

Catch up: Hizbullah names new leader; Harris blasts Trump rally



Hizbullah named **Naim Qassem**, a cleric and politician, as its new leader. Mr Qassem has been the Lebanon-based militant group's deputy chief since 1991. He will take over from [Hassan Nasrallah](#), who was killed by an Israeli air strike on September 27th. Mr Nasrallah's presumed successor, Hashem Safieddine, was also killed this month, throwing the militia into deeper disarray

Kamala Harris's campaign sought to capitalise on comments made at **Donald Trump's** [rally in New York](#) on Sunday. Tony Hinchcliffe, a comedian, had said Latinos "love making babies" and called Puerto Rico "an island of garbage". Ms Harris said the rally proved Mr Trump was intent on "dividing our country". The Trump campaign disavowed Mr Hinchcliffe's words. Several swing states have large Puerto Rican populations.

An Israeli strike on northern **Gaza** killed at least 90 people. Earlier **Israel's** parliament voted to ban UNRWA, the UN's [aid agency for Palestinians](#), from operating inside the country, alleging Hamas militants have infiltrated its staff. The strip is in desperate need of

[aid](#). America encouraged Israel not to pass the law; several countries have since condemned the move.

Microsoft accused **Google**, a fellow American tech giant, of running “shadow campaigns” against its European [cloud business](#). Rima Alaily, a lawyer for Microsoft, alleged that its rival had set up a lobbying group designed “to discredit Microsoft with competition authorities and policymakers” and to “mislead the public”. Last month Google filed an antitrust complaint against Microsoft to the European Commission.

The Biden administration said it had finalised new restrictions on investments in **Chinese chips** and **artificial-intelligence** technology. American companies and individuals will reportedly be banned from investing in Chinese AI firms working on military projects. The government wants to prevent American cash helping China in the [tech war](#). The rules take effect on January 2nd.

Georgia’s election commission said it will start a partial recount on Tuesday, after opposition parties said the [parliamentary election](#) was rigged. On Monday tens of thousands of Georgians protested against the results. Salome Zourabichvili, Georgia’s president, had asked people to contest the “total rigging” of the vote.

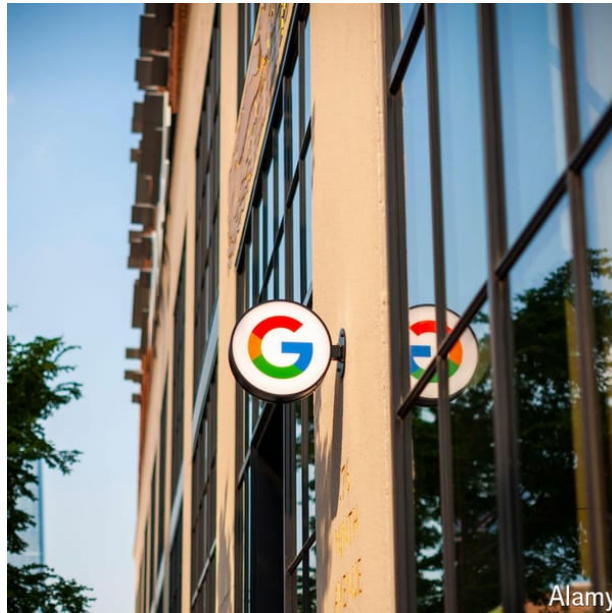
A student discovered an ancient **Mexican** city by accident. Luke Auld-Thomas was looking at data collected from a Lidar survey, which uses laser pulses fired from drones and helicopters to map objects below, when he discovered the [Mayan site](#). Researchers reckon the city contained about 6,764 structures and was home to up to 50,000 people between 750 and 850AD.

Figure of the day: 5%, America’s personal savings rate. The figure is more than twice as high as in early 2022. [Read the full story](#).

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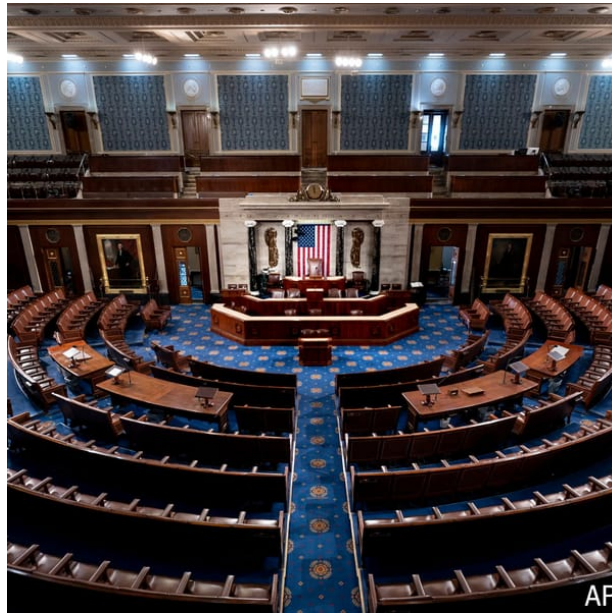
The \$60bn big-tech earnings question



Alphabet, Google's parent company, reports quarterly earnings on Tuesday, kicking off three days of financial results from America's biggest technology firms. Investors hope that Google, and then Meta and Microsoft on Wednesday and Amazon on Thursday, will show growth in core businesses which justifies their spending on [generative artificial intelligence](#). Wall Street expects the four to reveal combined quarterly capital expenditures of about \$60bn.

