

Catch up: America imposes tariffs on Canada, Mexico and China



Donald Trump [signed an executive order](#) that places **tariffs** of 25% on goods entering America from **Canada** and **Mexico**, and 10% on those from **China**. Canadian oil faces a lower levy of 10%. The duties will come into effect on Tuesday. Mr Trump's decision was touted by the White House as a response to the other countries' failures to stop flows of drugs and migrants.

Shortly after Mr Trump's order, **Canada** and **Mexico** said they would impose **retaliatory tariffs** on American goods. Justin Trudeau, Canada's prime minister, announced a levy of 25% on American imports worth C\$155bn (\$107bn). Claudia Sheinbaum, Mexico's leader, promised a similar response. Meanwhile a spokesperson for the **European Union** said that the bloc would "respond firmly" if Mr Trump levied tariffs on imports from the bloc, according to reports.

[Ahmed al-Sharaa](#), **Syria's** president, met Muhammad bin Salman in **Saudi Arabia**. It is Mr Sharaa's first official trip abroad since he led the rebellion that toppled Bashar al-Assad, Syria's dictator

since 2000, in December. Mr Sharaa and the crown prince, who is the kingdom's de facto ruler, are expected to discuss plans to [rebuild Syria](#) and strengthen the country's ties with Gulf states.

UniCredit said it had bought a 4.1% stake in Generali, [Italy's biggest insurer](#). UniCredit, the country's second-biggest bank, said that it had bought the shares over time and that it had no "strategic interest" in Generali. Last year [UniCredit](#) said it had amassed a 28% stake in Commerzbank, a German lender, and launched a takeover bid for Banco BPM, another Italian bank.

Mr Trump said that America had carried out air strikes on members of **Islamic State** in Somalia. On social media the president claimed that the strikes "killed many terrorists" without harming civilians. The action was confirmed by an official in the Somali government, but was not independently verified. Pete Hegseth, America's defence secretary, said it happened in the Golis Mountains in the north of Somalia.

Ken Martin was elected as the new chair of the **Democratic National Committee**, the American party's leadership group. Mr Martin, Minnesota's state party chairman, has a long history of working on presidential campaigns. The Democrats are [in disarray](#) after Republicans won the White House and both houses of Congress in November. Mr Martin will be instrumental in helping the Democrats to rebuild their support.

Eighteen **Pakistani** soldiers were killed during fighting with rebels in [Balochistan](#), a province in the south-west. The militants from the Baloch National Army separatist group, many of whom also died in the confrontation, had put up a roadblock. Baloch nationalists in Pakistan—who feel that the Punjabi, the country's largest ethnic group, has sidelined and impoverished them—have sporadically fought against the government since 1947.

Word of the week: *wu nu*, or “housing slave”, slang for young Taiwanese homebuyers who feel trapped by their expensive mortgages. [Read the full story.](#)

Marco Rubio's first test abroad

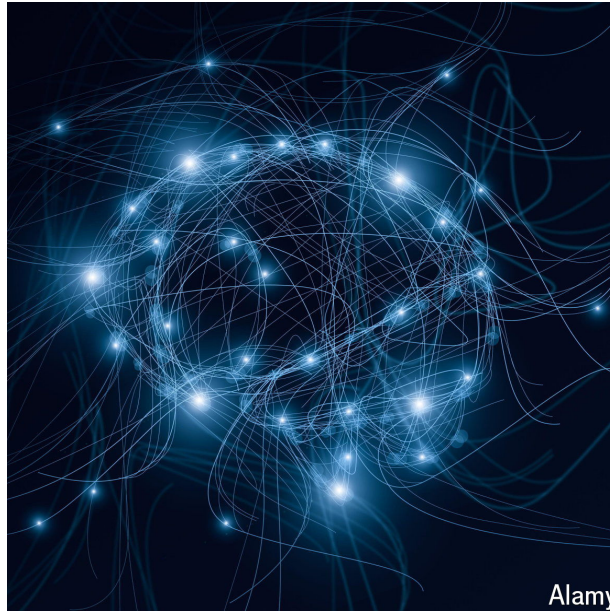


America's new secretary of state has begun his [first overseas trip](#)—a six-day tour of Central America. That Marco Rubio, Donald Trump's top diplomat, chose the region reflects his boss's priorities: curbing migration and asserting control over the Panama Canal. Notably, Mr Rubio will spend more time in Panama than anywhere else.

Beyond Mr Trump's expansionist ambitions, Mr Rubio is pressing leaders in Costa Rica, the Dominican Republic, Guatemala, Panama and El Salvador to tighten borders and accept deportees, potentially including non-citizens. Co-operation on security and China's growing influence in the region are also on the agenda.

Talks will be tense. Last week's spat with Colombia, when Mr Trump threatened tariffs over the country's refusal to accept deportation flights, showed how far the president will go to get his way. Mr Rubio's challenge is to secure agreements without alienating allies—a tough task under a president known for wielding threats as diplomacy.

