

## Catch up: Ukraine strikes Russian air field; Israel bombs Gaza



**Ukraine** launched a drone strike against a **Russian** airfield some 700km behind the front line. Ukrainian officials said that the base hosts strategic bombers that Russia uses to target Ukraine. Meanwhile Volodymyr Zelensky, Ukraine's president, said that Russia was [preventing a full ceasefire](#) by making "unnecessary demands that only prolong the war". On Thursday Ukraine and Russia agreed to halt attacks on energy infrastructure.

At least 85 people were killed in Israeli air strikes on **Gaza**, according to health officials in the enclave. Hamas responded by three launching rockets at Israel, all of which were intercepted or landed off target. The exchange followed Israel's [resumption of ground operations](#) in Gaza, particularly around the Netzarim corridor, which separates the north and south of the territory.

Authorities in **Turkey** arrested nearly 40 people for social-media posts in support of **Ekrem Imamoglu**, Istanbul's mayor, who was [arrested on Wednesday](#). The government said it was searching for more than 200 others suspected of making similar posts. Mr

Imamoglu was set to be named as the main opposition candidate to Recep Tayyip Erdogan, the authoritarian president.

The **Trump administration** [imposed sanctions](#) on two Chinese firms that it accused of buying Iranian oil. The measures target an oil terminal and an independent refinery that allegedly received shipments of oil from vessels linked to the [Houthis](#), a Yemeni militia, and Iran's army. It is the first time America has hit one of China's "teapot refineries" with sanctions.

M23 rebels captured the town of Walikale, a tin and gold mining hub in eastern **Congo**, according to the Congolese army. The town is the furthest west that the Rwanda-backed group has reached since it began a [big offensive in January](#). On Tuesday Félix Tshisekedi, president of the Democratic Republic of Congo, and Paul Kagame, his Rwandan counterpart, called for a ceasefire.

The **Bank of England** held its benchmark interest rate at 4.5%, warning that trade tensions caused by Donald Trump's tariff policies were causing "a lot of economic uncertainty". The bank lowered interest rates from 4.75% at its last meeting on February 6th. The annual rate of inflation, which was 3% in January, remains above the bank's target of 2%.

Kirsty Coventry, **Zimbabwe's** sports minister, was elected as the president of the International Olympic Committee. The 41-year-old swimmer, who won two Olympic gold medals, will be the first woman, the first African, and the youngest to hold the position. Sebastian Coe, the British president of World Athletics who had been among the favourites for the role, came third.

**Figure of the day:** \$38trn, the amount held by American households and non-profit organisations in shares of listed firms. [Read the full story here.](#)

*Every week we set a history quiz using snippets from The Economist's 182-year-old archive. Can you puzzle out the year each extract was published? [Play Dateline](#) and prove your historical mettle.*

# Israel's new Gaza offensive



This week Israel ended a tense ceasefire in Gaza two months after it began. [Air strikes on Tuesday](#) killed more than 400 people. Israel's prime minister, Binyamin Netanyahu, said the strikes were "just the beginning". A day later the Israel Defence Forces said it had launched a "focused" ground operation around the Netzarim corridor, which cuts Gaza in two.

Hamas has rejected various proposals to extend the ceasefire; it wanted to proceed with talks to formally stop the war, as originally proposed. The Israeli army has plans for a bigger offensive, with an aim of mopping up Hamas strongholds. But Mr Netanyahu has yet to give the order; he is focused on passing a budget, which must happen if his government is to survive. America's position is unclear. In January the then-incoming Trump administration pressed Israel to sign the ceasefire agreement. It backed Israel's latest strikes, but could yet force it to return to talks. What happens may be Donald Trump's call.

## Seeking leverage for Ukraine



On Wednesday Volodymyr Zelensky said he had a “positive, very substantive and frank” phone call with Donald Trump. During the hour-long conversation, Ukraine’s president said he committed to implementing that partial ceasefire that Mr Trump had [agreed with Vladimir Putin](#) the previous day. In return the White House said it would help supply Ukraine with more air-defence equipment.

Yet the prospect of a wide-ranging ceasefire agreement remains distant. After Mr Trump’s call with Mr Putin, Russia launched further strikes on Ukraine’s energy infrastructure, despite Mr Putin’s proposal to pause such attacks. Meanwhile Steve Witkoff, Mr Trump’s negotiating envoy, said America’s and Russia’s leaders were “coming together for the betterment of mankind”. Such rhetoric will increase pressure on European leaders to provide more support for Ukraine. On Thursday they will meet at a summit in Brussels, during which they will hope to approve a new €40bn (\$44bn) military support package for Ukraine.

# A world drowning in debt



Debt markets have long stabilised economies, but their support now comes at a high cost. According to last year's annual debt report by the OECD, a club of mainly rich countries, the world's sovereign- and corporate-bond debt neared \$100trn by the end of 2023, roughly matching global GDP. Governments have borrowed to pay for persistent deficits, pandemic stimulus and infrastructure.

The OECD's latest report is out on Thursday. The organisation has estimated that total sovereign-bond debt increased by nearly 4% in 2024. Refinancing became more expensive. America's ten-year Treasury yields are above 4%. Emerging markets are rolling over maturing debt at significantly higher yields, while capital inflows dwindle. Many developing economies are experiencing net capital outflows. The OECD is expected to call for a shift from crisis-driven borrowing to debt that finances productivity-boosting investments, particularly in the climate transition. The question is whether governments can afford it.



## Trump puts Japan on edge



Japan's inflation figures for February are released this week. Forecasters expect the core rate to remain solidly above the Bank of Japan's 2% target. Sustained price growth will reinforce the BoJ's decision to [normalise its monetary policy](#) after years of negative interest rates. Wage growth at last year's *shunto*, annual negotiations between firms and labour unions, hit its highest level in more than 25 years. That helped propel the BoJ to raise interest rates for the first time since 2007. Preliminary figures from this year's *shunto* suggest even bigger pay bumps.

Markets expect the bank to continue its tightening cycle this year. But Donald Trump's tariff policies have policymakers on edge about the course of the global economy. After raising rates in January, the BoJ decided on Wednesday to hold steady at 0.5%. Ueda Kazuo (pictured), the BoJ governor, said that while "wages and prices are on track" in Japan, "uncertainties originating overseas have been growing rapidly". Quite.

# The race to run the Olympics



On Thursday the 109 members of the International Olympic Committee elected the [body's next president](#). They chose Kirsty Coventry (pictured), Zimbabwe's sports minister, to become the IOC's first female, and first African, president. She will be in charge of an annual budget of billions of dollars. The role also requires diplomatic skills; more than 200 countries take part in the Olympic games. The outgoing president, Thomas Bach, steered them through a Russian doping scandal and the covid-19 pandemic.

Ms Coventry was thought to be his preferred successor. But she was not the favourite. Candidates thought to have had a better chance included Sebastian Coe, a Briton who won gold medals in middle-distance running, organised the London games in 2012 and leads World Athletics, a governing body. Juan Antonio Samaranch, a Spaniard who has been an IOC vice-president since 2016 and is the son of a former IOC president, was another strong contender. Having beaten them, Ms Coventry will have to deal with growing competition from other global tournaments and negotiate new media contracts.



## 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.

**Thursday:** Fold, dome and plateau are all types of which geographical feature?

**Wednesday:** Olivia Colman won an Oscar for playing Queen Anne in which 2018 film?

**An author's first duty is to let down his country.**

*Brendan Behan*