

The world in brief

Catch up quickly on the global stories that matter



Photograph: AFP

Jerome Powell said that the Trump administration had opened a [criminal investigation](#) into the **Federal Reserve**, relating to testimony he delivered to Congress in June about a renovation of the Fed's headquarters. Donald Trump denied any knowledge of the indictment. The Fed chair said the "unprecedented action" was a pretext to rein in the central bank's independence. The president has repeatedly criticised Mr Powell for not cutting interest rates.

Market reaction to the bizarre fight was initially muted. The benchmark S&P 500 index of large American companies fell by around 0.5% after futures trading opened. Bond vigilantes held their fire. However precious metals rallied sharply: gold by over 1% and silver by 4%. The dollar fell slightly.

Mr Trump said **America** was mulling [military operations](#) in **Iran**. He said that the regime was "starting to" cross the threshold for an intervention amid reports that it had killed around 500 people while clamping down on anti-government protests. Earlier Iran warned that American troops and Israel would become legitimate targets for retaliation were Mr Trump to order strikes.

Mr Trump warned **Cuba** that it would no longer receive **Venezuelan** oil, telling it to make a deal with America "BEFORE

IT IS TOO LATE”. Scott Bessent, America’s treasury secretary, suggested on Saturday that American sanctions on [Venezuela’s oil](#) industry may end this week. Separately, America advised its citizens to leave Venezuela immediately, amid reports that militias were setting up roadblocks to snare anyone supporting the United States.

Japan launched a vessel to find **rare earths** in a coral atoll around 2,000km off the coast from Tokyo. The month-long mission is part of Japan’s attempt [to reduce](#) its reliance on China for critical minerals, following a spat between the two countries. Mr Bessent urged G7 countries to diversify their supply of critical minerals with “urgency”.

Burmese in 100 townships voted in the second of three stages of a sham parliamentary election set up by **Myanmar’s** military junta. The elections are neither free nor fair—and regardless of the result the armed forces will automatically control 25% of the seats in both chambers. Recently [the regime has been gaining ground](#) in its five-year fight against rebel groups.

Google said that American users of Gemini, its AI offering, would soon be able to make purchases from retailers, including Walmart and Shopify, without leaving the app. AI companies have been racing to integrate **e-commerce** into their platforms to recoup some of the vast sums they have spent on developing and running them. OpenAI, which makes ChatGPT, reached a similar agreement with Walmart in October.

39,000, the number of red squirrels in England, compared with at least 2.5m greys. [Read the full story.](#)



Photograph: Getty Images

The Rohingya get their day in court

On Monday the International Court of Justice hears a case over whether Myanmar committed genocide against the Rohingya. In 2017 the Burmese armed forces launched a campaign of mass killing, rape and arson against the [Muslim minority group](#), causing more than 700,000 people to flee to neighbouring Bangladesh. The lawsuit, brought by the Gambia in 2019, is one of several pending genocide cases at the UN court. Myanmar denies the accusation.

The ICJ has preceded over very few such cases, and no state has ever been found guilty of committing genocide. The charge must be proven “by evidence that is fully conclusive”, and showing intent has often been the sticking point. With so little precedent, it is unclear how to clear such a high bar. Other defendants in pending genocide cases—including Israel and Russia for their alleged actions in Gaza and Ukraine respectively—will scrutinise the Gambia’s arguments carefully, watching to see whether they convince the court.



Photograph: Getty Images

India's inflation worries

Indian inflation data, published on Monday, are likely to show only modest price growth. Economists expect that the consumer-price index will have risen by 1.5% in 2025. A good monsoon, which left the country's hydropower dams full and its granaries well-stocked, has helped keep it low. A cut in India's goods-and-services tax in September also contributed. And an excess of manufacturing capacity in China sent cheap goods across the border, pushing prices down.

Low inflation concerns the Reserve Bank of India, which aims for a 4% rate. The glut of Chinese goods has dampened enthusiasm for investing in local competitors. And the rupee was the worst performing major currency in Asia last year. The central bank has been cutting interest rates to help stimulate the economy. For the moment it seems relaxed about the low exchange rate. That is a boon for exporters coping with punitive American tariffs.



