

Catch up: Israel launches ground incursion in Lebanon; Powell hints at November rate cut



Israel said its troops had crossed into southern **Lebanon** in “limited, localised and targeted raids” against [Hizbullah](#), an Iran-backed militant group. The incursion is targeting sites close to the Lebanon-Israel border that pose “an immediate threat”, according to Israel’s army. Israel has launched repeated air strikes against Lebanon over the past two weeks, killing hundreds of people—including Hizbullah’s leader, [Hassan Nasrallah](#).

Jerome Powell, the **Federal Reserve**’s chairman, said America’s central bank was not in “a hurry to cut rates quickly” and would consider a quarter-point interest-rate cut in November if economic data remain strong. On September 18th the Fed lowered interest rates by half a percentage point, the bank’s first cut in more than four years. That move carries [economic and political risks](#).

SoftBank, a Japanese investment group, plans to invest \$500m in the latest [fundraising round](#) of **OpenAI**, reported The Information,

a website. Microsoft, an American tech giant that has already invested around \$13bn in OpenAI, is also expected to join the funding round. Last week Apple dropped out of talks to participate, reported the *Wall Street Journal*.

Donald Trump visited Valdosta, a city in southern Georgia recovering from the effects of Hurricane Helene. The [storm](#) killed more than 130 people across six states in south-east America; hundreds are still missing. Mr Trump falsely accused **Joe Biden**, the president, of ignoring phone calls from Brian Kemp, the governor of Georgia. Mr Kemp, a Republican, confirmed that he had spoken with Mr Biden on Sunday.

An embezzlement trial against **Marine Le Pen**, the leader of France's hard-right National Rally, began in Paris. Ms Le Pen and her party are accused of misusing €3m (\$3.3m) of the [European Parliament's](#) funds, a charge she denies. More than 20 party figures are also on trial. If convicted Ms Le Pen could face prison time, hefty fines and a ten-year ban from public office, hampering her [future presidential ambitions](#).

The Biden administration announced tougher asylum restrictions at **America's southern border**. Under a policy [introduced in June](#), migrants who entered the country illegally could request asylum if daily arrests at the border remained below 1,500 a day for seven consecutive days. That window has now been extended to 28 days. In July America's border agency reported that the seven-day average for border encounters fell to 1,900.

Britain's last [coal-fired power station](#) shut after 57 years of operation. The country, one of the first to use coal power, had been using the fossil fuel to generate electricity since 1882. But in 2023, coal contributed just 1% of Britain's power supply while wind and solar generation hit record highs. The closure of the plant in Ratcliffe-on-Soar, Nottinghamshire, is a major milestone in Britain's energy transition.

Figure of the day: 2.5m, the number of hectares of public land that Brazil's national development bank thinks the country could lease to reforestation companies. [Read the full story.](#)

Japan gets a new prime minister



Japan got a new leader on Tuesday. [Ishiba Shigeru](#) was sworn in as prime minister after winning the ruling Liberal Democratic Party's leadership race. For Mr Ishiba it is the fulfilment of a longstanding ambition: his previous four bids for the party leadership, stretching back to 2008, failed.

Mr Ishiba has a reputation as a gadfly within his party. But among the general public, he has consistently ranked as the country's most popular politician. The son of a long-serving politician from Tottori, a rural part of western Japan, he has positioned himself as a champion of Japan's forgotten regions. He also has a keen interest in defence and security, having served as defence minister. The LDP hopes that Mr Ishiba will help improve the party's image, which has been tarred by a recent financial scandal. His first test comes soon. He plans to hold a snap general election on October 27th.

Walz debates Vance



Donald Trump and Kamala Harris will probably not debate each other again, but that doesn't mean that there won't be any more televised rumbles before election day. [J.D. Vance](#) and [Tim Walz](#), the Republican and Democratic vice-presidential candidates, will face off on Tuesday night to cap off a cycle of unusually significant debates.

Mr Vance is the most unpopular vice-presidential choice in recent history. American voters like Mr Walz better. Mr Vance will thus hope to use the debate to put his opponent on the defensive and raise his own low favorability ratings. Mr Walz, who generally avoids questions from the media, will face a grilling in front of perhaps his largest audience in this election. Running-mates generally have little effect on the outcome of a presidential election and their debates tend to be forgettable. Tuesday's event could prove to be an exception.

