

## The world in brief, July 11th 2024



**NATO** vowed to create an “irreversible path” for **Ukraine** to join the military alliance. In a joint statement released after a summit in Washington, NATO leaders also agreed to send Ukraine more aid to help it repel Russian forces. Separately, America said that several **F-16 fighter jets** are on their way to the country. NATO also called on China “to cease all material and political support to Russia’s war effort”. China’s foreign ministry dismissed the bloc’s remarks as “lies and smears”.

**America’s** consumer price index rose by 3% year on year in June, down from 3.3% in May. The release was lower than analysts were expecting; after accelerating earlier this year, monthly **inflation** fell for the first time since 2020. The figures will be encouraging for the **Federal Reserve**, which investors expect will cut interest rates when it next meets in September.

**William Ruto**, Kenya’s president, fired almost all of his cabinet after weeks of **mass protests** since June led him to backtrack on a controversial tax bill. Mr Ruto said he had taken the decision after “listening to Kenyans”. Protesters overran Parliament on June 25th

and set a portion of it ablaze. Security forces have responded ruthlessly, killing at least 39 people.

John Kirby, the White House's national security spokesman, said that **America** is "cautiously optimistic" about Gaza ceasefire talks, according to CNN, a news outlet. Hamas has said that Israel's latest offensives jeopardise the negotiations. Earlier the **Israel Defence Forces** ordered civilians in [Gaza](#) city, in the north of the enclave, to evacuate, as the army stepped up its assault there.

**Russia's** revenues from oil fell to their lowest level since February, according to the International Energy Agency. Although oil prices rose in June, this was offset by a drop in demand. Oil revenues are a big source of income for the government. Sagging exports deprive the Kremlin of the funds it needs to keep its [war-time](#) economy afloat.

**BHP**, a mining giant, will halt its nickel operations in Western **Australia** from October. The company said that increased competition from low-cost producers had squeezed margins, particularly in [Indonesia](#). Under Joko Widodo, the outgoing president, the country has emerged as the world's leading supplier of the metal, which is essential to building EV batteries.

**England** defeated the Netherlands to reach the final of **Euro 2024**, where they will face Spain. The Three Lions were pre-tournament favourites to win the European football championship thanks to their [star-studded squad](#). But bookies now have them as the underdogs against Spain, who have looked more impressive en route to the final. It will take place in Berlin on Sunday.

**Figure of the day:** 30,000, the number of entities alleged to have laundered money who have had their assets frozen in 2024, up from 24,000 last year. [Read the full story](#).

*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.*

# The new stewards of Britain's economy



On Thursday the Office for National Statistics reported the pulse of Britain's economy. The figures for May are the penultimate release to cover a period before Sir Keir Starmer's [Labour government took charge](#). They showed a 0.4% month-on-month increase in GDP. That would put year-on-year growth at 1.4%, well ahead of what most forecasters estimated at the start of the year.

That gives Labour a strong start for the slew of growth-boosting policies it announced in its first week. Most consequential are liberalisations of the planning regime for infrastructure: ending the de facto ban on onshore wind turbines in England and boosting powers for ministers to bypass local blockers of “nationally significant” projects. But Britain's longer-term growth backdrop is still troubling. Productivity growth has been slow since the financial crisis and an ageing population is putting increasing pressure on public finances.

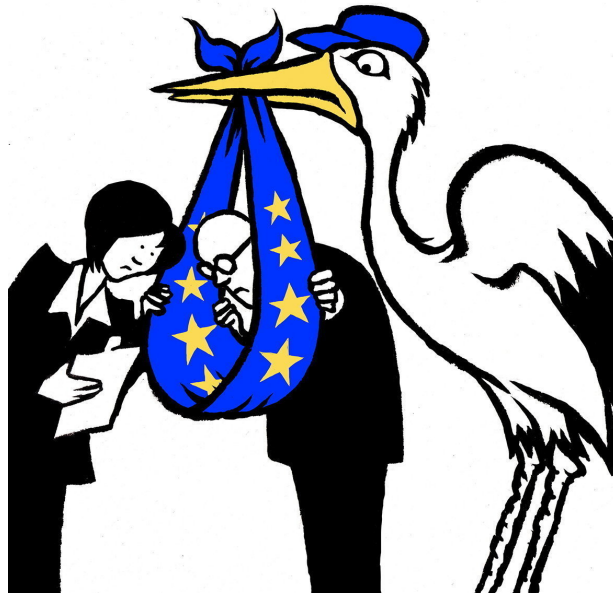
## Delta's sky-high profits



America's big airlines are booming. Business travel is recovering after a pandemic-induced slump, and demand for leisure travel is high. Delta's revenues rose 8% year on year during the first quarter; ticket sales jumped by 7%. The airline reports second-quarter earnings on Thursday. In April it said it expects second-quarter revenues to increase by up to 7% year on year.

