

## Catch up: Ukraine touts big gains in Russia; Starbucks gets a new boss



**Volodymyr Zelensky**, Ukraine's president, said that the war "is coming home" after Ukrainian troops reportedly seized around 1,000 square kilometres of Russian territory and captured hundreds of enemy soldiers. Russian authorities evacuated some 180,000 people from Kursk, the border region targeted by [Ukraine's army](#), and Belgorod, an adjoining region. Mr Zelensky suggested that the offensive sought to draw Russian soldiers away from other positions in northern and eastern Ukraine, calling it "purely a security issue for Ukraine".

**Starbucks**, an [American coffee chain](#), said that its boss, [Laxman Narasimhan](#), would step down immediately. Brian Niccol, who is currently in charge of the fast-food retailer Chipotle, will take over in September. Mr Narasimhan has been under pressure from activist investors who have bought up a big stake in Starbucks and pushed for Mr Narasimhan to reverse a slowdown in sales.

**Home Depot**, an [American hardware retailer](#), predicted a 3-4% drop in comparable annual sales, a metric that strips out store

closures. The firm previously forecast a decline of about 1%. It blamed weaker customer spending on higher interest rates and house prices. Investors will be looking for signs of a wider [consumer slowdown](#) when other retailers—including Target, Macy’s and Best Buy—share earnings reports in the coming weeks.

The **European Commission** said that Thierry Breton did not consult other officials before warning [Elon Musk](#) that he could be punished for failing to curb disinformation on X, a social-media platform that he owns. Mr Breton, who oversees the EU’s regulation of tech firms, wrote to Mr Musk ahead of his interview with [Donald Trump](#), which was broadcast on X on Monday. Mr Trump’s supporters accused Mr Breton of trying to “meddle” in America’s election.

Senior figures from **Tanzania’s** opposition party, [Chadema](#), were released on bail. The government has arrested more than 500 of their supporters since Sunday. The party’s chairman, Freeman Mbowe, and his vice-chairman, Tundu Lissu, were detained in order to stop them holding a rally. Tanzania’s president, [Samia Suluhu Hassan](#), had previously lifted restrictions on opposition parties after a period of repression under her predecessor.

Some 48,000 people died because of [extreme heat](#) in **Europe** last year, according to a report published by the Barcelona Institute for Global Health. Although 2023 was the hottest year on record worldwide, the number of heat-related deaths in Europe was lower than the 60,000 that the institute reported in 2022, partly thanks to [efforts to provide cool spaces](#) for vulnerable people.

Melbourne, an **Australian** city, announced a ban on [rented e-scooters](#). Nicholas Reece, Melbourne’s mayor, said that too many people were riding the scooters on pavements or creating tripping hazards by leaving them strewn around the city. The companies who operate the scooters, [Lime](#) and Neuron, must remove them

within 30 days. Melbourne is the latest city to ban hired scooters after Paris outlawed them last September.

**Figure of the day:** 80%, the increase in Russians' spending on imports of sparkling wine in 2023, compared with 2019. [Read the full story.](#)

*As America prepares to vote in national elections in November, keep abreast of the political news by reading [The US in brief](#), our daily update. [Sign up](#) to receive it as a newsletter each weekday.*

# The world according to the Kremlin



On Tuesday the Moscow Conference on International Security opens in Russia's capital. It is a chance for the Kremlin to present its version of geopolitics to a sympathetic (or at least non-aligned) audience of delegates from some 70 countries. Russia's president, Vladimir Putin, and his senior henchmen will probably rail against Western neo-colonialism. Justifications for Russia's invasion of Ukraine will be to the fore. Russia will portray the war as a heroic response to the aggressive intentions of NATO.

The Kremlin will also try to entice potential allies with offers of investment and co-operation on military technology. Much will be made of Russia's "pivot to Asia" and the need to resist the West's hegemonic ambitions in the region, symbolised by the [AUKUS nuclear-submarine pact](#) between Australia, Britain and America. The high attendance will provide a reminder to the West that Russia has been disconcertingly successful in sharing its narrative with the global south.

