

# The world in brief

Catch up quickly on the global stories that matter



Photograph: Reuters

America's Senate **narrowly passed** Donald Trump's “**One, Big, Beautiful Bill**”. Three Republicans defected, leaving the vote split at 50-50; J.D. Vance, the vice-president, broke the tie. The **tax and spending measure**, which runs to nearly 1,000 pages, must now clear the House, where changes made by the Senate could face opposition. Mr Trump wants Congress to pass the legislation before July 4th.

Meanwhile, **British** MPS voted 335-260 to advance **Labour's welfare bill**—after the government offered last-minute concessions to party rebels. A controversial reform to disability benefits will be delayed at least until a review concludes next year. **Sir Keir Starmer**, the prime minister, had already significantly reduced planned welfare cuts after more than 120 Labour MPS **turned against him**. Forty-nine still voted against.

More than 160 **NGOs** and other charities called for the American-backed **Gaza Humanitarian Foundation** to be shut down. Since it started handing out aid to the territory in May, hundreds of Palestinians have been shot dead trying to gain access to its distribution hubs. Israel, accused of doing at least some of the

shooting, supports the system, claiming that it stops aid going to Hamas.

**Poland** will introduce [border checks](#) on arrivals from Germany and Lithuania to stop “uncontrolled flows” within the Schengen free-travel area, said Donald Tusk, the prime minister. The temporary measures will begin on July 7th. Germany introduced emergency controls in 2023 and has since used them to send migrants back to Poland. Mr Tusk said that Poland’s patience was “running out” on the issue.

**Switzerland** will hold a referendum on a 50% inheritance tax on assets above 50m Swiss francs (\$63m). The country currently has some of the lowest income taxes in Europe. Critics worry that the proposed tax would scare off [super-rich taxpayers](#). But despite government opposition, activists have gathered enough signatures to put it to a plebiscite on November 30th.

**Standard Chartered** was slapped with a \$2.7bn lawsuit in Singapore in the latest push to recover stolen funds in the 1MDB scandal. The British bank has been accused of helping hide money siphoned out of Malaysia’s sovereign wealth fund and laundered more than a decade ago. The outflow between 2009 and 2013 has been estimated at \$4.5bn.

**America’s** Justice Department charged two **Chinese** nationals with acting as agents of the Chinese government. The pair are accused of [gathering intelligence](#) about American navy members and bases, as well as attempting to recruit people from the country’s armed forces to work with China. America’s attorney-general said the case underscored China’s “sustained and aggressive effort to infiltrate our military”.

**Figure of the day:** 14%, the proportion of young Americans who would consider selling content on OnlyFans, a website that specialises in pornography. [Read the full story](#).





Photograph: Getty Images

## The Quad squad meets

On Tuesday Marco Rubio, America's secretary of state, hosts counterparts from India, Japan and Australia. It will be an opportunity for America to turn its attention to Asia and the contest with China, which is supposed to be a higher priority than wars in Europe and the Middle East. The “Quad” partnership seeks to draw India closer to America's allies in Asia, though India pursues “multi-alignment” (for example, it is friendly with Russia and Iran). The ministers will prepare for a summit of their respective leaders in Delhi this year.

They will have much to discuss besides. India is irritated by America's boast that it brokered a halt to its fighting with Pakistan in June. Australia is nervous about the Pentagon's review of the AUKUS deal on nuclear-powered submarines and other weapons. Japan is irked by pressure from America to raise defence spending. All worry about America's threats of swingeing tariffs. The guests also want to know about Mr Rubio's status: how long can he act as both secretary of state and national security adviser?



Photograph: Getty Images

## Is Russia's offensive in Ukraine faltering?

While the world's gaze was turned to the Middle East, Russia pushed on with its summer offensive against Ukraine, albeit with mixed results. Last week Ukraine's most senior commander, Oleksandr Syrsky, claimed that after two months the offensive was "faltering" and that attempts to create a buffer zone around the north-eastern territory of Sumy were "collapsing". He said Russia had failed to take the logistical hub of Pokrovsk, where it has concentrated about 110,000 troops.

Increasingly, Russian attacks are carried out by soldiers on motorbikes attempting to cause havoc behind Ukrainian lines. Few get through, most being picked off by [nimble drones](#). But Ukraine estimates that Russia is producing 66% more ballistic missiles than a year ago and that it is aiming to increase one-way attack drone production from 2,000 to 5,000 a month. On Sunday, Russia launched more than 500 aerial weapons at Ukrainian cities in its largest attack of the war. Such barrages are becoming more frequent—and deadly.