Delta's stock market performance has been less impressive, as has those of its peers. The airline's share price has fallen by around 3% over the past year, while the S&P 500 has risen by 26%. Investors fret that higher labour and energy costs are dragging down margins. [Boeing's woes](#) are also a cause of concern: regulators have placed a cap on the planemaker's production capacity, which means that some airlines are facing plane shortages. Still, Delta will be less affected by these supply-chain problems than its rivals, as it is less reliant on Boeing. That should help it fly ahead.

## Europe's declining birth rate

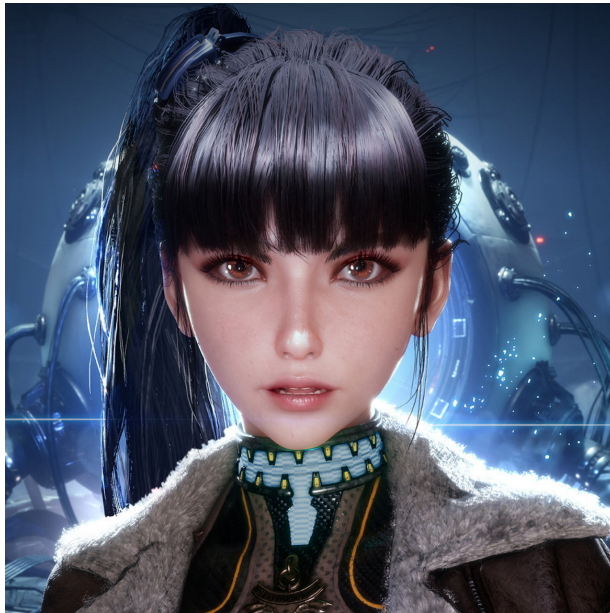


On Thursday the European Union released population figures, showing that the bloc's population has returned to growth after the pandemic—but thanks only to migration. The EU's average fertility rate is about 1.46 per woman, well below the “replacement rate” of 2.1. Spain (1.16), Italy (1.24) and Poland (1.29) would face a population collapse without immigration. But Spain, on one hand, saw its population grow by 525,100 last year thanks to new arrivals; Poland, on the other, shrank by 132,800.

Governments are [keen to raise birthrates](#). But policies designed directly to induce more births tend not to work. Making parenting easier, and sorting out the wider economy, may work better. Low fertility correlates with high rates of youth unemployment; living with one's parents almost until age 30 is common in Spain or Italy. When couples finally start, they often find it is too late to have as many babies as they would like.



## Shift Up's IPO gets into gear



Shift Up, a South Korean video-game company backed by [Tencent](#), a Chinese tech giant, went public on Thursday, raising 435bn won (\$314m). At one point shares were trading at almost 50% higher than its IPO price, giving Shift Up a valuation of 4.6trn won and making it the famously game-obsessed country's fourth-largest games company.

One of South Korea's financial regulators had delayed the IPO, worried that the company was understating its risk. Although Shift Up's annual revenue increased by 155% in 2023, almost all of that growth came from a single release: "Goddess of Victory: Nikke". But a new game, "Stellar Blade", released in April, was a smash hit, selling more than 1m copies and topping the charts in eight countries. A controversy over whether the game was "censoring" itself by making its hyper-sexualised protagonist slightly more clothed only helped to raise its profile. Given those sales, Shift Up wasn't just expecting a strong IPO, it was already thinking about "Stellar Blade 2".

# Photographing the human body



Cortona on the Move, an international photography festival, opens on Thursday in the Tuscan hill town of Cortona, in the province of Arezzo. This year's show comprises 22 site-specific exhibits from a global constellation of artists. Launched 14 years ago as a showcase for documentary photography, the annual event has won plaudits for its bold and sensitive curation. Imaginatively repurposed venues, ranging from a pair of palazzos to an old train station and the towering fortress of Girifalco, maximise the visual impact of the images.

This year's theme, "Body of Evidence", explores the human body as a battleground—for identity, gender politics and commodification—and as a locus of health, disease and death. The show kicks off with a four-day programme of lectures and workshops, as well as portfolio reviews with photo editors and professional photographers. Cortona's meandering streets and tiny piazzas add to the festival's draw.



## 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](mailto:QuizEspresso@economist.com). We'll pick randomly from those with the right answers and crown three winners on Saturday.

**Thursday:** What two-word term refers to the practice of pretending to sing a song by mouthing the words?

**Wednesday:** Which Chinese-American dish which consists of meat, eggs and mixed vegetables may owe its name to a term for “miscellaneous leftovers”?

**30,000**

*The number of entities alleged to have laundered money who have had their assets frozen in 2024, up from 24,000 last year.  
Read the full story.*

**True music must repeat the thoughts and inspirations of the people and the time.**

*George Gershwin*