The demonstration is considered as Moharebeh, translated as 'waging against God', a capital offence that carries the penalty of execution. To facilitate this crackdown, Security forces responded with lethal force to disperse protestors. The government enforced a total internet blackout and extreme violence against protestors that resulted in mass burials.

The current deadlock in Iran is no longer an economic unrest. It has transcended the possibility of systematic transformation. As the youth refuse to retreat, the crisis in Tehran has reached a critical mass that is a matter of uncertainty. Despite the intensity of protests, the way of protest seems fragmented, and demands are not always shared. It demonstrated the consequences of the past, where collective action has become episodic and transactional.

The global response to the widespread humanitarian crisis has heightened from the beginning. It has shifted from passive condemnation to active diplomatic action. The current humanitarian catastrophe has forced the international community to focus on the state's structural legitimacy. The EU has added the IRGC to its terrorist list in response to the deadliest crackdown. Washington has signaled to intervene state led violence and halt the ongoing catastrophe.
Ultimately the uprising represents a definitive breaking point for Islamic Republic. Despite the state's reliance on brutality, this is no longer an economic unrest but a battle for survival.