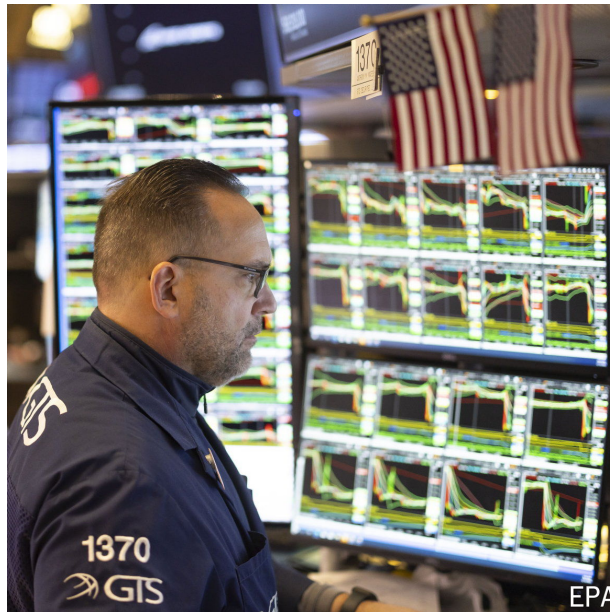


Catch up: America's inflation eases; Putin visits Kursk



America's annual inflation rate fell to 2.8% in February, below forecasts of 2.9%. The core rate, which excludes volatile food and energy prices, was 3.1%. The figures raised expectations that the Federal Reserve would pursue more aggressive interest-rate cuts. However, the data predates most of Donald Trump's new [tariffs](#), raising concerns that price pressures could rise further.

Vladimir Putin visited Russian troops in **Kursk**, a border region held by **Ukraine**. The Russian president's trip—his first since Ukraine's [surprise assault](#) last summer—came shortly after Ukraine [agreed in principle](#) to a 30-day ceasefire deal proposed by America. On Wednesday Mr Trump said that American officials were travelling “right now” to Russia to discuss the idea.

Canada announced \$21bn in tariffs on American goods in response to Mr Trump's [steel and aluminum duties](#), which came into effect on Wednesday. On making the announcement Dominic LeBlanc, Canada's finance minister, called America's tariffs “unjustified”. The move follows the European Union's decision to introduce

\$28bn in retaliatory tariffs. Shares in American automakers fell on the news.

Meanwhile the **Bank of Canada** cut interest rates by a quarter of a percentage point, to 2.75%, while warning that [Mr Trump's tariffs](#) had caused a “new crisis”. The central bank, which has eased rates seven times in nine months, said that uncertainty was already hurting investment. But it said it will proceed cautiously with further cuts, balancing inflation risks with weak growth.

Pakistan's army said it had freed around 300 hostages from a train hijacked by the Baloch Liberation Army, [a separatist militant group](#), in the country's Balochistan province. More than 400 passengers were on board when the BLA seized the train on Tuesday; 21 civilians were reportedly killed. Pakistani officials said all 33 attackers were killed during the rescue mission.

A court in **Georgia** sentenced **Mikheil Saakashvili** to nine more years in prison on embezzlement charges. The country's former president, who calls the charges politically motivated, was already serving a six-year prison term. Mr Saakashvili pursued strong relations with the West during a nine-year presidency, before losing power to Georgian Dream, an [increasingly Kremlin-friendly party](#), in 2013.

Britain's financial regulators scrapped plans to impose stricter [diversity, equity and inclusion](#) rules on firms, citing concerns over costs. The government is pressurising such agencies to prioritise economic growth. The Financial Conduct Authority also abandoned proposals to publicly identify firms under investigation; industry groups opposed the move, arguing it could damage companies before wrongdoing is proven.

Figure of the day: 38%, the share of American college students displaying symptoms of depression in 2024, down from 44% in 2022. [Read the full story.](#)

Waiting for Putin's next move



“The ball is now in Russia’s court,” said America’s secretary of state, Marco Rubio, on Tuesday, after [talks with Ukraine](#). The sides had agreed on the terms of a 30-day ceasefire and the resumption of American intelligence and military support. What Russia does next will become clearer after Donald Trump speaks with Vladimir Putin, possibly within the next day or two. The outcome will hinge on how Russia’s president manoeuvres Mr Trump, who may not appreciate just how uncompromising the Russian president is in his demands.

On the battlefield, Ukrainian forces have held their ground and even launched counter-attacks in areas such as Pokvrosk and Toretsk in eastern Ukraine. But Russia is close to driving them out of the part of Kursk that has been under Ukrainian control since August. If [Ukrainian troops](#) remain in the Russian region, they risk being encircled. A retreat may be unavoidable—sacrificing territory to save 10,000 of Ukraine’s best soldiers.