Europe takes on AI



On Sunday the European Union’s AI Act, the world’s first comprehensive [artificial-intelligence regulation](#), will take effect. The sweeping legislation, which governs AI in everything from policing to entertainment, will be phased in over the next two and a half years.

The first step is a blanket ban on AI systems deemed to pose an “unacceptable risk”. That includes tools that assess criminality based on demographics or use subliminal techniques to manipulate users. Companies caught deploying such systems will face fines of up to 7% of global turnover.

Stricter rules will be implemented during the summer, when developers of foundation models—such as OpenAI’s ChatGPT-4o—will need to provide technical documentation to the EU. Over the next two years, AI models deemed “high risk” will also be regulated. The AI Act is still a work in progress, but its early enforcement signals Europe’s intent to set the global standards for AI policing.

Syria's uncertain transition



The past few days encapsulated the hopes and fears of many Syrians. On Thursday night [Ahmed al-Sharaa](#) gave his first address as the country's new president. It was brief, heavy on promises—security, unity, a stronger economy—and light on details. But for many Syrians, the what was less important than the who: they are still getting used to the idea that, for the first time since 1971, their president is not named Assad.

Still, the manner of Mr Sharaa's rise has raised concerns. His appointment looked more like a military coup than a democratic transition. He first announced it in a speech to military commanders on Wednesday, with no women and few civilians in the audience. It was pre-recorded and aired hours later, leaving most Syrians to learn of their new president via Telegram. A promised national dialogue keeps being delayed. Mr Sharaa still has a lot of goodwill. To keep it, though, he will need to give Syrians a bigger say in their future.

Will Beatlemania win at the Grammys?



According to bookmakers, Sabrina Carpenter's "Espresso" is the frontrunner for [Record of the Year](#) at Sunday's Grammy awards in Los Angeles. Ms Carpenter is one of several young women with multiple nominations, alongside Taylor Swift, Chappell Roan and Charli XCX. She is almost certain to take home at least one prize.

But never underestimate the Grammys' tendency to honour veterans of the Boomer era. Also in the running for Record of the Year are the Beatles. "Now and Then", pieced together last year from an old John Lennon demo, is no "Tomorrow Never Knows", but the Recording Academy may take the chance to celebrate Sirs Paul McCartney and Ringo Starr. As the night draws to a close, a touch of nostalgia may prove irresistible to voters who would rather turn the clock back to the "Summer of Love" than to the Brat Summer declared by Charli XCX.

Manchester City on the ropes



Manchester City have won the English Premier League for the past four years. But this season has gone awry. A disastrous [autumn slump](#) has left them 12 points behind Liverpool, the EPL leaders. On Sunday they have a chance to close the gap—but only if they overcome Arsenal, who are second in the league. Meanwhile City only just scraped through to the knockout stage of the Champions League, Europe's premier club competition, and now must face Real Madrid, the reigning champions, in a play-off in February.

In January City bought three [new players](#) in a bid to turn things around. But the club faces troubles off the pitch too. An independent panel is deciding whether City committed 115 breaches of the EPL's financial regulations. The club denies wrongdoing, but if found guilty, it could face a fine or points deduction. A verdict is expected before the season ends. City are playing a waiting game.

Weekly crossword



Our crossword has two sets of clues, one for seasoned cruciverbalists and the other for less experienced solvers. Both give the same answers, all of which feature in articles in this week's edition of *The Economist*:

Cryptic clues

1 down Megastar is, confusingly, a flirty swot (6,5)

1 across Announcement: match earnings for capital! (6)

2 across Pliny, for example, is included in retro manuscript (5)

3 across Car mat strewn about surface of a road (6)

Factual clues

1 down Who has recently toured football stadiums from Liverpool's Anfield to Real's Santiago Bernabeu (6,5)

1 across Where median house prices are now 16 times the median income (6)

2 across One way to describe Giorgia Meloni (5)

3 across The A57 includes the most dangerous stretch of this in Britain (6)

Email all four answers, along with your home city and country, by 9am GMT on Monday to crossword@economist.com. We will pick randomly from those with the right answers and crown three winners in next week's edition.

The winners of this week's quiz



The Economist

Thank you to everyone who took part in this week's quiz. The winners, chosen at random, were:

Budge Gierke, Bettendorf, Iowa, America

Borislav Stefanov, Sofia, Bulgaria

Patricia Osoko, Stratford, Canada

They all gave the correct answers of the tramp, sleeping sickness, lion, Notre Dame and 101. The theme is Disney animated movies: Lady and the Tramp, Sleeping Beauty, The Lion King, The Hunchback of Notre Dame and One Hundred and One Dalmatians.

The questions were:

Monday: Which on-screen character was the most regular alter ego of Charlie Chaplin?

Tuesday: African trypanosomiasis is a disease that is commonly known by what name?

Wednesday: *Panthera leo* is the name of which large cat?

Thursday: What name is shared by a university in Indiana and a French cathedral?

Friday: Which number is commonly used to denote an introductory course at an American university?

Ridicule is the only honourable weapon we have left.

Muriel Spark