

The world in brief

Catch up quickly on the global stories that matter



Photograph: Anadolu via Getty Images

Hamas said it would not disarm without the establishment of an independent Palestinian state. Indirect negotiations between the group and **Israel** reportedly stalled last week; Israeli officials have said Israel must control some aspects of the sovereignty of any future Palestinian state, such as the security apparatus. Meanwhile, seven people in Gaza died of [malnutrition](#) over the past day, according to health officials.

Donald Trump said he would fire the head of America's Bureau of Labour Statistics, Erika McEntarfer, after the agency published disappointing jobs data. The BLS's figures showed that **America** added just 73,000 jobs in July, far [below expectations](#). Hiring numbers for May and June were also revised down by 258,000. Mr Trump claimed without evidence that the data had been manipulated for political reasons.

Mr Trump ordered two **nuclear submarines** to be positioned in "appropriate regions", in response to "highly provocative statements" made by Dmitry Medvedev, Russia's former president. On Tuesday Mr Trump threatened Russia with tariffs if it did not reach a ceasefire with Ukraine within 10 days. This week Mr

Medvedev accused the American president of “playing the ultimatum game with Russia”.

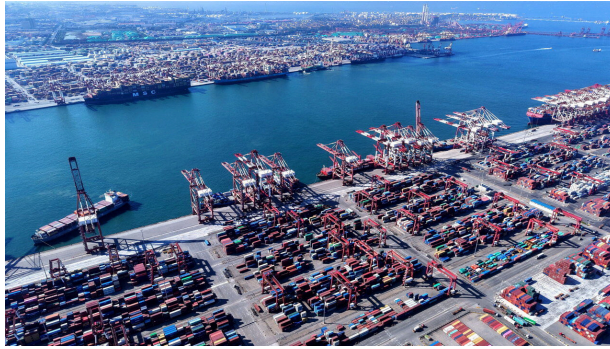
Global **stockmarkets** fell after Mr Trump unveiled new **tariffs** on more than 60 countries. Most of the [new levies](#) are due to take effect on August 7th. The KOSPI, a South Korean index, fell by 3.9%, while Europe’s Stoxx 600 was down by 1.9%. In America the Nasdaq tumbled by 2.2% and was also weighed down by weak jobs data.

Berkshire Hathaway, an investment firm run by Warren Buffet, acknowledged the value of its investment in **Kraft Heinz**, a [beleaguered packaged-food company](#), had fallen by \$3.8bn. It is a rare misstep for Mr Buffet, who was a driving force behind the merger that created the firm in 2015. Since then, its shares have fallen by 62%.

Azerbaijan began exporting natural gas to **Syria**. It will move through Turkey, which has become an ally of the fledgling Syrian government, and will be used to restart power plants as [Syria rebuilds](#) after more than a decade of civil war. Azerbaijan’s energy minister said the plants being supplied had the capacity to provide power for 5m households per day.

Four astronauts arrived at the **International Space Station** on a [rocket](#) made by **SpaceX**, a company founded by Elon Musk. The crew is expected to spend up to eight months in space. Their departure coincided with the first face-to-face talks between the leaders of the American and Russian space agencies since 2018. They said they discussed continued co-operation in space.

Word of the week: Greenhushing, many businesses are getting on with the job of decarbonisation without making a fuss. [Read the full story.](#)



Photograph: Getty Images

When will Trump's tariffs start to bite?

Next week Donald Trump's [sweeping new tariffs](#) take effect, raising duties on imports from most of America's major trading partners. Under Mr Trump's latest executive order, the average effective tariff rate will exceed 18%, the highest level since the 1930s. Canada faces a 35% rate, South Korea 15% and China around 40%.

So far, consumer prices have barely budged. Many [foreign suppliers](#) are accepting lower profits to avoid raising prices and losing market share. Some American firms are doing the same. But this may not last. Exporters cannot indefinitely stomach shrinking margins, especially if tariffs keep rising. Some economists warn that the full inflationary impact is simply delayed, masked by exchange rates, stockpiled goods and lagging data. If tariffs persist or escalate, pressure on prices will increase. The big question is how long companies can shield consumers from the costs of a trade war that shows no sign of ending.

