

Catch up: a Republican trifecta; Trump's radical pick for attorney-general



Republicans secured a majority in America's **House of Representatives**, giving them a [governing trifecta](#). There are now only a [handful of outstanding races](#). Earlier, the party nominated **Mike Johnson** for House speaker. He must be confirmed by a majority of the entire chamber in January. Republican senators, meanwhile, elected **John Thune**, an ally of the outgoing Mitch McConnell, as their next leader in the upper chamber.

Donald Trump nominated **Matt Gaetz**, a loyalist and [hardline Republican congressman](#), to be attorney-general. The president-elect said that Mr Gaetz, as head of [America's Justice Department](#), would end "the partisan weaponisation of our Justice System". Mr Trump also tapped **Tulsi Gabbard**, a [former Democratic congresswoman](#) who endorsed his presidential bid, to be director of national intelligence. He confirmed that he picked **Marco Rubio** to be his secretary of state.

The **European Union** fined **Meta** €798m (\$842m) for antitrust violations. The bloc accuses the American tech giant of unfairly

linking Facebook, its social-media platform, with its Marketplace, a classified-ad service, to stifle competition. The firm said it will appeal the ruling, arguing that the decision overlooks “market realities”. It said it faces strong competition from online marketplaces like eBay and Leboncoin.

Burberry, a British luxury group, reported an operating loss of £80m (\$102m) in the six months to the end of September, compared with a £219m profit a year earlier. Joshua Schulman, who became Burberry’s boss in July, blamed the former management team for raising prices too fast. Mr Schulman announced plans to cut spending and return to “profitable growth”.

Israel launched [more strikes](#) on Beirut, Lebanon’s capital, as it continued its assault on **Hizbullah**. According to the *Washington Post*, Israel is rushing to advance a peace plan as a “gift” for Mr Trump. France’s foreign minister said that Israel wants to maintain its “capacity to strike” Lebanon, even after any ceasefire.

European police arrested 43 people and seized €520m (\$549m) in a probe targeting **VAT fraud**. The investigation exposed a €1.3 billion tax-evasion scheme involving 400 companies and several mafia groups. The operations spanned across several European countries, particularly Italy, and the United Arab Emirates. The investigation adds to mounting evidence that organised crime groups are shifting to [white-collar fraud](#).

The Onion, a [satirical media outlet](#), won a bankruptcy auction for Infowars, a website founded by **Alex Jones**, a right-wing conspiracy-theorist. Families of the Sandy Hook massacre supported the bid. In 2022 they [won a \\$1.4bn defamation lawsuit](#) against Mr Jones for spreading false claims that the school-shooting was staged. The Onion will relaunch Infowars as a self-parody, mocking conspiracy theories.

Figure of the day: 45%, the increase in the price of Bitcoin since mid-October. [Read the full story.](#)

Sri Lankans choose a new parliament



In 2022 [Sri Lanka](#) was on the brink. It had defaulted on its debt, its currency was collapsing and inflation was soaring. Protests forced out Gotabaya Rajapaksa, Sri Lanka's then president. The economy has since recovered, thanks to a \$2.9bn bail-out from the International Monetary Fund. But economic and political stability hang upon parliamentary elections on Thursday. The vote was called by the new president, Anura Kumara Dissanayake, an outsider from a party with Marxist and insurgent roots, who won an election in September.

Mr Dissanayake vows to preserve democracy, fight corruption and recover funds that were allegedly pilfered by previous leaders—reforms that may face resistance from established parties. To implement these he needs a parliamentary majority. His coalition had just three seats before parliament was dissolved for the election, but could gain from popular disdain for the opposition. Mr Dissanayake's agenda does not, at least for now, contain radical measures that might spook international investors. The election could determine whether Sri Lanka finds stability.

Gloomy prospects for Europe's economy



Few in Europe were optimistic about the continent's economy even before Donald Trump won America's presidential election. Growth has been weak since the beginning of the coronavirus pandemic in 2020. The sharp rise in energy prices after Russia's invasion of Ukraine in 2022 made matters worse. Figures for the euro zone, released on Thursday, are expected to confirm that GDP grew by 0.4% in the third quarter of this year. That would mean that GDP has grown by just 0.9% over the past year.

There is variance across the continent. [Germany's economy](#) is expected to contract in 2024 for the second consecutive year; in contrast, Spain's looks quite healthy. But the threat of a trade war with America has already led analysts to pare back their estimates for European growth in 2025. Last week Goldman Sachs, a bank, cut its already pessimistic forecast, that output would expand by 1.1% in 2025, to 0.8%. Hopes for Europe's economy probably won't rise any time soon.

The Gulf's mega IPO



The biggest public offering in the Gulf this year is not a glitzy tech firm. Lulu, one of the region's oldest supermarket chains, made its stockmarket debut in Abu Dhabi on Thursday. It drew \$37bn-worth of orders for its IPO from global investors. With such high demand, the firm ended up raising \$1.7bn, about a fifth more than it had initially planned. That is far more than the \$375m Spinneys, which runs high-end supermarkets in the region, raised when it went public in May.

The Gulf's expanding rich [classes](#) may want to buy Lulu, but they probably don't shop there (they go to Spinneys). The retailer has grown by appealing to young, largely foreign working-class consumers who have supported the Gulf's boom. Lulu stocks a vast range of [imported products](#), from Indian condiments to Philippine snacks. Lulu's broad appeal boosted sales by 8% year on year as of March. Sometimes it pays to be unflashy.

Disney's rollercoaster ride



Disney spent years pouring money into its loss-making streaming services, funded by profits from its [busy theme parks](#). These days things are different. Disney's streaming business made a profit for the first time last quarter, and repeated the trick in fourth-quarter earnings released on Thursday. Its streaming services, Disney+ and Hulu, reported an operating profit of \$253m. The company's film-production unit also performed strongly. That offset a mixed performance in Disney's parks division: while the company's American parks made a profit year on year, its international business suffered losses.

The other turnaround is at the top of the company. Bob Iger was hailed as a saviour when he returned as chief executive during a rocky period in 2022, promising to steady the ship and find a successor within two years. But the 73-year-old is still in post and Disney's board says it will appoint his replacement only in 2026. Investors are getting impatient. Expect more twists and turns—and perhaps the odd shriek.

An Israel-France match puts Paris on edge



Paris will be tense on Thursday ahead of a football match between France and Israel at the Stade de France. The game comes a week after supporters of Maccabi Tel Aviv, an Israeli team, were attacked after a match in Amsterdam. Israel chartered flights to evacuate fans from the Netherlands. Dick Schoof, the Dutch prime minister, condemned the “unadulterated antisemitic violence”. (Amsterdam’s police said that Maccabi supporters had vandalised a taxi and chanted anti-Arab slogans.)

France is home to the European Union’s biggest Muslim and Jewish populations. The number of [antisemitic incidents](#) in France has soared since October 7th 2023. French authorities are taking the risk of violence seriously. More than 4,000 police officers will be deployed in the capital. Emmanuel Macron, the president, and Michel Barnier, the prime minister, will attend the match in a show of solidarity with Israelis. Israeli authorities have advised supporters not to attend; the stadium will probably be half empty. But that may not prevent trouble elsewhere.

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

Thursday: Which is the largest island in the contiguous USA?

Wednesday: Which bovine creature features in the Chinese zodiac?

I would like to paint the way a bird sings.

Claude Monet