

The world in brief

Catch up quickly on the global stories that matter



Photograph: Getty Images

The **European Union** reached [a deal](#) to loan **Ukraine** €90bn (\$106bn) for the next two years, after marathon talks in Brussels. The bloc will raise joint debt backed by its budget. Ukraine will only return the funds once Russia pays reparations. EU leaders said they would continue to discuss the possibility of using frozen Russian assets to support the embattled country.

After years of wrangling, **TikTok's** Chinese owner, ByteDance, signed binding agreements with three big investors, led by Oracle, to form a joint venture that [will operate](#) the social-media app in America. A bipartisan law, signed by Joe Biden, a former American president, in 2024, had forced ByteDance to cede control of TikTok US or else face a ban in the country.

European leaders reportedly delayed until January the signing of a [free-trade deal](#) with **Mercosur**, South America's trading bloc. Giorgia Meloni, Italy's prime minister, apparently persuaded Luiz Inácio Lula da Silva, Brazil's leader, to give EU leaders more time to win over their farmers, who are concerned about cheap imports. Farmers protesting against the deal clashed with police near the European Parliament in Brussels.

The **Bank of Japan** raised short-term interest rates by a quarter-point to “around 0.75%”, a 30-year high. Earlier official data showed consumer prices, excluding fresh food, rose by 3% in November from a year earlier, surpassing the central bank’s 2% target for a 44th month. [Rising prices](#), driven by a relatively weak yen and dependence on imports, are transforming Japan, which for decades battled deflation.

America’s annual inflation rate was lower than expected in November, at 2.7%. Economists had forecast a rate of around 3%. Meanwhile the core rate, which strips out volatile energy and food prices, was 2.6%, the lowest level since 2021. Analysts warned, however, that the figures may have been affected by the [government shutdown](#) between October 1st and November 12th, which disrupted data collection.

An irritated Chinese government asked America to “immediately stop” arming **Taiwan** after the Trump administration announced it had approved \$11.1bn in arms sales to [the island](#). The package includes missiles, drones and artillery systems as well as the High Mobility Artillery Rocket System, which costs about \$4bn. A Chinese foreign ministry spokesperson warned that using Taiwan “to contain China will absolutely fail”.

The **Trump administration** proposed rules that would make it nearly impossible for [transgender adolescents](#) to receive gender-related care. America’s health department threatened to pull federal funding from hospitals participating in Medicaid and Medicare (government health insurance for the poor and elderly) if they provide puberty blockers, hormone therapy or surgeries to minors. The American Academy of Paediatrics denounced it as “a dangerous precedent”.

Figure of the day: 150,000, the number of users of “Text with Jesus”, a chatbot featuring a well-groomed, hipsterish avatar for the Son of God. [Read the full story](#).



Photograph: AFP

A fragile peace in the Middle East

We are looking back on 2025. Today we are examining conflicts around the world.

After Hamas's attack on Israel on October 7th 2023, violence spread across the Middle East. Israel waged a ruthless war on the militant group in Gaza. It hammered Iran's proxies in Lebanon, Syria and Yemen. And it traded missiles and drones with Iran itself.

This year the fighting reached a new level. In June Israel launched air strikes on Iran, intending to weaken the regime and its nuclear-weapons programme. [America joined the war](#), bombing Iran's most heavily fortified nuclear sites. After the strikes, Donald Trump imposed a ceasefire. He then turned his focus to Gaza. In October he [brokered a truce](#) between Israel and Hamas.

The Middle East has been transformed. Yet [much remains the same](#). Hamas, though weakened, is still a force. Gaza's [ceasefire looks fragile](#). The clerics remain in power in Iran. Israel, fearing Iran could revive its nuclear programme, could launch a second war to overthrow the regime. The region is braced for another uneasy year.



Photograph: AP

Slaughter rages in Sudan

Sudan has been locked in a devastating civil war since April 2023. In March this year there appeared to be a turning-point. The Sudanese Armed Forces recaptured the capital, Khartoum, from the Rapid Support Forces, the paramilitary group that has been fighting it for control of the country. The victory stirred hopes that the SAF might deal the RSF a final blow.

But the RSF fought back. In May it used drones to strike [Port Sudan](#), the SAF's main base, for the first time. Then in October it [captured el-Fasher](#), the capital of the western region of [Darfur](#), after an 18-month siege. Its fighters perpetrated a murderous rampage in the city. So far, peace talks have failed. Donald Trump, eager for a Nobel peace prize, may try to force a quick-and-dirty truce next year. But the SAF and RSF both have incentives to keep fighting. The anarchy in Sudan could continue.





Photograph: US Navy Photo/Trinita Lersch

America's red-hot war on drugs

For years America's Caribbean bases were quiet. Then, suddenly, they were [abuzz with activity](#). This summer Donald Trump ordered naval vessels, fighter jets and drones to the region. In November the *USS Gerald R. Ford*, the world's largest aircraft-carrier, arrived. The American flotilla gathered in the Caribbean is the biggest since the Cuban missile crisis in 1962.

One reason for the build-up is Mr Trump's [bombing campaign](#) against suspected drug-smuggling boats from Colombia and Venezuela. Since September America's armed forces have killed at least 80 people in the Caribbean and the eastern Pacific. American lawmakers from both parties have warned that such strikes could be illegal, a charge the White House denies. The deployment is also intended to pile pressure on Nicolás Maduro, Venezuela's dictator, whom the Trump administration claims (with little evidence) is a drug kingpin. America is reportedly [seeking a deal](#) for Mr Maduro to leave power. If he does not, Mr Trump has refused to rule strikes on Venezuela itself.



Photograph: Reuters

Ukraine's agonising stalemate

Donald Trump has upended diplomacy over the war in Ukraine. America's president has repeatedly tried to force Ukraine to agree to a peace deal with Russia. At almost every stage he has put pressure on Ukraine, rather than its invader. In February he berated Ukraine's president, Volodymyr Zelensky. In August he invited Vladimir Putin, Russia's leader, to a summit in Alaska. Mr Trump's envoy, Steve Witkoff, has held negotiations with Russian officials since the start of the year.

These efforts have produced several peace plans. Yet despite the feverish activity, the talks have settled into a stalemate. With European countries now paying its bills, Ukraine is better able to resist Trumpian blackmail and defend its interests in negotiations. Russia's demands still amount to Ukraine's capitulation, which it will not accept. [On the battlefield](#), the fighting is deadlocked. Mr Putin hopes that Ukraine will eventually fold. But that is unlikely. Next year, [Russia's war of attrition](#) will probably grind on.





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.

Thursday: Which Irish-set film won the Golden Globe for best musical or comedy film in January 2023?

Friday: Which insects, noted for their night-time chirping, featured in both a novella by Charles Dickens and the fairy tale, Pinocchio?

*In such an ugly time, the true
protest is beauty.*

Phil Ochs