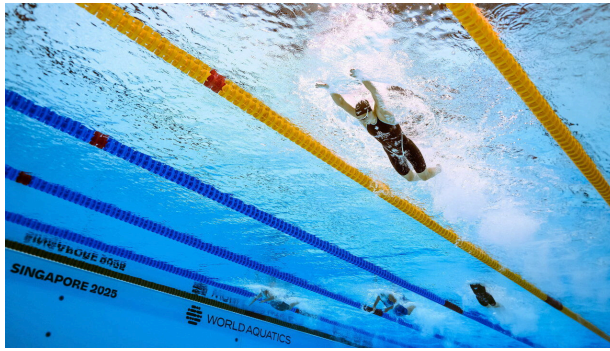


Photograph: Zero Day Cultural and Creative

Taiwanese TV takes on the China threat

For the Taiwanese public, “Zero Day Attack” explores a highly contentious question. The [ten-episode drama](#), which debuts on Taiwanese TV on Saturday, is the first mainstream Taiwanese show or film to imagine how China might try to take over the self-governing island. Each episode considers how China could stage a blockade and wage hybrid warfare, be it through spreading disinformation about missile strikes, rallying organised crime or sponsoring influencers to churn out pro-Communist propaganda. The cross-strait crisis is seen from the perspectives of characters ranging from a fictional president-elect to working-class youth.

Chinese officials probably won’t enjoy the series. In response to a trailer released last year, *China Daily*, a state-run newspaper, said it stoked “anti-mainland” sentiments and created war hysteria. Still, the show is not as apocalyptic as the trailer promised. That may be a relief for the Taiwanese government. It wants the public to be prepared for an invasion, but it does not want to petrify people.



Photograph: Getty Images

A swimming showdown in Singapore

Many people dream of meeting their childhood sporting heroes. Few can say they have competed against them—and won. Yet Summer McIntosh, an 18-year-old swimming prodigy from Canada, is among them. At the World Aquatics Championships in Singapore this week she beat Katie Ledecky, an American legend of the sport, in the 400m freestyle. The pair faced off again on Saturday in the final of the 800m freestyle.

Ms Ledecky continued her dominance over that distance, winning her seventh world championship. Ms McIntosh led the race after 700 metres, but faded in the final stretch, finishing third.

Ms Ledecky swam the race in 8 minutes and 5 seconds, the 4th fastest time in history. 19 of the other 25 fastest in history are hers. Three of the remaining times belong to Ms McIntosh, who in June took four seconds off her personal best with a time of 8:05.07—one second off from Ms Ledecky's world record. Ms McIntosh is ten years younger than her hero and will probably go on to dominate. But only after Ms Ledecky has given it everything.



Photograph: AP

The transatlantic battle over AI regulation

The European Union's Artificial Intelligence Act takes partial effect on Saturday. Critics argue that the law, which imposes obligations on makers of general-purpose AI models, is too stringent. Yet much remains unsettled. The act's voluntary code of practice awaits approval from the European Commission and EU member states, many of which also have yet to decide how it will be implemented. Meta has said it won't sign up to the code; other major AI labs could snub it, too.

Disagreement with America adds to the uncertainty. America's new [AI Action Plan](#) champions a lighter touch. The Trump administration wants Europe to scrap some of its new rules, which it considers barriers to trade. The EU has vowed to press on, though this stance probably weakened its position in [recent trade talks](#). Donald Trump may yet try to force Europe to gut the world's first comprehensive AI law. The bloc's response will test whether it can chart an independent course in governing AI and other digital markets.



Photograph: Getty Images

Weekend profile: Helen Zille, an outspoken veteran of South African politics

Helen Zille has had a long career as a journalist, anti-apartheid campaigner and politician. She is a grandmother living in Cape Town, the city she ran as mayor from 2006 to 2009. But she has no plans to retire. The 74-year-old is set to run for mayor of Johannesburg, the country's commercial capital, next year.

