# Catch up: Israel's biggest attack since ceasefire; western investors sell Russian shares



**Israel** said it had launched "extensive strikes" on Hamas "terror targets" in **Gaza**, shattering a fragile ceasefire that began on January 19th and killing more than 200 people, according to Palestinian health authorities. Negotiations to extend the truce have so far failed. Israel said it had ordered the strikes following "Hamas's repeated refusal to release our hostages" and its "rejection" of American ceasefire proposals.

Vladimir Putin allowed some Western funds to sell Russian securities, a day before his planned talks with Donald Trump about a possible ceasefire in Ukraine. Russia's president banned such deals in 2022, unless they had authorities' sign-off. Earlier Kaja Kallas, the European Union's foreign-policy chief, said that Russia's strict terms for signing the ceasefire proved it "doesn't want peace".

Mr Trump said he would hold **Iran** responsible if the **Houthis** retaliated against **America's** air strikes on Yemen, and impose "dire" consequences. America launched strikes against the Iranbacked militant group over the weekend. It claims to have hit 30 targets in Yemen since Saturday. The Houthis have been attacking commercial ships in the Red Sea since October 2023.

Mark Carney, Canada's new prime minister, said Mr Trump must stop making "disrespectful" comments about his country before they can discuss future ties. America's president has imposed tariffs on Canadian goods and questioned its sovereignty. Earlier Mr Carney made a statement by traveling to Europe—where he hopes to strengthen alliances—for his first official visit, instead of America.

**Alphabet**, Google's parent firm, is in advanced talks to buy **Wiz**, an Israeli cybersecurity start-up, according to the *Wall Street Journal*. The paper said the deal would be worth \$30bn, which would make it Alphabet's largest-ever acquisition. Wiz rejected a \$23bn bid from Alphabet last year. The deal—which Alphabet hopes will bolster its cloud-computing business—would almost certainly attract antitrust scrutiny.

A federal judge ordered the Trump administration to explain its refusal to turn around planes deporting 261 **Venezuelans** to El Salvador, despite a court order blocking the flights. Mr Trump cited the Alien Enemies Act of 1798 as justification for the removals. The administration has until the end of Tuesday to formally reply, but has claimed the judge lacked the necessary authority.

**PepsiCo** acquired Poppi, a healthy-soda brand, for \$1.95bn. The food giant said the deal comes amid "growing interest in health and wellness" from consumers. Poppi markets its drinks, which contain prebiotics and apple cider vinegar, as an alternative to sugary sodas. Coca Cola recently launched its own rival prebiotic line.

**Figure of the day:** 40%, the amount that American homelessness has risen by since 2018. Read the full story.

# Will Germany loosen its purse strings?



On Tuesday Germany's Bundestag votes on a huge spending package proposed by Friedrich Merz of the centre-right Christian Democrats. He will probably soon become Germany's chancellor. Should the package pass (and then be approved by the upper house of parliament), it will be the biggest fiscal expansion in Germany's post-war history.

Mr Merz has agreed with the centre-left Social Democrats and the Greens to relax the "debt brake", a legal limit on government borrowing. The package will establish a €500bn (\$545bn) off-budget fund for infrastructure investments. It will also exempt from the debt brake any defence spending beyond 1% of GDP. That is a response to growing alarm over America's rapprochement with Russia and its implications for European security. The timing of the vote is apt: Donald Trump is set to speak to Vladimir Putin about Ukraine on Tuesday. Many Europeans fear that Mr Trump will cede too much to Russia's president to reach a ceasefire deal.

### **Netanyahu takes on Shin Bet**



On Sunday Israel's prime minister, Binyamin Netanyahu, said he would fire Ronen Bar (pictured), head of Shin Bet, the domestic-security service. The decision is threatening to cause a constitutional crisis. By law, the cabinet has the power to dismiss the Shin Bet chief, should the courts consider the decision reasonable. Mr Bar has already said he intends to resign because of the service's failure to prevent the Hamas attack in October 2023. But the timing of his dismissal raises questions. Shin Bet is leading investigations of close aides of Mr Netanyahu who are suspected of leaking secret documents to Qatar's government in exchange for cash.

Israel's attorney-general has told Mr Netanyahu that he may not have the power to summarily fire Mr Bar because of a possible conflict of interest. The Supreme Court is expected to challenge the dismissal. A clash looms between Israel's government and its judiciary over who wields ultimate power.

# **Europe, the last free-trader?**



On April 2nd Donald Trump intends to apply "reciprocal" tariffs on foreign imports to match the rates countries already put on American goods. The results could be messy. The European Union, for instance, applies a 10% tariff on imported cars, compared with America's 2.5% for most vehicles. However, for pick-up trucks the American tariff is higher, at 25%, so that rate would theoretically need to fall (fat chance).

International commerce remains vital to the European economy. The euro zone's trade figures for January, released on Tuesday, are expected to show a healthy surplus, albeit smaller than the €15.5bn (\$16.2bn) recorded in December 2024. And many other countries would like trade to remain open. The EU has recently signed agreements with Mexico and Mercosur, a south American bloc. Still, such deals come nowhere close to replacing America as a trading partner.

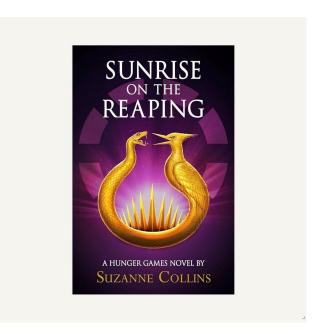
# Big tech's alternatives to fact-checking



Meta will try out "community notes", an alternative to third-party fact checking, across its social networks from Tuesday. The crowd-sourced system mimics the approach championed by Elon Musk's X, where users add labels to posts they deem misleading. Initial tests, on Facebook, Instagram and Threads in America, will involve 200,000 volunteers writing and rating notes, which will not at first appear publicly. To minimise bias, notes will be published only if contributors with a range of viewpoints agree.

It marks a big shift in Meta's approach to moderation. Following concerns about everything from Russian disinformation to anti-vax gobbledygook, the company has overseen one of the world's largest independent fact-checking networks in recent years. But ahead of Donald Trump's inauguration in January, Meta's boss, Mark Zuckerberg, said his company's rules were "out of touch with mainstream discourse" and promised a more hands-off approach. Free-speech advocates cheered. The trade-off: more of what Mr Zuckerberg calls "bad stuff" on his platforms.

### **Return to the Hunger Games**



The tributes have been prepared. The audience in Panem is waiting. The 50th Hunger Games—or at any rate the latest book about them by Suzanne Collins—are about to begin. The audience in this world is as eager as those in Ms Collins's fictional Panem: bookshops planned midnight openings and parties to mark the prequel's release.

With good reason. The books are a romp. For those who have not yet set foot in Panem, a primer. Each year, 24 of its children are sent to fight to the death in the wilderness around its dystopian Capitol: picture "Gladiator" goes on scout camp; or George Orwell's "1984", with a bit more archery—and a lot more things going splatter. All seasoned with some nifty costumes and catchphrases, including its most famous: "May the odds be ever in your favour." They are in Ms Collins's—the book is already number one on Amazon.

### **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:** How is Haydn's 45th symphony generally known?

Monday: How many fluid ounces equal a pint in the US?

There comes a time in a man's life when to get where he has to go—if there are no doors or windows he walks through a wall.

Bernard Malamud