

The world in brief, June 10th 2024



Emmanuel Macron, France's president, dissolved the national assembly and called snap legislative elections after exit polls for elections to the **European Parliament** showed significant gains for **far-right parties**. In Germany, the Alternative for Germany party took second place behind the opposition conservatives with 16.5% of the vote, up from 11% in 2019. In Austria, the Freedom Party is predicted to win the most seats. If confirmed, it would be the party's first victory in a nationwide election.

Shares in **French banks** dropped sharply following the [election](#) announcement. Société Générale and BNP Paribas fell by almost 6%, while Crédit Agricole was down by 4.3%. Investors are concerned that the election will derail much-needed fiscal consolidation plans. Shares in the construction and material sectors also tumbled. Meanwhile, the euro fell to its weakest level against the dollar in almost a month.

Benny Gantz resigned from Israel's war cabinet in a dispute with the prime minister, Binyamin Netanyahu, over post-war plans for Gaza. The centrist politician had been expected to [resign](#) on

Saturday, but delayed after the successful rescue of four Israeli hostages from Gaza. Mr Gantz said that Mr Netanyahu's conduct of the war was preventing Israel "from moving forward to a real victory".

America requested a UN Security Council vote on a plan for a ceasefire deal between Israel and Hamas. The [resolution](#) would propose a three-stage agreement, espoused by President **Joe Biden**, for stopping the war. Israeli hardliners oppose the plan and Hamas is yet to endorse it. The main sticking point is whether Hamas will remain in control of Gaza.

Donald Trump pledged to cut taxes on tips at a campaign rally in Nevada, an important swing state. The former president courted hospitality workers while speaking in Las Vegas, which was swelteringly hot. Tips should be reported as income under the current law. [Polls](#) suggest Nevada is tipping in Mr Trump's favour ahead of the country's election on November 5th.

Iraq said it expects to reach an agreement in the coming days with **Kurdistan**, a [semi-autonomous region](#), and international oil companies there to restart oil exports, which have been stalled for more than a year. The producers had to slash output after a dispute erupted between Iraq and Turkey over payments and a pipeline from Kurdistan to Turkey was closed down.

The head of **Ukraine's** post-war [reconstruction](#) agency resigned after allegedly being banned by the government from attending a recovery conference for the country in Berlin, which begins on Tuesday. Mustafa Nayyem's resignation follows a series of high-level departures in the team overseeing rebuilding efforts. Two officials responsible for anti-corruption and procurement also stepped down, and the infrastructure minister was sacked in May.

*In the run-up to America's presidential election, we've launched **The US in brief**—a daily update to help you keep on top of the*

political stories that matter. Sign up here to receive it as a newsletter, each weekday, in your inbox.

Japan's faltering economy



When the Bank of Japan ended its negative interest-rate policy in March, the country's economy appeared to be poised for a fresh start. The bank promised a “virtuous cycle” of moderate growth in both wages and inflation. But the economy shrank at an annualised pace of 1.8% in the first quarter of 2024, according to government data released on Monday.

The biggest drag was private consumption, which accounts for around 60% of total GDP. It fell by 0.7% from the previous quarter, marking the fourth consecutive quarter of decline. The weak yen is driving up prices. April was the 25th successive month in which real wages fell, and consumers have been tightening their purse-strings.

But the effects of some one-off factors might diminish soon. For example, car sales slumped owing to a data-rigging scandal at Daihatsu, a subsidiary of Toyota.

Sanctions on Russia start to bite



On Monday Raiffeisen, an Austrian bank, will stop making dollar payments out of Russia. The decision suggests that America's campaign against financial firms accused of aiding the Kremlin's war effort is paying off.

In December the Biden administration issued an executive order exposing foreign banks to secondary sanctions if they facilitate transactions involving Russia's military-industrial complex. Raiffeisen, the largest Western bank still operating in Russia, argues it does no such thing.

But the bank may have strayed too close when it pursued a deal to swap some of its Russian assets for a stake in an Austrian construction firm owned by Oleg Deripaska, an oligarch under sanctions. Soon after America's treasury threatened to curtail its access to the country's financial system. A few days later Raiffeisen dropped the deal, and is now suspending outbound dollar transfers to placate America's concerns further. It is not yet clear whether that is enough to get the bank out of Uncle Sam's crosshairs.

Hey Siri, are you finally getting an upgrade?



When Apple first unveiled Siri, the virtual assistant was a breakthrough. Over a decade later, it has become more frustrating than fascinating. But from Monday through to Friday, an upgraded Siri will take centre stage at Apple's annual Worldwide Developers Conference. The event looks likely to be the most significant for several years.

Siri's overhaul will see it powered by generative AI. The integration of [large language models](#) will help the assistant handle complex requests and quick back-and-forth dialogue—rather than the stilted conversations users are accustomed to. Apple will also introduce generative AI into web browsing, emoji creation and more in its operating-system updates.

This suite of new features is part of Apple's broader foray into AI, a lucrative field in which it has lagged behind its competitors. Investors are optimistic. Ahead of the event Apple's share price has climbed to its highest since last December after falling by as much as 15% earlier this year.

Little is left to chance in Iran's election



Ebrahim Raisi, Iran's president, [died](#) in a helicopter crash on May 19th. The country's leaders have ensured that the election campaign that begins on Monday to choose his successor will be as predictable as possible. On Sunday, the Guardian Council, the Supreme Leader's electoral vetting body, excluded all but one of the many heavyweights who submitted their candidacy, virtually awarding victory to the clear front-runner, Mohammad Baqer Qalibaf (bottom-right in picture). A former military commander, he is a relative of the ageing Supreme Leader, Ayatollah Ali Khamenei.

The foregone conclusion is likely to prompt the lowest-ever turnout on June 28th, lower even than at the [election](#) three months ago, itself a record. But behind the scenes, a power struggle rages. In the past the presidency was a stepping stone to the post of supreme leader. But Mr Qalibaf, unlike Mr Raisi, is not a cleric. His selection will bolster speculation that Mr Khamenei is grooming his son, Mojtaba, for a dynastic succession.

Australian swimming's deep pool of talent



Olympic finals usually bring together the best athletes from around the globe. Occasionally, though, one country's depth of talent can skew that outcome: Australia's in swimming, for example. In the women's 100m freestyle, five currently-competing Australians have recorded one of the 25 fastest times in history. Yet countries can only enter two athletes per Olympic event. Consequently Australia's national trials, which began on Monday in Brisbane, could see faster times than [the Olympics](#) this summer.

The contestants in Brisbane include Emma McKeon, the current Olympic champion; Cate Campbell, the fourth-fastest woman ever; and Mollie O'Callaghan, last year's world champion. Whatever happens, at least one of them will be excluded from the Olympic team—more if other decorated swimmers, such as Ms Campbell's sister Bronte or Shayna Jack (a five-time world champion) spring a surprise. Olympic rules mean that more countries have a greater chance to win medals. But they also mean some world-class athletes are left out.

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 QuizEspresso@economist.com. We'll pick randomly from those with the right answers and crown three winners on Saturday.

Monday: Which precious stone, supposedly the subject of a curse, was once owned by Louis XIV of France and now resides in the Smithsonian Museum?

11m

The approximate number of Americans getting high on marijuana every day.

Read the full story

**We are going to emancipate ourselves
from mental slavery because whilst others
might free the body, none but ourselves
can free the mind.**

Marcus Garvey