

The world in brief

Catch up quickly on the global stories that matter



Photograph: dpa

The presidents of **Germany** and **France** both criticised **Donald Trump's foreign policy** in the wake of the ousting of Nicolás Maduro, Venezuela's dictator, and his repeated **threats to take over Greenland**. Germany's Frank-Walter Steinmeier accused America of a “breach of values”, and warned that the world risked degenerating into a “den of robbers”. Separately, France's Emmanuel Macron said that America is “breaking free from international rules”.

America's **Senate** advanced a bill designed to constrain Mr Trump from taking further **military action** in **Venezuela** without Congress's approval. The president railed against the five Republicans who joined Democrats to push through the motion, which senators will debate next week, saying they should “never be elected” again. Earlier he told the *New York Times* that America could be running Venezuela for years.

Much of **Iran** was hit by an apparent **digital blackout**, according to NetBlocks, a cyber-security watchdog, amid **nationwide protests** against economic hardship. The outage occurred after **Reza Pahlavi**, the exiled son of the late shah, called on Iranians to demonstrate “as a united front”. Rights groups estimate that Iran's

regime has killed at least two dozen people since protests began 12 days ago.

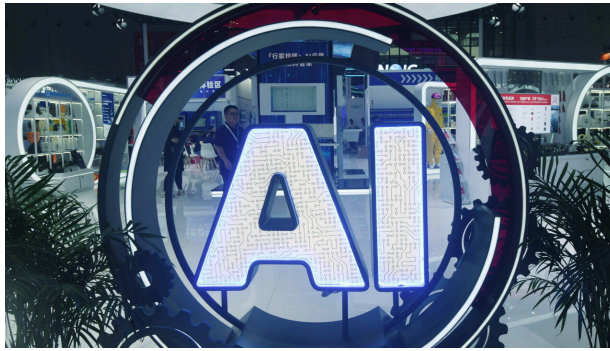
America's trade deficit decreased to \$29.4bn in October—the lowest it has been since 2009. The figure shrank by 39% from September, a sharper fall than economists had predicted, with a 3.2% drop in imports and 2.6% increase in exports. Trade figures [have been volatile](#) under the Trump administration, with companies juggling inventory orders to anticipate tariff hikes.

French farmers armed with tractors evaded police roadblocks in Paris to protest against a proposed **free-trade deal** between the EU and [Mercosur](#), a South American trade bloc. Farmers throughout the EU have been demonstrating against the deal, which they claim would hurt their incomes. Nonetheless, the deal is expected to go through soon.

[Luiz Inácio Lula da Silva](#), **Brazil's** president, vetoed a bill that could have reduced **Jair Bolsonaro's** 27-year prison sentence to little more than two years. Mr Bolsonaro, Lula's predecessor, was jailed in November for attempting a coup in 2023. Mr Bolsonaro's allies in Brazil's conservative-controlled Congress helped push through the bill in December; the body could override Lula's veto.

Soho House, a swanky members-only club with locations in 19 countries, saw its share price fall by as much as 17% after reporting doubts about a plan to go private. MCR Hotels, which was leading a group of investors, pulled out of a commitment to buy \$200m in shares at \$9 a share. The trendy chain has rapidly expanded in recent years.

Figure of the day: 20m barrels. The volume of Iranian oil moved by American-captured tanker *Marinera* (aka *Bella 1*) to China since late 2020. [Read the full story.](#)



Photograph: Getty Images

Investors warm to Chinese AI

Chinese technology and foreign capital have been at odds with each other for a few years. The American government has told its investors to avoid bankrolling Chinese tech. And the Chinese government has wanted to stop foreigners from getting their hands on the country's technology and data through investments. The mutual mistrust persists, with president Donald Trump telling Chinese investors on January 2nd to unwind their positions in an American chip maker.

But there are also reasons to be optimistic for a thaw in relations. In December Meta, the American tech group, bought [Manus](#), a Chinese AI firm based in Singapore. In recent weeks several Chinese AI outfits have listed in Hong Kong, where foreigners can more freely invest in them. One such firm, MiniMax, prices its shares on Thursday. Another, Zhipu, will be the first LLM-maker to list on the exchange. The America-China tech conflict is far from over but deals such as these are a good sign.



Photograph: Getty Images

Long live the Shah?

If Iranians heed the call of [Reza Pahlavi](#), the exiled son of the last shah, the [12th day of protests](#), on Thursday, could be the biggest yet. Unrest has touched almost every province; crowds have grown from dozens to hundreds. Fearing chaos if the regime falters, some Iranians are thinking of reviving the monarchy they overthrew in 1979.

Yet Mr Pahlavi may struggle to turn noise into power. His advisers worry that courting leftists, secular democrats and reformists—long the backbone of dissent inside Iran—would dilute his influence. He lacks both an organised base and the grit shown by Ruhollah Khomeini, who flew from exile to topple the Pahlavi monarchy.

