

## Catch up: Democrats move behind Harris; America's secret service admits failures



**Nancy Pelosi**, the former speaker of the House of Representatives, became the latest senior Democrat to endorse **Kamala Harris** for president. Earlier, Ms Harris appeared in public for the first time since announcing her bid to become the new Democratic nominee. She praised **Joe Biden's** legacy, calling it “unmatched in modern history”. She raised more than \$50m in less than 24 hours after Mr Biden quit the race on Sunday and [endorsed](#) her nomination.

Lawmakers grilled the head of **America's** Secret Service over her agency's failure to protect **Donald Trump** from the [assassination attempt](#). Kimberly Cheatle said that it was “the most significant operational failure” in decades. The Secret Service admitted on Saturday that in the past it has ignored requests for additional resources by Mr Trump's team. Ms Cheatle is, however, resisting calls for her resignation.

**China's** central bank lowered its main short-term policy rate for the first time since August 2023. The seven-day reverse purchase agreement was cut from 1.8% to 1.7%. The bank also slashed loan

prime rates. The move follows China's "[third plenum](#)", a big meeting devoted to long-term economic reform.

Hours before flying to Washington, **Binyamin Netanyahu**, Israel's prime minister, said that Israel will remain "America's indispensable and strong ally in the Middle East", regardless of who is elected in November. He said he will thank Mr Biden for his lifelong support for Israel. Mr Netanyahu will deliver his fourth address to a joint session of Congress this week—more than any other foreign leader.

**Ukraine** reached a deal to restructure \$20bn of debt. Bondholders agreed to reduce the face value of the debt by more than 30%. The deal provides a lifeline to Ukraine's war-ravaged [economy](#). The country's GDP is a quarter smaller than on the eve of **Vladimir Putin's** invasion and last year the central bank tore through foreign reserves.

**Ryanair's** profits fell by almost 50% year on year in the second quarter, largely as a result of declining ticket prices. [Europe's largest low-cost airline](#) also reported that strikes had limited air-traffic-control capacity. Michael O'Leary, Ryanair's chief executive, warned that revenue from sales in the summer months would be "materially lower" than last year.

Two pro-democracy activists exiled from **Hong Kong** have been blocked from accessing their pensions, reported the *Guardian*. Ted Hui, a former pro-democracy lawmaker now based in Australia, cannot access his HSBC-run pension scheme. An anonymous lawyer was also stopped from accessing pension savings administered by Manulife, a Canadian firm. Both individuals have been charged with violating Hong Kong's [national-security law](#).

**Figure of the day:** 7.5m, the number of people who could be deported from America if Donald Trump becomes the next president, according to one estimate. [Read the full story.](#)

*In the run-up to America's presidential election, we've launched [The US in brief](#)—a daily update to help you keep on top of the political stories that matter. [Sign up here](#) to receive it as a newsletter, each weekday, in your inbox.*

## Where do Democrats go from here?



President Joe Biden called off his re-election campaign on July 21st, capping a packed week in American politics. As Republicans cheered Donald Trump—who had just days earlier survived an assassination attempt—at their convention in Milwaukee, Mr Biden retreated from public events, having tested positive for coronavirus. The calls from Democratic lawmakers urging the 81-year-old president to abandon his bid only grew louder.

But the path ahead is hardly straightforward. Mr Biden quickly endorsed Kamala Harris, his vice-president. Powerful Democrats, including Bill and Hillary Clinton, backed her, too—but Barack Obama, at the time of writing, had not. Instead he and others like Nancy Pelosi, the former speaker of the House, appear to support a hurried contest in the next few weeks, rather than a coronation of Ms Harris at the party's convention next month in Chicago. But many of the [other high-calibre Democrats](#) on the wish-lists of politicians may opt out of challenging the sitting vice-president and lobby instead to be her running-mate.

# China's central bank's surprise cut



Many government institutions are guilty of short-termism. They let the urgent crowd out the important. Not so China's central bank. It faces the urgent threat of deflation: prices have fallen for five quarters in a row by one measure. But for months China has refused to cut its main policy rate. That changed on Monday, when it finally decreased the seven-day policy rate, from 1.8% to 1.7%. Chinese banks subsequently lowered one- and five-year loan prime rates to 3.35% and 3.85%, respectively.

The central bank has also busied itself with important tweaks to its toolkit. It has narrowed the "corridor" within which short-term interest rates can fluctuate around its target. It has also said it will sell government bonds, including some borrowed from other financial institutions, if needed to prevent a bond bubble. It can be good policy to ignore problems that are pressing but not important. Unfortunately deflation is both.



# Tensions simmer in the Philippines



Ferdinand Marcos, the Philippine president, gave his yearly state-of-the-nation address to Congress on Monday. Under Mr Marcos and Sara Duterte, his vice-president, the nation has had two years mostly untroubled by the discord that is customary among its political dynasties. Mr Marcos and Ms Duterte each belong to one of those dynasties, founded by their respective fathers, each of whom served as president. The coalition formed by the younger generation set aside their rivalry for the presidency with the aim of mobilising each family's huge popular following in order to get Mr Marcos elected first. It was then expected to help Ms Duterte win in 2028.

But in June Ms Duterte suddenly resigned from Mr Marcos's cabinet, while remaining vice-president. Neither has yet given a cogent explanation for the rift. In his address to Congress, Mr Marcos gave no clues whether the coalition can survive. Ms Duterte, however, gave the president's audience a hint, by skipping the event.

# The race to beat AIDS



On Monday the 25th International [AIDS Conference](#) opened in Munich. It will focus on bringing the epidemic to the point where it no longer constitutes a [public-health crisis](#) by 2030. That means, above all, ensuring as many as possible of those already affected are taking appropriate antiretroviral drugs. These not only save lives, but also block transmission of HIV, the virus that causes AIDS.

In addition, for those not yet infected but who feel at risk, a growing range of prophylactic techniques are being developed, deployed and simplified. These include PrEP pills, which reduce the risk of a user getting HIV from sexual intercourse by 99%. The aim is to make them more user-friendly and, in some cases, less easily detected by nosy partners who might take offence.

In truth, 2030 is probably too ambitious a target. It was set by the United Nations on the back of some optimistic assumptions about funding. But even if it slips, the feeling that AIDS can now be conquered is palpable.

# Glimmer in the Lake



The Glimmerglass Festival, a Mecca for American opera lovers, opens on Monday outside Cooperstown in upstate New York. In recent years the provincial opera company has typically offered a programme including one [new opera](#) and one rarely performed work, as well as one classical grand opera and one popular musical. Its performances garner rave reviews. Aside from the bucolic setting and top-notch singers, a big draw is now the 900-seat theatre, which relies on natural amplification instead of microphones. Its opening in 1987 marked a great leap forward. When Glimmerglass launched in 1975 performances were held in a high-school gym.

This year's festival promises Gilbert and Sullivan's rollicking "Pirates of Penzance", Francesco Cavalli's bawdy masterpiece "La Calisto" (first performed in Venice in 1651), and Ruggero Leoncavallo's comedy-thriller "Pagliacci". Another highlight will be "Elizabeth Cree", a one-act chamber opera by Kevin Puts and Mark Campbell. First performed in 2017 and based on a novel by the British writer Peter Ackroyd, it revolves around a murder trial in Victorian London.



## 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](mailto:QuizEspresso@economist.com). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Monday:** Who was the lead singer of the 1980s pop group Marillion?

**7.5m**

*The number of people who could be deported from America if Donald Trump becomes the next president, according to one estimate.*

*Read the full story.*

**The politician's promises of yesterday are  
the taxes of today.**

*Mackenzie King*