

## Catch up: Austria's far right eyes government; America plans \$8bn arms sale to Israel



**Austria's** far-right [Freedom Party](#) inched closer to power. Christian Stocker, the new head of the conservative People's Party said he was open to negotiating with the group, which came first in parliamentary elections in September but has until now been shunned by mainstream parties. On Saturday Karl Nehammer said he would resign as the country's chancellor and as chair of the People's Party, having failed to form a government.

**America** is proposing to sell arms to **Israel** worth \$8bn. The State Department notified Congress on Friday of the planned consignment, which requires approval by committees in both the House and the Senate. It includes air-to-air missiles and artillery shells among other materiel. With President Joe Biden due to leave office before the end of the month, the move constitutes something of a [late show of support](#).

**Ukraine** launched a large new offensive in the Russian border region of [Kursk](#), according to officials from both countries. Russia's defence ministry said that it had repelled the initial advance. Ukrainian forces stormed the region in the summer, but have been largely ousted in past months. Andriy Yermak of Ukraine's presidential office said Russia was "getting what it deserves".

**China** announced a plan to integrate rail, air, river and sea [infrastructure](#) in its western provinces, which comprise around two-thirds of the country's land area but have seen slower economic growth than coastal areas. The country will launch a package of 15 measures to develop international air hubs, including Chengdu, Chongqing, Kunming, Xi'an and Urumqi, and expand port infrastructure.

**Italy's prime minister**, Giorgia Meloni, made a surprise trip to meet **Donald Trump** at his golf club in Florida. America's president-elect [praised the hard-right leader](#) for having "taken Europe by storm"; his nominee for secretary of state, Marco Rubio, called her a "great ally". This week Ms Meloni is expected to host Mr Biden in Rome for his last foreign trip.

Thousands of **South Koreans** took to the streets in Seoul, with some protesting against Yoon Suk Yeol, the [impeached president](#), and others rallying in his support. Mr Yoon is being investigated for alleged insurrection after he briefly declared martial law in December. Authorities sought to detain him on Friday but were thwarted by his security service. The one-week arrest warrant expires on Monday.

Millions of Americans are bracing for the **worst snow storm** in decades. Icy temperatures, extreme snowfall and gusty winds were predicted as a polar vortex moves east from America's midsection, putting 70m people across 30 states under [weather alerts](#). Arkansas, Kansas, Kentucky, Missouri and Virginia declared states of

emergency. The National Weather Service also warned of severe thunderstorms, possible tornadoes and hail.

**Figure of the day:** 35m. An estimate of the number of cosmetic procedures carried out globally in 2023. [Read the full story.](#)

# Can Trump broker peace in Ukraine?



Nobody expects Donald Trump to end the Ukraine war in 24 hours, as he has claimed he could in the past. However, the new administration, which takes office on January 20th, is highly invested in bringing both sides to the negotiating table. But even that may prove difficult. In an interview on December 30th the Russian foreign minister, Sergei Lavrov, slammed leaked proposals from Mr Trump's team for a peace deal.

Vladimir Putin, who believes Russia is winning, has given no sign of retreating from his maximalist goals. [Ukraine, for its part](#), has indicated it might agree to a ceasefire while its territory remains occupied by Russia, but has ruled out formally accepting annexation or making concessions that would limit its sovereignty, such as giving up military capabilities and becoming a “neutral state”. America has potential leverage on both sides. But Mr Putin is not in the mood to compromise and Ukraine (with support from Europe, it hopes) will resist what it sees as an unjust peace.

# Two visions for Germany's economy



On Monday Destatis, Germany's statistics agency, will publish preliminary figures for inflation in December. The annualised rate is unlikely to surpass November's rate of 2.2%. But that will not suffice to lift the mood of German business. [The economy has hardly grown](#) for the past five years—and is unlikely to do so in the near future.

Jumpstarting Europe's largest economy has thus become a key issue ahead of federal elections next month. [Friedrich Merz](#), the probable next chancellor, promised "prosperity for all" in his centre-right party's manifesto. He suggests lowering corporate and personal income taxes, reducing red tape and cutting benefits—including basic income for jobseekers, which he argues discourages people from seeking work. The centre-left party of Olaf Scholz, the current chancellor, is instead proposing tax hikes for the rich, big public investment projects and subsidies for corporate investments. But economists worry that [neither platform](#) sufficiently tackles the structural reforms that Germany's economy sorely needs.



# Pardons for one and all



Four years ago a mob of Donald Trump’s supporters stormed America’s Capitol in Washington, DC, terrorising lawmakers and destroying government property in an attempt to stop the certification of Joe Biden’s presidential victory. At the time both Democrats and Republicans recoiled in shock and blamed Mr Trump for encouraging the violence. The Justice Department has since charged 1,561 people for crimes arising from the attack; 979 pleaded guilty and 645 went to prison. At least seven—most notably the leaders of the Oath Keepers and the Proud Boys, two far-right groups behind the assault—received sentences of more than a decade.

But in the years since, Republican leaders have changed their tone and Mr Trump has [recast the rioters as heroes](#). On the campaign trail he called them “warriors”, “hostages” and “unbelievable patriots” and [pledged to pardon](#) them upon returning to the White House. Historically, mass amnesty has been used to bring the country together. Pardoning these criminals could do the opposite.

## Bread-and-butter issues in Britain



On Monday Britain's Parliament returns from its Christmas recess. On the same day, Sir Keir Starmer, the prime minister, will deliver a speech outlining his ambition to cut National Health Service waiting times—one of the big targets of his premiership and which have remained sky-high since the pandemic five years ago. The plans will allow for certain treatments, such as hip and knee replacements, to be prioritised.

The prime minister will hope that progress on domestic issues will divert attention from accusations by Elon Musk, the tech tycoon allied with Donald Trump, of mishandling a child-sexual-abuse scandal that started over a decade ago. As then chief prosecutor, Sir Keir was “complicit in the rape of Britain”, Mr Musk charged, and called on King Charles to dissolve Parliament. Such blather might not matter were Sir Keir not [so unpopular](#) at home: just months into his prime ministership, his approval rating has fallen to its lowest ever, says YouGov, a pollster.

## Netflix enters the ring



Rhea Ripley, an Australian wrestler known as the “The Eradicator”, will fight Liv Morgan for the title of Women’s World Champion in Los Angeles on Monday. Usually *The Economist* would not trouble its readers with such theatrics in the ring. But this match is significant in another way: it coincides with the beginning of [live WWE wrestling on Netflix](#), a streaming platform.

Netflix has big ambitions for live sport. On December 25th it hosted two American-football games; the audience peaked at more than 27m people. Unlike some of its previous live efforts, the broadcasts went off without any technical hitches. Netflix has also bagged the American rights for the next two women’s football World Cups. Live sport doesn’t come cheap. The decade-long deal with WWE cost \$5bn. But big sporting events attract prestige and, more importantly, subscribers and advertisers. Much like The Eradicator, Netflix will hope its size and power can knock out the competition.



## 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 GMT 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.

**Monday:** Which actor played “The Six Million Dollar Man” in the 1970s TV show?

**Trying to define yourself is like trying to  
bite your own teeth.**

*Allan Watts*