Her decision says much about the decay of Africa's richest city. In Johannesburg power and water supplies are sporadic. Ms Zille, who was born in the city to parents who fled from Nazi Germany in the 1930s, says that fixing it is "the hardest job in South Africa". Yet her willingness to run for the post also says a lot about her status as a politician willing to speak out and get things done. If she were to win, it would send a signal that her [Democratic Alliance](#) might, incredibly, replace the once-mighty African National Congress as South Africa's largest party.

A few years ago it seemed that Ms Zille's career was over. In 2019 she briefly stepped back from frontline politics after a decade as premier of the Western Cape, the South African province of which Cape Town is the capital. Two years earlier she had attracted criticism for suggesting that colonialism was not "only negative". The storm was partly a function of the message in a country where

centuries of white rule cast a long shadow. But the messenger also mattered.

From 2007 to 2015 she was leader of the DA, whose base is the nearly 20% of South Africa's population that is not black. She wanted to banish its label as the “white party”, and recruited aspiring black politicians, including Mmusi Maimane, who succeeded her as leader. But they then espoused policies—notably affirmative action—at odds with the DA's classic liberalism. Internal fights pitted young black figures against party bigwigs. Ms Zille admits to a “self-initiated betrayal” of her liberal values.

Today she is back. The formation of the Government of National Unity, a coalition anchored by the ANC and the DA established in 2024, has given her further clout. Though she is not in government, as chair of the DA she still wields a lot of power. Increasingly, Ms Zille earns grudging admiration from South Africans. It helps that she can laugh at herself: this year she has appeared in a cooking show, dressed in an apron resembling lacy underwear, and in a comedy “roast” in which a comedian accused her of liking her political party the way she likes her coffee (“flat white”).

Pollsters who once found Ms Zille's personality a liability now see it as an asset. To become mayor in Johannesburg, she will need to win enough votes and form a coalition since no party will win outright. Should Ms Zille do so, and show black South Africans that she can fix the city, her party could well get a nationwide fillip.



Illustration: The Economist

Mini crossword

We now publish an interactive edition of our crossword, allowing you to enter and check the answers, and see explanations, instantly. Try it [here](#). Or, if you prefer to do things the old-fashioned way, use the grid below.

Our crossword has two sets of clues, one for seasoned cruciverbalists and the other for less experienced solvers. Both give the same answers, all of which feature in articles in this week's edition of *The Economist*:

Cryptic clues

- 1 across* Chant hard to bring Indian lion (5)
- 2 across* Lunar mystery masks a hidden force (4)
- 3 across* No answer but appeal produces fruit (5)
- 1 down* A war in hats bewildered influential family (10)

Straight clues

- 1 across* Centenarian marathon-runner (5)
- 2 across* What ever more Ukrainian women are joining (4)
- 3 across* Tech firm not ahead in AI (5)
- 1 down* Family name of three Thai prime ministers (10)

Email all four answers, along with your home city and country, by 9am BST on Monday to [\[email protected\]](#). We will pick randomly

from those with the right answers and crown three winners in next week’s edition.

1				
2				
3				

Image: The Economist



Illustration: The Economist

The winners of this week's quiz

Thank you to everyone who took part in this week's quiz. The winners, chosen at random, were:

Carlos Flexa Ribeiro, Rio de Janeiro, Brazil

Cari Porter, West Sacramento, California, America

Jenna Jarvis, Ottawa, Canada

They all gave the correct answers of: Sir Grayson Perry, Arthur Dent, Gordon Lightfoot, Kyle Reese and John Wayne airport. The theme is surnames of Batman characters: Dick Grayson (Robin), Harvey Dent (Two-Face), Commissioner Jim Gordon and Barbara Gordon (Batgirl), Selina Kyle (Catwoman) and Bruce Wayne (Batman).

The questions were:

Monday: Which British potter and artist is fond of cross-dressing?

Tuesday: Who is the hapless human protagonist in "The Hitchhiker's Guide to the Galaxy" series?

Wednesday: Which Canadian singer-songwriter performed hits such as "If You Could Read My Mind" and "Daylight Katy"?

Thursday: In the original Terminator movie, which character returns from the future to protect Sarah Connor?

Friday: What is the name of the airport in Santa Ana, California?

*Not everything that is faced can
be changed, but nothing can be
changed until it is faced.*

James Baldwin