Photograph: Getty Images

Iran's test of wills

Protests have been rumbling Iran for weeks, but recent days brought new intensity and disconnection from the world. The regime shut off the internet on Thursday during a night of heavy demonstrations. Protests continue, as does a ruthless crackdown, but the blackout makes it hard to say exactly what is happening. Human-rights groups have confirmed almost 500 deaths but think the real total is much higher. Many more have been arrested.

The unrest is becoming a test of wills. The regime hopes it can hold on, using enough violence to spook protesters but not so much that Donald Trump, the American president, follows through on his threats to take action. The opposition wants to keep up the pressure. So far it has not convinced any regime bigwigs to switch sides. For his part, Mr Trump is scheduled to meet with advisers on Tuesday and [discuss his options](#), which could include a military strike, cyber-attacks or other measures.



Photograph: AP

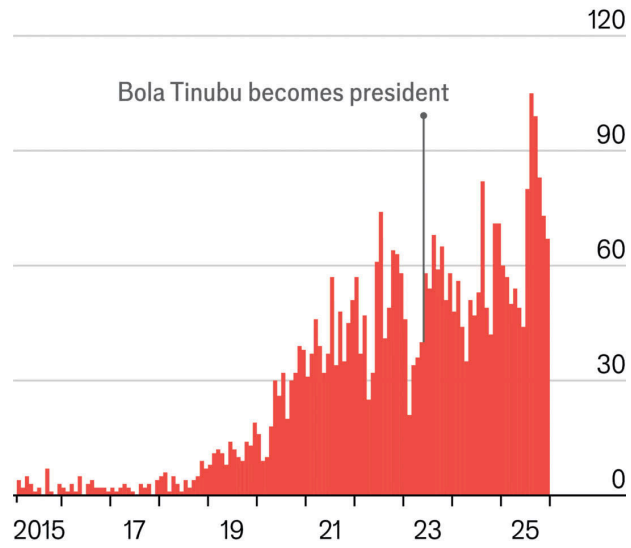
Nigeria's kidnapping crisis

Niger, a state in Nigeria, reopened some schools on Monday in “safe and secure areas” after a spate of [kidnappings](#) last year. In November over 250 staff and students were abducted from a Catholic school, one of the largest such incidents. Nigeria's government says the victims were rescued in December, but did not announce any arrests.

The country's kidnapping crisis, which has lasted a decade, worsened considerably after Bola Tinubu became president in 2023. Much of the north-east of Nigeria is poorly policed, and jihadist groups are behind many of the attacks and kidnapping that happen there. In the north-western and central regions, the main perpetrators seem to be criminal groups known locally as “bandits”. Their motives are less clear, but may be financial. Despite the reopening, the attacks show little sign of slowing. Just last week 39 people were killed and several kidnapped in another attack in Niger state.

A terrifying toll

Nigeria, monthly abductions



Source: ACLED



Photograph: Getty Images

Return of the robo-advisers? Not quite

On Monday Wealthfront, a financial-services firm that managed more than \$88bn in assets as of September, will issue its first earnings report since going public in December. The American company was founded in 2008, one of a group of robo-adviser startups promising customers big savings by automating the investment of their money. Established money managers saw enough potential in the idea to get in on the act. But demand never picked up. Recently, banks such as UBS and Goldman Sachs powered down their offerings, citing low profitability.

Wealthfront survived by diversifying away from robots. It began offering high-yield cash accounts shortly before interest rates shot up in 2022. Because it was making more on deposits with partner banks than it paid out to customers, it became profitable by 2023. Betterment, another robo-adviser firm, also began offering cash accounts, and even human investment advisers. For companies that once claimed to be tech revolutionaries, they increasingly resemble the old guard.



Illustration: The Economist

Daily quiz

We will serve you a new question each weekday. On Friday your challenge is to give us all five answers and tell us the theme. Email your responses (and your home city and country) by 1700 GMT on Friday to [\[email protected\]](#). We'll pick three winners at random and crown them on Saturday.

Monday: François Duvalier, the dictator of Haiti from 1957 to 1971, was known by what nickname?

*Modern politics is civil war
carried on by other means.*

Alasdair MacIntyre