Amazon, Microsoft and Google will probably demonstrate robust growth in their cloud businesses. But that is unlikely to include customers flocking to take advantage of generative AI. Big companies are still in the early stages of AI adoption. Still, Google and Meta are likely to report strong advertising growth, Microsoft solid enterprise spending and Amazon decent e-commerce performance. The continued health of the American economy has given all four a tailwind. Their share prices have rallied this year. Good news may be assumed, but it is not guaranteed.

Could there be a Republican “trifecta”?

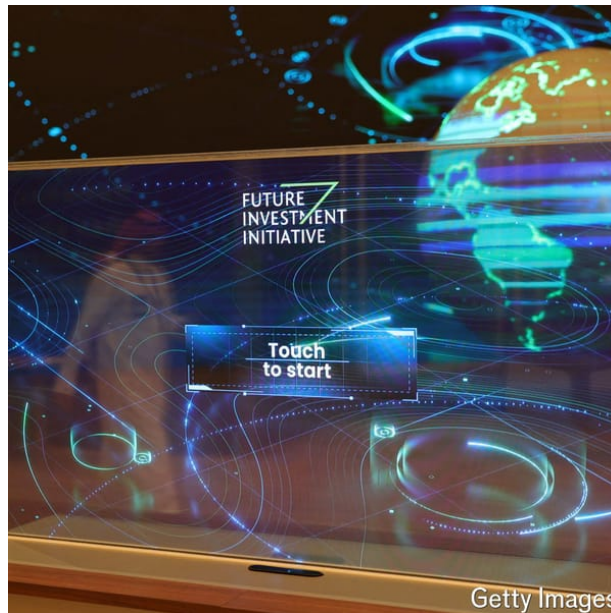


Along with the presidency, both chambers of Congress are up for grabs in America’s election on November 5th. *The Economist’s* forecast gives the Democrats a 29% chance of holding the upper chamber, the Senate. The party is at a **disadvantage**: the seats up for election this cycle are in Republican-leaning states.

The House of Representatives is more closely contested. The Democrats win the chamber in 53 of 100 forecasted scenarios. They are currently leading in “generic ballot” polls, which ask voters which party they intend to vote for in their district. But these polls have narrowed in recent days.

Taken together, forecasts estimate there is a 34% chance of Donald Trump governing with the support of a Republican House and Senate, compared with only 20% for a Democratic trifecta. In almost half of scenarios, the newly elected president will face at least one chamber of Congress controlled by the opposing party.

Saudi Arabia's business talk-fest



The Future Investment Initiative, also known as Davos in the desert, is usually a flashy affair. Chief executives will fly to Riyadh, the Saudi capital, to make speeches loosely tied to the theme of the eighth edition, of investing in a “prosperous and sustainable” future. But bosses will probably sign billions of dollars in deals on the sidelines.

Saudi Arabia has for several years tried to diversify its economy away from oil. It has been encouraging foreign direct investment in sectors like manufacturing and tourism. In 2023 the kingdom raked in \$26bn, far exceeding its targets. (It hopes to bring in \$100bn a year by 2030.) [Muhammad bin Salman](#), the de facto ruler, is keen to attract funding to develop Neom, a desert-city utopia. The ambitious project has reportedly been scaled back. But attendees may still be tentative about investing in a region that is in many ways far from idyllic.

An elusive peace for Turkey and the Kurds



On Tuesday Turks mark 101 years since Kemal Ataturk declared Turkey a republic. But the celebrations come at a fraught moment. Turks are speculating about new government talks with the outlawed [Kurdistan Workers' Party \(PKK\)](#). It is too early to say whether the talks will yield results, but many hope that they might end a conflict that has cost more than 40,000 lives. Devlet Bahceli, a political ally of President Recep Tayyip Erdogan, last week called on the PKK's imprisoned leader to disband the group. Abdullah Ocalan founded it more than four decades ago to fight for an independent Kurdistan.

But attempts to stifle the peace process are already under way. On October 23rd PKK militants opened fire at a state-run defence company, killing five people and wounding more than a dozen. In response Turkey bombed PKK strongholds in Iraq and Syria. The road to peace remains paved with uncertainty.

HSBC's radical shake-up



On Tuesday HSBC reported third-quarter earnings of \$17bn, up from \$16.2bn during the same period a year ago and above expectations. Britain's biggest bank also posted pre-tax profit of \$8.5bn, up 10% year on year, and announced a new share buyback scheme worth up to \$3bn.

But investors were just as keen to learn more about the bank's planned restructuring. On October 22nd HSBC said it would reconfigure itself into four divisions: Hong Kong, Britain, and two international divisions covering corporate banking and wealth management. On Tuesday the bank said it would begin to implement these plans immediately.

Ping An, a Chinese insurer and one of HSBC's biggest shareholders, has suggested breaking up the bank entirely into two separate companies, one operating in Asia and the other in the rest of the world. It reckons that the Asian arm of the bank is more profitable, and a split would free it of British regulation. Other shareholders disagree. The bank still has a long way to go.

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.

Tuesday: Steven Tallarico is the real name of which American rock singer, the lead vocalist of Aerosmith?

Monday: What was the name of the character played by Alan Alda in the long-running TV series "MASH"?

5%

America's personal savings rate. The figure is more than twice as high as in early 2022

Read the full story.

**If you look the right way, you can see that
the whole world is a garden.**

Frances Hodgson Burnett