Photograph: Getty Images

## **The euro zone's inflation summit**

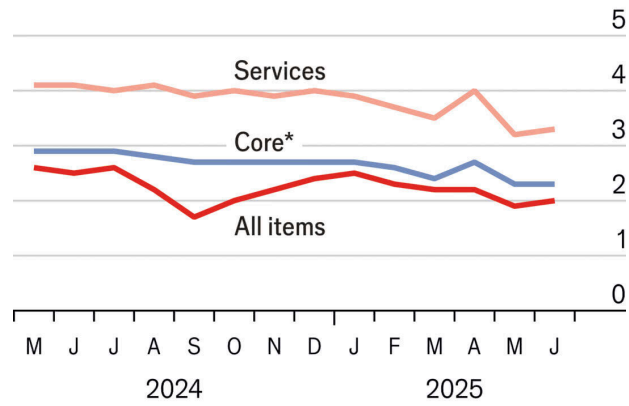
The European Central Bank's top brass, accompanied by a handful of journalists, academics and financial-market analysts, gather in Portugal's high-perched town of Sintra this week for their annual conference. Panels will discuss labour markets, trade and monetary policy. But euro-zone inflation estimates released on Tuesday will divert attention, as the annual rate crawled up to 2% in June, from 1.9% in May.

The new figures alone are not worrying: the ECB's target is 2%. But an uptick has come as a surprise in some countries, including France, which reported service prices rising by more than expected, to 2.4% from last year, up from 2.1% in May. In Spain annualised core inflation accelerated to 2.2% in June. Meanwhile, it fell slightly to 2.7% in Germany, from 2.8% the previous month. The higher euro-zone figures cast doubt on the ECB's next, and possibly final, rate cut in this cycle, much anticipated by the markets. That's plenty to chew over at lunch.

## Spikes and hikes

### Euro area, consumer prices

% increase on a year earlier



\*Excludes energy, food, alcohol and tobacco

Sources: LSEG Workspace; Eurostat



Photograph: Getty Images

## Toppling the Shinawatras

Two court cases in Thailand threaten to unseat the family that has governed on and off for the last quarter of a century. On Tuesday, the constitutional court suspended Paetongtarn Shinawatra, the 38-year-old prime minister, after less than [a year in office](#). She was accused of misconduct for criticising her generals in a leaked phone call with Hun Sen, the former prime minister of Cambodia, and for calling him “uncle”. The two countries are having one of their occasional border disputes. Senators filed a petition asking for her removal.

Ms Paetongtarn’s father was in court, too, to answer charges of insulting the monarchy in an interview in 2015. If convicted, Thaksin Shinawatra could face up to 15 years in jail. Politics, not the law, are driving both verdicts. If conservative forces in the army and palace decide that they have had enough of the Shinawatra family’s populist grandstanding, they are sure to be convicted.





Photograph: Getty Images

## Britain's government hands out concessions

Sir Keir Starmer, Britain's prime minister, headed off the biggest rebellion of his premiership on Tuesday—but only by making last-minute concessions to his own Labour MPs. The House of Commons passed the Universal Credit and Personal Independence Payment Bill, designed to curb the [surging cost of Britain's benefits](#) by cutting payments to sick and disabled people. But to secure its passage Sir Keir agreed to further gut the [already diluted](#) bill. Kemi Badenoch, the leader of the opposition Conservatives, wrote that the revised bill was an “utter capitulation”, suggesting that it “saves £0”.

The episode makes for a miserable first anniversary for the government, which since its election victory on July 4th 2024 has disappointed its supporters, with public satisfaction nearing a record low for any modern Labour administration, according to a survey published by Ipsos last week. No wonder it has fallen behind Nigel Farage's populist Reform UK party in the polls.



Illustration: The Economist

## Daily Quiz

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 BST on Friday to [\[email protected\]](#). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Tuesday:** Plymouth, Puget and Roanoke are all examples of which geographical feature?

**Monday:** Horology is the study of what?

*Music is a hidden arithmetic  
exercise of the soul, which does  
not know that it is counting.*

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***Gottfried Leibniz***