

Catch up: Israel warns Hamas over hostage deal; Vance criticises EU's AI policy



Binyamin Netanyahu, **Israel's** prime minister, warned that the country's army would "return to intense fighting" in Gaza unless Hamas released hostages by midday on Saturday. On Monday the militant group said it would delay the release of three Israeli captives, whom it had agreed to release under its ceasefire deal with Israel. Hamas accused Israel of stopping displaced Palestinians from returning to Gaza.

America's vice-president criticised the EU's "excessive" policing of artificial intelligence at a conference in Paris. J.D. Vance called for "regulatory regimes that foster creation". France's president, **Emmanuel Macron**, warned that more **rules** were needed to avoid disputes between countries. America and Britain did not sign the summit's declaration.

Jerome Powell said that the **Federal Reserve** is in "no hurry" to lower interest rates. The chairman of America's central bank, which

held its main rate in a range of 4.25-4.5% in January, told a Senate committee that cutting rates too quickly “could hinder progress on inflation”. Donald Trump has repeatedly urged the Fed to lower rates faster to boost the economy.

The **Kremlin** released Marc Fogel, an **American** teacher who had been imprisoned by Russia since 2021 after being charged with carrying medical marijuana. Mike Waltz, America’s national security adviser, negotiated the exchange, and said it was a sign “we are moving in the right direction” to end the [war in Ukraine](#). America did not say what it promised Russia in return.

Italian police issued arrest warrants for over 180 members of the Sicilian **mafia**, with 1,200 officers participating in a series of raids targeting the [Cosa Nostra](#). Crackdowns in the 1990s and early 2000s weakened the organised-crime group, but some bosses have recently been released from prison. Palermo’s top prosecutor said it was “trying to recreate the army of the past”.

Disney and **Goldman Sachs** joined other companies in rolling back corporate diversity measures. Disney’s changes include replacing its “diversity and inclusion” metric on executive salary reviews with “talent strategy”. Goldman Sachs dropped its pledge to only work on IPOs with companies that had at least two “diverse” board members. Meta and McDonald’s are among those to have recently scrapped [DEI policies](#).

\$CAR, a memecoin launched by the **Central African Republic** on Sunday, fell in value by 95% after its market capitalisation briefly touched \$350m. Faustin-Archange Touadéra, the country’s president, said that [the token](#) was “an experiment” intended to “unite people” and “support national development”. The government has said that roughly a third of funds raised by the token will support CAR’s development.

Figure of the day: 140%, the increase in the average price of a dozen eggs in America from one year ago. [Read the full story.](#)

Inflation is now Trump's problem



The first inflation report of Donald Trump's presidency, released on Wednesday, will show that price pressures remain a problem in America. Core consumer prices—stripping out volatile food and energy costs—are forecast to have risen 3.1% in January from a year earlier, a bit slower than in December but still well above the Federal Reserve's target of 2%. The persistence of high inflation is why the Fed has held rates steady since it cut them on December 18th.

Mr Trump has vowed to defeat inflation. But his policies risk making it worse. Mass deportations of migrants would push up labour costs, while [tariffs will raise the price of imports](#). A survey by the University of Michigan last week found that Americans expect inflation of 4.3% in the coming year, up from less than 3% at the end of 2024. Mr Trump may soon find that inflation is a burden not just for consumers but also for political leaders.

Mexico sets up for its first judicial elections



Wednesday is the deadline for Mexico's Senate to finalise the lists of people who will stand in the country's first judicial elections on June 1st. Mexican judges used to be appointed. But in September the Senate passed a reform—backed by Andrés Manuel López Obrador, then Mexico's president—that means they will now be chosen by popular vote. In two elections, this year and in 2027, Mexico must elect over 7,000 judges from the Supreme Court to the circuit level.

Experts worry that the reform will [harm Mexico's democracy](#). Judges will be less qualified and more open to political and criminal influence. The process of drawing up candidate lists suggests that will be the case. The committees responsible asked political questions and interviewed some candidates for just six minutes. Claudia Sheinbaum, Mexico's president since October, supports the reform. But with a lacklustre economy and threats from Donald Trump, she can ill afford it causing Mexico more problems.

Talks but no plan for Ukraine



Despite a flurry of diplomacy ahead of the annual Munich Security Conference on Friday, there is little to suggest that a ceasefire in Ukraine is near. Donald Trump has confirmed that he spoke with Vladimir Putin, Russia's president. There is also talk of a meeting between Mr Trump and Ukraine's president, Volodymyr Zelensky, in Washington this week.

When Mr Trump came into office he gave Keith Kellogg, his special envoy to Ukraine, 100 days to come up with a [peace plan](#). The 26th meeting of the Ukraine Defence Contact Group, an alliance of more than 50 countries, on Wednesday may offer some clues as to Mr Kellogg's thinking. One ominous sign for Mr Zelensky is that America plans to take a back seat at the gathering, which Britain will chair instead. The UDCG coalition has sent \$126bn worth of military kit to Ukraine, half of which has come from America. Whether the group can keep it up will depend on Mr Trump.

Spain's macho football culture on trial



When Spain's women's football team won the World Cup by beating England 1-0 in August 2023, the gloss was swiftly removed from their triumph. At a medals ceremony for the players, Luis Rubiales, the head of the country's football federation, [pinned a kiss](#) on the lips of Jenni Hermoso, the captain.

On Tuesday Mr Rubiales began presenting evidence at his trial for sexual aggression, for which he could be jailed for 30 months. He and three others, including the team's coach, will give evidence over the coming days. They face charges (which they all deny) of attempting to coerce Ms Hermoso into agreeing with him that the kiss was consensual. Ms Rubiales insists it was not; several of her teammates have backed her up in court. Some Spaniards see Mr Rubiales as a victim of "Me Too" culture: he was forced to resign. But many others think that it is high time that the machismo surrounding the management of the game is taken seriously.

Spring arrives early in London



In the film “The Devil Wears Prada” Miranda Priestly, a feared fashion editor, scolds one of her stylists for suggesting a flower-themed photo shoot. “Florals? For Spring?” she asks with a deadpan expression. “Groundbreaking.” Even if they are *passé* in the world of *haute couture*, flowers can still draw a crowd. In 2019 a “superbloom” of orange poppies near Los Angeles tempted [social-media influencers](#) and their fans, who trampled the flowers and caused traffic jams.

“Flowers: Flora in Contemporary Art & Culture”, which opens on Wednesday at the Saatchi Gallery in London, may attract flower fans. It puts more than 500 works on botanical display, exploring the “roots”, or history, of floral depictions as well as (dare we say) flower-inspired fashion. The highlight of the exhibition is an installation by Rebecca Louise Law, a British artist, in which 100,000 dried flowers cascade from the ceiling. The gallery describes the room as “a quiet space” where visitors can “connect with nature”, though Ms Law’s art will no doubt also draw online trendsetters. As Instagram blooms with pictures taken among the buds, so too may ticket sales.

Daily quiz



The Economist

We will serve you a new question each day this week. On Friday your challenge is to give us all five answers and, as important, tell us the connecting theme. Email your responses (and include mention of your home city and country) by 1700 GMT on Friday to QuizEspresso@economist.com. We'll pick randomly from those with the right answers and crown three winners on Saturday.

Wednesday: Who killed Lee Harvey Oswald, President Kennedy's assassin?

Tuesday: Which author was the first American woman to win the Nobel prize for literature?

**Truth becomes fiction when the fiction's
true; Real becomes not-real where the
unreal's real.**

Cao Xueqin