Many Iranians yearn for an alternative to the supreme leader, Ayatollah Ali Khamenei, one of the world's longest-serving rulers. Even some in [his circle](#) now see him as a liability. But his strongest defence may be an opposition as riven by internal dislikes as it is united by its loathing of him.



Photograph: Getty Images

Welcome to Newsomland

It's a big week in Californian politics. On Thursday Gavin Newsom, the Democratic governor, will deliver his final State of the State address to the legislature in Sacramento. The speech is a chance for Mr Newsom to present his plans for his final year in office. He is term-limited, so come 2027 will need a new gig. He won't admit it yet, but the de facto leader of the Democratic Party has [his eyes on the presidency](#).

Among the initiatives he will probably announce is another push to curb homelessness and build housing. Mr Newsom knows he must convince Americans that California is not the liberal wasteland Republicans say it is, and that the California Dream is still attainable. Unfortunately, California has no cash for new programmes. The first item on his agenda will be plugging an \$18bn budget deficit.



Illustration: David Simonds

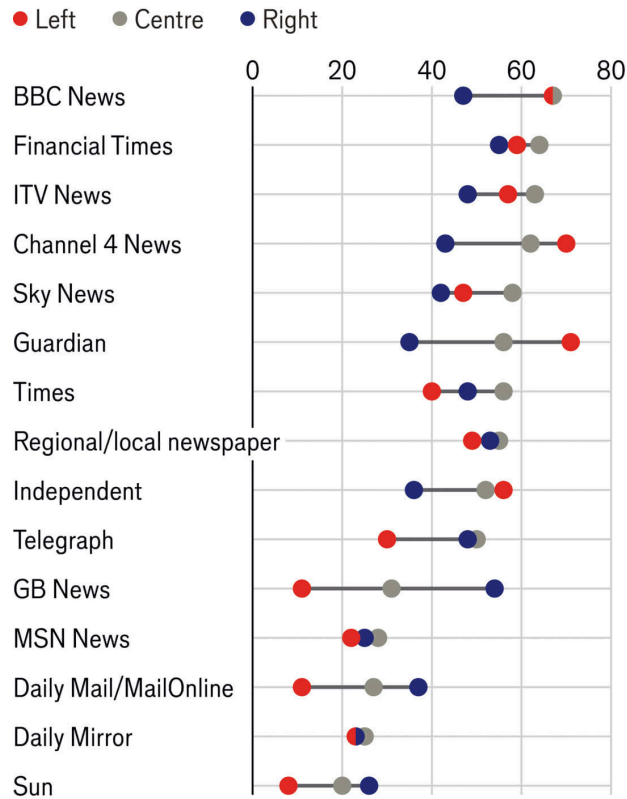
The BBC's muffled voice

Tim Davie, the BBC's outgoing director-general, will face questions from MPs on Thursday. The public broadcaster's boss [announced his resignation](#) in November after a BBC documentary was found to have misleadingly edited a speech by Donald Trump. The president is suing the corporation for defamation. The lawsuit has little chance of succeeding but every chance of taking up BBC time and resources.

The MPs will also focus on another threat: government-imposed cuts that have [weakened the BBC's](#) overseas output. The BBC World Service's budget has fallen by a fifth in four years. It has responded by closing TV and radio services, causing audiences to drop by 14%. Those 50m or so lost listeners and viewers are tuning into dubious new sources: Chinese and Russian outlets are expanding their foreign operations as Western news services pull back.

Trusted sources?

Britain, trust in news outlets,
by respondents' political leaning, 2025, %



Source: Reuters Institute, Oxford University



Photograph: Getty Images

Rising from the Ashes

The final day of the Ashes, the biennial cricket competition between Australia and England, ended with Australia victorious again. For England, which entered the series with high expectations, the 4-1 defeat over five games was a bitter disappointment. Slapdash in their preparations, they failed to execute the basics, dropping catches and losing wickets recklessly. Casualness has been a perennial criticism of their famously aggressive, freewheeling style of play, [nicknamed “Bazball”](#) after their coach, Brendon McCullum. He and his boss, Rob Key, may not survive the post-series inquests if they can’t change their ways.

Despite the win, Australia—currently the best team in the world—also has work to do. It is ageing and beset by injuries. To defeat South Africa, ranked second, in 2026 it will have to bring in some new faces.



Illustration: The Economist

Daily quiz

We will serve you a new question each weekday. On Friday your challenge is to give us all five answers and tell us the theme. Email your responses (and your home city and country) by 1700 GMT on Friday to [\[email protected\]](#). We'll pick three winners at random and crown them on Saturday.

Thursday: Which baseball player is mentioned in the song “Mrs Robinson” by Simon & Garfunkel?

Wednesday: Which band, which shares its name with a drink, had a hit with “You Sexy Thing”, a song that featured in the film “The Full Monty”?

God may exist, but science can explain the universe without the need for a creator.

Stephen Hawking