

The world in brief

Catch up quickly on the global stories that matter



Photograph: AFP via Getty Images

America launched strikes against the **Islamic State** group in north-western **Nigeria** to protect the country's Christian population, Donald Trump announced on social media. A Pentagon official said the Nigerian government had approved the strikes and worked with America to carry them out. Mr Trump has previously threatened to go into Nigeria “[guns-a-blazing](#)”, accusing its government of failing to stop the killing of Christians by extremist groups.

Volodymyr Zelensky, **Ukraine's** president, said he had a “good conversation” with [Steve Witkoff and Jared Kushner](#), Donald Trump's peace envoys. Earlier Russia said that it was reviewing documents provided by [Kirill Dmitriev](#), a Kremlin negotiator who met Messrs Witkoff and Kushner last weekend. On Wednesday Mr Zelensky suggested Ukraine could establish a demilitarised zone in the country's east as part of a peace deal; Russia has not responded to the plan.

Japan's cabinet approved a record ¥122trn (\$785bn) budget for the next fiscal year. Tax revenues are expected to rise by 7.6%. The country faces rising bond yields, a weak yen and higher inflation. Investors are becoming fretful about the [big-spending instincts](#) of

Takaichi Sanae, Japan's new prime minister. The country already has the highest debt burden in the developed world.

America ordered its armed forces to “quarantine” **Venezuelan oil** for at least two months, according to an unnamed official interviewed by Reuters. The official reportedly said that America's strategy is to put “economic pressure” on [Venezuela](#), a big oil exporter, rather than using force to remove its regime. Donald Trump has accused Venezuela's government of smuggling drugs to America and stealing American assets, including oil.

Jair Bolsonaro, **Brazil's** hard-right former president, endorsed his son, Flávio, to be the country's next president, saying he would continue “the path of prosperity that I began”. Mr Bolsonaro, who is serving a prison sentence for attempting a coup after losing his re-election bid in 2022, has been temporarily released for surgery. [Brazil's election](#) will take place in October.

Mogadishu, **Somalia's** capital, held a municipal election—the first direct vote that the country has held in decades. The poll is a milestone in preparation for national elections next year, which will be Somalia's first by universal suffrage since a military coup in 1969. Since 2004 [Somalia](#) has held elections in which clan leaders choose lawmakers (though Somaliland, a breakaway state, and Puntland, a semi-autonomous region, have held direct votes).

During his first Christmas sermon to worshippers in the Vatican, **Pope Leo XIV** denounced conditions in Gaza, with those in “tents... exposed for weeks to rain, wind and cold”. He also urged Ukraine and Russia to find the “courage” to hold “sincere, direct and respectful” talks to find peace. It was an [unusually political urbi et orbi](#) from the American-born pontiff.

Figure of the day: 1,499 yuan (\$212), the price per bottle of *baijiu*, China's favourite firewater, as set by Kweichow Moutai, a state-owned giant. [Read the full story.](#)



Photograph: Reuters

The unsinkable world economy

We are looking back on 2025. Today, finance and economics.

As President Donald Trump announced a trade war of unprecedented ferocity in April, firms and investors braced for a slump. Movements in financial markets pointed to a recession. American consumers' confidence nosedived. So did some real-time measures of economic growth. Yet "Liberation Day" has had less effect on business activity and economic growth than had been feared.

Global [economic growth](#) has held up in part because Mr Trump's tariff war has turned out to be less brutal than expected. And gung-ho fiscal policy, especially in America, has stoked demand. On top of this, economic worries related to artificial intelligence have not materialised: unemployment has not shot up since the release of ChatGPT, and concerns that growth is over-reliant on artificial-intelligence investment appear to have been overblown.

Still, economic-policy uncertainty has hurt consumer confidence around the world. Economists typically believe that gloominess portends a slowdown. But the global economy appears to have become remarkably resilient to turmoil.



Photograph: Getty Images

Who is winning the trade war?

