

The world in brief

Catch up quickly on the global stories that matter



Photograph: EPA

Several people were killed during the fifth day of demonstrations over **Iran's ailing economy**. Protesters clashed with security forces in several parts of the country. State media said that at least three people were killed in the western city of Azna when a crowd tried to storm a police station. Masoud Pezeshkian, Iran's president, said his government would take action to "resolve the issue of people's livelihoods".

Switzerland declared five days of national mourning after a fire at a bar killed 40 people and injured roughly 115 more. Crowds had gathered at the venue in Crans-Montana, a popular tourist destination, for New Year's Eve. Guy Parmelin, the president, said most of the dead were youngsters. The cause of the fire is still being investigated, but police believe it was an accident.

America lowered **tariffs** that it had planned to impose on pasta imports from **Italy**. The Trump administration had earlier accused Italian pasta companies of dumping and threatened them with a 92% duty. But the officials now believe that the firms have dealt with their concerns and have brought down the rates to between 2% and 14%. The White House also delayed **increases in tariffs** on certain furniture products.

Shares in **BYD** rose after the Chinese electric-vehicle firm reported sales of 4.6m vehicles in 2025. The figure includes 2.3m fully electric vehicles, which means the firm is poised to overtake Tesla as the world's biggest EV-maker. The American firm reports results on Friday. BYD, however, is facing [big challenges](#) at home as local rivals, such as Xiaomi and Geely, eat into its market share.

Britain's FTSE 100 share index reached 10,000 points for the first time. The index rose by roughly a fifth in 2025, its strongest performance in more than a decade, led by mining, defence and financial firms. Europe's Stoxx 600 index also hit a record high. Concerns about an [AI bubble](#) in **American stockmarkets** have drawn investors towards markets elsewhere.

Ukraine's president, Volodymyr Zelensky, said that **Russia** launched more than 200 drones at his country on the night of New Year's Eve, with many targeting energy infrastructure. Officials said [Ukrainian](#) air defences shot down most of them. Meanwhile Russia accused Ukraine of carrying out a strike in a part of Ukraine's Kherson region that Russia occupies, killing 24 people. Ukraine's armed forces have yet to comment.

Zohran Mamdani vowed to "govern as a democratic socialist" after he was sworn in as mayor of **New York City**. At his [swearing-in ceremony](#), which took place in a disused subway station under City Hall, the 34-year-old also emphasised the importance of public transport to his agenda. He announced the appointment of Mike Flynn, a city planner, as New York's transportation commissioner.

Figure of the day: \$2.8bn, the estimated cost of the three Saab-built submarines that Poland agreed to buy in November to defend the Baltic. [Read the full story.](#)



Photograph: Getty Images

Vladimir Putin's hold on Donald Trump

This weekend representatives from the “coalition of the willing”, a group of Ukraine’s allies, will gather in Kyiv. Ukraine’s president, Volodymyr Zelensky, will brief them on his recent talks with Donald Trump to discuss the 20-point peace plan that has emerged from a month of shuttle diplomacy between Ukraine, Europe and America. By praising the plan, Mr Zelensky is trying to keep America’s president as much onside as possible. His main focus was on the duration and strength of the security guarantees Ukraine would need.

But on either side of those talks, Mr Trump had long telephone calls with Vladimir Putin. In the second, Mr Trump seemingly believed the Russian president’s claim that Ukraine had tried to assassinate him by launching a drone attack on one of his residences. No evidence of the attack, which Ukraine strongly denies, has emerged. What is not in doubt is Mr Putin’s ability to get inside Mr Trump’s head.



Photograph: AP

America's affordability trap

Zohran Mamdani was sworn in as mayor of New York City early on New Year's Day. The democratic socialist's rise was swift: less than a year ago, he was a little-known assemblyman trying to gain attention with punchy social-media videos. An early viral one focused on the rising price of a street-cart meal of chicken over rice. He blamed “halalflation” on higher ingredient costs and bureaucratic barriers.

Mr Mamdani hammered cost-of-living issues before other Democrats did. But “affordability” has become a galvanising political message. Voters seem to agree that America is suffering from an affordability crisis. But the notion that Americans can afford less than they used to is [essentially false](#). In cities like New York and San Francisco, housing is genuinely unaffordable, because supply is too low. But wages have long been rising faster than prices across the income spectrum. As politicians race to bring down costs, they [could resort](#) to damaging ideas.