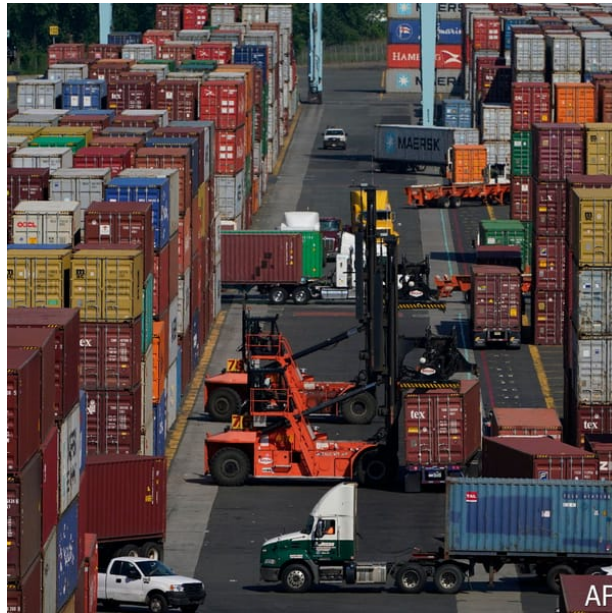
Europe's cooling inflation



Last week most economists expected the European Central Bank to leave rates on hold at their next meeting in October, after lowering them for the second time this year in September. But the release of a widely-watched purchasing managers' index for the euro zone has shifted that view. In September manufacturing fell at its fastest pace in 2024, and sentiment dropped to its lowest level since November 2023. [Inflation](#) also seems to be dropping more rapidly than expected: in France and Spain the annual rates dropped to 1.5% and 1.7% respectively, below the ECB's target of 2%.

The bank's policymakers will thus be closely watching a preliminary estimate of the euro zone's annual inflation rate for September, due on Tuesday. Deutsche Bank and UBS, two European banks, expect inflation to fall to 1.8%. That would probably be enough to prompt the ECB to go for another rate cut to ward off a recession.

American ports brace for a costly strike



Port workers on America's east coast are set to go on strike on Tuesday. Talks between the dockers and the United States Maritime Alliance, which represents terminals and carriers, [broke down](#) in June. The International Longshoremen's Association, the union representing port workers, fears port automation and wants a wage increase of nearly 80%.

The strike will shut five of the ten busiest ports in North America, from Texas to Maine. It will disrupt the delivery of billions of dollars' worth of consumer goods during peak shipping season. The value of containerised imports at the 36 ports amounted to \$588bn last year.

Companies have been preparing for months for a possible shutdown. A study found that [inventory](#) held by American retailers is around \$18bn higher than would be expected on current economic growth rates. That has caused congestion, and re-routed trade to America's west coast. Even if the strike is called off at the last minute, considerable damage has already been done.

Mexico's first female president takes office



Claudia Sheinbaum will be sworn in as Mexico's first [female president](#) on Tuesday. The 62-year-old former mayor of Mexico City has a tough job ahead of her. The power of drug gangs and other criminal groups makes Mexico even harder to govern than most big countries. Ms Sheinbaum will also be wary of her predecessor, Andrés Manuel López Obrador. He is one of Latin America's most popular leaders and remains the linchpin of Morena, the party to which both of them belong. In September Morena appointed his son, Andrés López Beltrán, to a senior position.

Ms Sheinbaum was Mr López Obrador's favoured successor, and she will probably continue many of his policies, such as expanding cash transfers to poor people. But she is also likely to be more business-friendly and to take a more technocratic approach to governing than did her mentor. One flashpoint could be Pemex, the state-owned oil company. She has pledged to push a transition to clean energy, which may involve giving Pemex less financial help. But she may be hamstrung by Mr López Obrador's loyalists.

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

Monday: In which category has John Williams received 48 Oscar nominations?

Tuesday: Which Ivan Turgenev novel involves many debates between the characters about the nature of nihilism?

2.5m

The number of hectares of public land that Brazil's national development bank thinks the country could lease to reforestation companies.

Read the full story.

All life is experience, and one level is exchanged for another only when its lesson is learned.

Henry Ford