At the start of 2025 Donald Trump thought he would bring [China's economy](#) to its knees by ratcheting up tariffs on its exports. But as the year went on it became clear that, unlike in Mr Trump's first term, China was ready to hit back with even more ferocity. In April and again in October, China unveiled export controls on rare earths that, if sustained, would have brought much of the global auto industry to a standstill.

China's bare-knuckle tactics paid off. At a meeting in late October, Mr Trump agreed to reduce tariffs so long as Xi Jinping, China's leader, froze the export controls. China also promised a bigger effort to stop the flow of precursor chemicals for fentanyl into America. This renewed co-operation sets the stage for a busy diplomatic calendar in 2026: the two leaders may meet as many as four times as they work towards a more ambitious trade deal.



Photograph: Getty Images

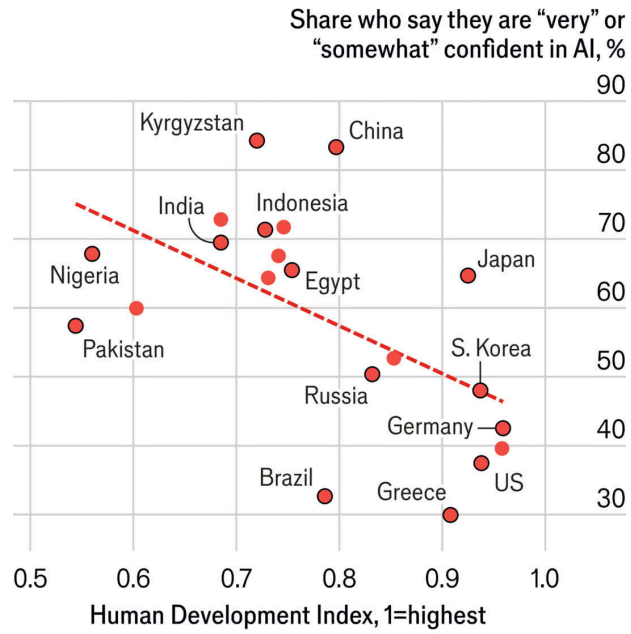
AI could make the poor world richer

Three years after the launch of ChatGPT 800m people—a seventh of the world's adults—use it each week. Many are in the developing world, where populations are young and tech-savvy. After America, India and Brazil are the biggest markets. Countries that have low scores in human-development indices tend to have more confidence in AI, a UN survey found (see chart).

Can AI [democratise knowledge](#) in such countries by putting a tutor, doctor or adviser in every pocket? AI could spread through cheap smartphones. But for that to happen, data needs to become cheaper and connectivity needs to expand. Even where people are connected, they need to learn the skills required to use AI productively. The World Bank estimates that 70% of ten-year-olds in low- and middle-income countries cannot read a simple text. To lift productivity across entire economies, schools and businesses will have to reorganise to exploit the technology.

Model pupils

21 countries, 2025



Source: United Nations Development Programme



Photograph: Getty Images

China's clean-energy revolution

The scale of China's renewables revolution is almost too vast to comprehend. The country can produce almost a terawatt of renewable-energy capacity in a year. That is more than the energy 300 big nuclear-power plants could supply. The forces that created all this generating capacity are far from exhausted. China's huge demand—it generates a third of the world's electricity—has spurred more efficient manufacturing that keeps pushing costs down. Many of the subsidies that started this virtuous circle are [ending](#) because they are no longer needed.

China has exceeded, or is on course to exceed, most of its international climate targets. The work it does to cut emissions at home—cheaper renewables, increased storage, more efficient electricity markets—will thus be increasingly sellable beyond its borders. Strikingly, this anti-emissions machine is powered by self-interest. China is making more money from exporting green technology than America does from exporting fossil fuels.



Illustration: The Economist

Daily quiz

We will serve you a new question each weekday. All five have a common theme. We won't pick any winners this week, normal service will return next week.

Thursday: Bert, played by Dick van Dyke in the film “Mary Poppins”, was a member of which profession?

Wednesday: *Rangifer tarandus*, an animal sometimes referred to as a caribou, is more generally known by what name?

*You'll never find a rainbow if
you're looking down.*

Charlie Chaplin