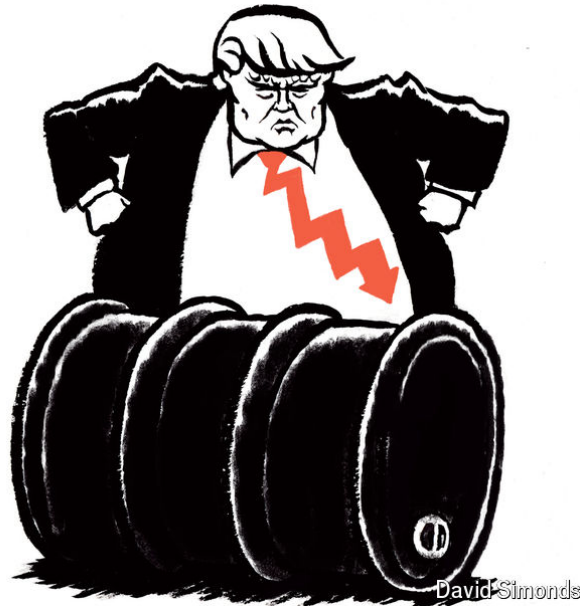
A culture shock for America's health agencies



The Trump administration's attacks on America's civil service are far from over. Federal agencies have been instructed to submit lists of workers for the first of two phases of forthcoming lay-offs by Thursday, according to a memo from the Office of Personnel Management, Elon Musk's efficiency-enforcer. At the [Centres for Disease Control and Prevention](#), the country's primary public-health agency, big cuts would make monitoring diseases, tackling outbreaks and preparing for disasters much harder.

On Thursday Donald Trump's pick to run the agency, David Weldon, faces a Senate confirmation hearing. Should he be confirmed, Mr Weldon will take over an anxious workforce. Interviews with CDC insiders and nearly 100 emails obtained by *The Economist* reveal constant missives from Mr Trump's team. Workers have been banned from communicating with the public and directed to eliminate research of "gender ideology extremism" and any references to diversity, equity and inclusion. Even senior scientists are terrified that any misstep will cause them to lose their jobs.

Trump dampens the oil market



On Thursday the International Energy Agency, an official forecaster, releases its monthly update on global oil markets. It will be a subdued one. Oil prices, which usually rise with geopolitical tensions, are struggling to stay above \$70 a barrel. Donald Trump is having a **deflationary effect** on the world's most-traded commodity.

Markets fear that American tariffs on Canada, Mexico and China—and their retaliation—will slow the global economy. The **dollar is weakening**, which could stimulate a little more appetite for oil overseas because oil is priced in dollars. But investors worry that America's economy, too, will suffer from Mr Trump's policies, depressing overall oil demand.

At the same time, oil supply will soon rise. On March 3rd OPEC+, a cartel of oil exporters, said that its members would start increasing output in April, reversing some of the cuts made in recent years. Mr Trump wants American oil firms to produce more. As prices cool, they have few reasons to obey.

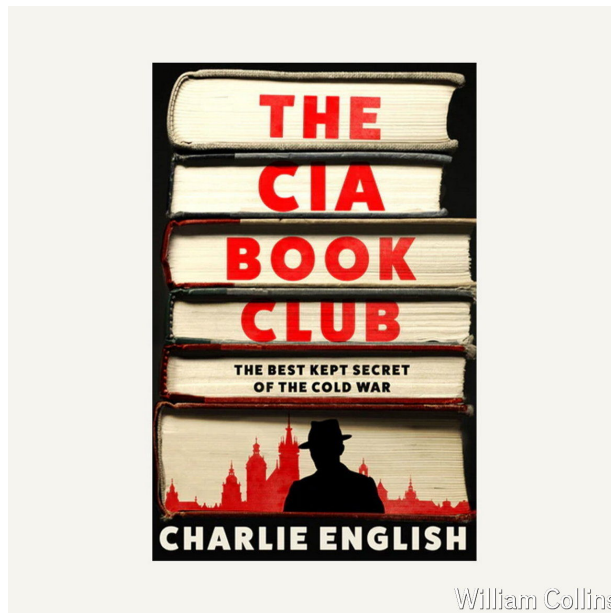
South Sudan's fragile peace



Uganda says it has deployed special forces to South Sudan to protect the government of Salva Kiir, the president, following violent clashes in the country's north. Though the South Sudanese government denies it, eyewitnesses in the capital, Juba, say dozens of soldiers arrived on Tuesday and are stationed outside the president's office.

Mr Kiir is on edge. Last week a general and dozens of soldiers were killed when the White Army, an ethnic militia, attacked a UN helicopter attempting to evacuate them from a town in the oil-producing Upper Nile state. Mr Kiir accuses the group of being linked to his longtime rival, Riek Machar, the vice-president. In response, he has arrested several of Mr Machar's senior allies, including the petroleum minister. Observers fear the crisis could unravel the fragile peace deal that ended South Sudan's five-year civil war in 2018. America has already evacuated most of its embassy staff.

The best-kept secret of the cold war



Books were smuggled on planes, trains and trucks. A copy of Aleksandr Solzhenitsyn's "The Gulag Archipelago" was stowed in a baby's nappy. George Orwell's "1984" was disguised as a defunct computer manual. Over three decades leading up to the fall of the Berlin Wall in 1989, the CIA's literary-propaganda scheme funneled 10m books into the Eastern Bloc.

It was "the best-kept secret of the cold war", writes Charlie English, an author, in "The CIA Book Club", published in Britain on Thursday and later in the year in America. To undermine Soviet censors, the agency circulated everything from *Cosmopolitan*, a glossy lifestyle magazine, to spy thrillers and the philosophical works of Albert Camus. It even smuggled in works by Soviet writers, including Boris Pasternak's "[Doctor Zhivago](#)". The programme worked. Adam Michnik, a Polish dissident, argued books saved his country in Soviet times. "They allowed us to survive and not go mad," he told Mr English.

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.

Thursday: What term was given to the series of discussions between Richard Nixon and Nikita Khrushchev in Moscow in 1959?

Wednesday: What term, linked to a South American country, was used to describe the series of negotiations that led to the establishment of the World Trade Organisation?

Often the fear on one evil leads us into a worse.

Nicolas Boileau-Despreaux