## Another test for “the Squad” in Minnesota

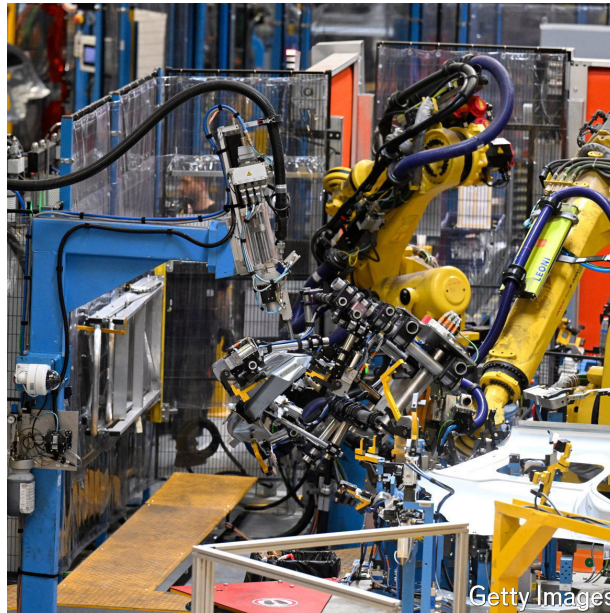


A week after Kamala Harris chose their governor, Tim Walz, to be her running-mate, Minnesotans go to the polls on Tuesday to pick candidates for Congress. The most closely watched race will be that of the state’s fifth congressional district, which covers most of the city of Minneapolis. The incumbent, [Ilhan Omar](#), has faced another tough primary challenge from Don Samuels, a former member of the city council. In 2022 he lost to Ms Omar by just two points.

She is part of “the Squad”, a left-wing caucus in Congress. Two of her squadmates, [Jamaal Bowman of New York](#) and Cori Bush of Missouri, recently lost their primaries. Super PACs linked to the American Israel Public Affairs Committee, a pro-Israel lobby group, poured money into the races. But AIPAC has not targeted Ms Omar, also a critic of Israel, in the same way. That may be because polling suggests she is less vulnerable than her primary-losing colleagues.



# Germany's declining economic spirits



On Tuesday the Leibniz Centre for European Economic Research (ZEW) published its latest indicator of economic sentiment in Germany. It measures expectations for the [economic situation](#) over the next six months. The mood has been decidedly glum. In August the ZEW recorded a reading of 19.2, a significant drop from the previous figure of 41.8 and the lowest since January this year. Reasons for the slump include the slowdown of the Chinese economy, usually Germany's biggest trade partner; the political mess in France, another important market; and uncertainty about the European Central Bank's monetary-policy decisions.

Germany's economic growth unexpectedly contracted in the second quarter of the year, compared with the previous quarter, partly because of declining investment in construction. Yet the news might not all be bad. Destatis, Germany's statistics agency, recently reported an increase of industrial orders by 3.9% in June compared with the previous month. Domestic orders rose by as much as 9.1%. Perhaps Germans are becoming more cheerful.

# Britain's muddy economic picture



This week statistical releases on growth, inflation, unemployment and more may help clarify the state of Britain's economy. Its overall performance in 2024 has been quite strong. GDP rose by 1.5% in the 12 months to May, headline inflation was at the Bank of England's 2% target-rate in June and unemployment, at 4.4%, is near historical lows. But the core inflation rate, which excludes volatile food and energy prices, and services inflation remain well above target, at 3.5% and 5.7%, respectively. Unemployment is not quite as low as it was recently and some proxies for growth, like retail sales, have been weaker.

That helps explain why the Bank of England's Monetary Policy Committee was split on its [interest-rate decision on August 1st](#): five members voted to lower rates to 5%, four to hold them at 5.25%. The committee is unlikely to opt for another cut when it next meets on September 18th. But markets expect almost 1.8 percentage points of cuts over the next 12 months.

# What Bill Gates says about billionaires



“Americans appear to be growing increasingly uneasy about billionaires,” observes Anupreeta Das, a journalist at the *New York Times*. The richest stratum of American society, she argues, has become a lightning rod for concerns about inequality and privilege. To ponder the thorny moral questions around their rising numbers and wealth, she looks to the long career of the first superstar tech billionaire. Her biography of Bill Gates—“Billionaire, Nerd, Saviour, King”—is released on Tuesday.

Ms Das considers different facets of Mr Gates’s life, including his friendships with other moguls such as [Warren Buffett](#), the breakdown of his marriage to [Melinda French Gates](#), the running of his [charitable foundation](#) and the management of his wealth. But her account is more interesting when it deviates from biography and shows how Mr Gates has influenced other billionaires, such as [Mark Zuckerberg](#), in their approaches to philanthropy and building a public image. The book is no hagiography, but nor is it a billionaire-bashing polemic.



## 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 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.

**Tuesday:** Agnes, Babet and Jocelyn are all names for what type of phenomenon that hit Europe over the last 12 months?

**Monday:** Which novel by Ian McEwan, later made into a film starring Daniel Craig, begins with a tragic balloon accident?

**80%**

*The increase in Russians' spending on imports of sparkling wine in 2023, compared with 2019.*

*Read the full story.*

**I attribute my success to this—I never gave or took any excuse.**

*Florence Nightingale*