Photograph: Alamy

Tesla steers away from EVs

Tesla broke with convention this week. In a pre-emptive move the electric-vehicle maker published a pessimistic external estimate of its deliveries for 2025. Analysts' average projections suggest Tesla will deliver 422,850 cars in the fourth quarter, down 15% from a year earlier. They predict that annual sales will have dropped by roughly 8%, to 1.64m. This would be the first time the company has suffered two years of declining sales. Tesla is expected to publish its own figures as early as Friday.

Elon Musk's firm may be selling fewer EVs, dragged down by falling demand and rising competition from rivals such as China's BYD. But Mr Musk appears less interested in making cars and more in developing [robotaxis](#) and humanoid robots. Tests of self-driving cabs are expanding in America and a dedicated vehicle is expected to go on sale later in 2026. But Mr Musk's grandiose plans often come with significant delays.



Photograph: Getty Images

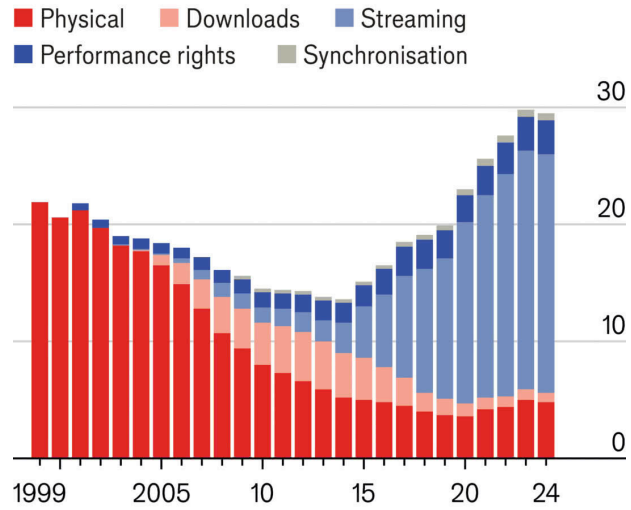
A new era in audio streaming

Daniel Ek, who co-founded Spotify nearly 20 years ago, stepped aside as chief executive of the streaming service this week. Few people have had as big an influence on the music industry as the 42-year-old Swede. When Spotify arrived in 2006, CD sales were collapsing as listeners downloaded tracks from pirate platforms such as Napster. Spotify's subscription model—\$10 or so per month to rent almost all the world's music—quickly caught on, raising industry revenue to record levels.

Spotify remains the leading audio streamer. But it faces competition from Apple, Amazon and YouTube, a video platform which also streams music and has become listeners' favourite place for podcasts. Spotify is retaliating by moving onto YouTube's turf, showing music videos and video-podcasts in its app. The streamer's new co-CEOs, Gustav Soderstrom and Alex Norstrom, will handle this transition. But Mr Ek will stay on as executive chairman to help navigate an era when audio and visual media are converging.

Ditching the disc

Global recorded-music-industry revenues, \$bn



Source: International Federation of the Phonographic Industry



Photograph: Netflix

The neverending world of “Stranger Things”

It is one of the biggest TV hits of the 21st century. “[Stranger Things](#)” has racked up billions of streaming hours since it debuted on Netflix in 2016; the show has brought in more than \$1bn in subscription revenue in the past five years alone. It has spawned internet memes, music trends and even a play, “The First Shadow”. This week the eclectic group of small-town residents (including one with psychokinetic powers) went into battle for the final time against Vecna, a terrifying monster.

But the show is hardly dead. Fans can look forward to new worlds in what the Duffer Brothers, its creators, have jokingly called the “Strangerverse”. It will start with an animated spin-off show, “Tales from ’85”, which is expected to land on Netflix in 2026. The Duffers have also confirmed plans for another related programme with new characters. As anyone who has ever watched a monster movie knows, it takes a lot to slay a behemoth.



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.

Friday: Who plays Jenny, the doomed member of a romantic couple, in the 1970 film “Love Story”?

Thursday: Which sitcom title character moved back from Seattle to Boston when the show was revived in 2023?

*It is only afterward that a new
idea seems reasonable.*

Isaac Asimov