

Catch up: Israeli air strikes in Beirut; an EU loan for Ukraine



Israel launched more air strikes on **Lebanon**, reportedly killing a [Hizbullah](#) commander in southern Beirut. The bombing targeted Ibrahim Aqil, a member of the Shia militia's leadership who was wanted by America for carrying out an attack on the American embassy in Beirut in 1983. In recent days Israel has been ramping up its [attacks](#) on Hizbullah, which has been launching rockets at northern Israel since the beginning of the war in Gaza.

Ursula von der Leyen travelled to Kyiv to promise a €35bn (\$39bn) loan for **Ukraine**. The president of the European Commission said the European Union would make some of the funds available to support Ukraine through the winter amid Russian attacks on its [energy infrastructure](#). The bloc's loan is part of a plan to raise \$50bn for Ukraine using [frozen Russian assets](#).

The **Federal Trade Commission** sued three of America's biggest pharmacy-benefit managers, which negotiate [drug prices](#) on behalf of health-insurance firms. The consumer-protection agency accuses the three companies of inflating the cost of insulin and pushing

patients to use more expensive products. The firms, which collectively oversee 80% of American prescriptions, have previously accused the FTC of advancing “a false and damaging narrative” about their business.

Georgia’s election board approved a rule requiring the state to hand-count ballots in **America’s presidential election**. Republican members of the board say it is a protective measure, but critics—who will probably sue to stop it—argue that hand-counting will introduce inaccuracies and delay reporting. Donald Trump lost the [swing state](#) to Joe Biden in 2020 by fewer than 12,000 votes and has since falsely claimed the count was fraudulent.

Britain’s national debt equalled the country’s GDP for the first time since 1961. The [government borrowed](#) £13.7bn (\$18.2bn) in August, according to the Office for National Statistics. That was £1.1bn more than economists forecast. It will put pressure on [Rachel Reeves](#), Britain’s chancellor, to find difficult cuts in the next year’s budget, expected in late October.

America’s Department of Energy announced \$3bn in subsidies to reduce the country’s reliance on imports of [Chinese batteries](#). The package will support projects in 14 states and will develop facilities that manufacture and [recycle batteries](#), and process critical minerals. President Joe Biden has introduced a swathe of tax credits and other measures to shore up the country’s green industries.

Microsoft signed a 20-year deal with Constellation Energy, a power company, to restart a nuclear plant in Pennsylvania at **Three Mile Island**, the site of a [partial meltdown](#) in 1979. If approved by regulators the plant, which closed in 2019, would re-open in 2028 and supply energy to [data centres powering AI](#).

Word of the week: Chiplets, the smaller blocks into which a silicon chip can be broken down in order to create a more compact

layout. [Read the full story.](#)

The Quad assemblies



Next week world leaders will gather in New York for the United Nations General Assembly. Some will make a stop in Delaware along the way. On Saturday President Joe Biden hosts his counterparts from Australia, India and Japan for a summit of the “Quad”, a [security coalition](#) between the four countries.

The grouping, which formed almost 20 years ago to co-ordinate disaster relief after a tsunami in the Indian Ocean, has long [searched for purpose](#). Its leaders gathered in person for the first time only in 2021. Revitalising the Quad’s strategic partnership has been a foreign-policy priority for the Biden administration. What binds the countries is a shared concern about China’s growing assertiveness. All want to beef up maritime security in the face of China’s expanding presence in the contested South China sea. They also want to reduce dependence on Chinese supply chains. The Quad that began as a soft-power initiative is still seeking its *raison d’être* as a hard-power club.

Sri Lanka's presidential election



In April 2022 Sri Lanka [defaulted on its debt](#), triggering an economic collapse and mass protests that [forced the resignation](#) of Gotabaya Rajapaksa, the president at the time. Since then, the economy has been slowly on the mend—largely thanks to a bailout from the IMF. GDP, which shrank in 2023, is expected to expand by 3% this year. And the annual inflation rate, which peaked at 70% in September 2022, fell to 0.5% last month.

In a presidential election on Saturday voters will decide if the incumbent, [Ranil Wickremesinghe](#), deserves to return to office for overseeing the recovery. He'll probably lose. Mr Wickremesinghe trails in third place in opinion polls. Anura Kumara Disanayake, a Marxist MP, is in the lead. He has promised to root out corruption, which many blame for the economic disaster in 2022. That message may appeal to Sri Lankans still scarred by the crisis.

Fewer hangovers at Oktoberfest



Every September millions of revellers flock to Munich for Oktoberfest. The festival, whose 189th edition begins on Saturday, is known for its oversize beer glasses and bartenders in *Lederhosen*. Yet Oktoberfest is becoming less boozy. In 2019 festival-goers guzzled more than 7.3m litres of beer. Last year a million more visitors quaffed just 6.5m litres. Many breweries at Oktoberfest offer [non-alcoholic beer](#).

Blame young Germans. Just a quarter of the country's Gen-Z population regularly drink beer, compared with 35% of their parents' generation. According to Germany's statistical office, nearly half of Germans drink non-alcoholic beer. In July Munich opened its first alcohol-free *Biergarten*, *Die Null* (The Zero). Increasingly it will be the rowdy foreigners who will be nursing the worst hangovers after Oktoberfest.

The Laver Cup faces stiff competition



Men's [tennis](#) has a problem: the calendar is overloaded. There are too many tournaments chasing a small group of elite players. Men have four grand slams plus the season-closing ATP Finals. There are nine ATP 1000 events that confer lots of ranking points. Then there are team events, including the Davis Cup, which pits countries against each other, and the mixed-gender Hopman Cup. The Laver Cup, held this weekend, is the newest addition to the team-competition calendar. It was conceived as tennis' equivalent of golf's Ryder Cup, with a squad of Europeans facing off against the "rest of the world".

But it faces a host of challenges. Its late-season slot means that players commonly withdraw because of injury. (Two of the sport's biggest stars, Jannik Sinner and Novak Djokovic, are sitting this one out.) It offers no ranking points, nor the national pride of the Davis Cup. Europe has won four of the six previous editions, but has hardly earned any bragging rights.

Weekend profile: Friedrich Merz, Germany's would-be next chancellor



The ambitions of [Friedrich Merz](#) to attain Germany's top political job have long been thwarted by events, rivals—or himself. Yet the chancellery finally looks within the grasp of the 68-year-old leader of Germany's centre-right Christian Democratic Union (CDU). On September 17th Mr Merz secured the backing of Markus Söder, the leader of the Bavarian Christian Social Union (CSU). The sister conservative parties agree on a joint chancellor candidate at federal elections. Mr Söder's surrender one whole year before Germans go to the polls is testament to Mr Merz's political skills.

Born into a family of conservative Catholic lawyers in Germany's west, Mr Merz followed a legal path before moving to the [European Parliament](#) in 1989. Five years later he was elected to the Bundestag, where he worked his way up to the chairmanship of the CDU/CSU parliamentary group in 2000. But he had made the first of several enemies along the way. In 2002 [Angela Merkel](#), the CDU's new leader, ousted him in an intra-party power struggle.

A few years later a chastened Mr Merz quit politics for a lucrative career in corporate law. His public appearances were limited, and usually involved taking potshots at Mrs Merkel. So it was a shock in October 2018 when he declared his intention to take over the CDU's leadership. A forceful rhetorician on good days, he wowed those among the party faithful who thought Mrs Merkel had eroded the party's conservative soul. "Friedrich the Great", trumpeted a conservative daily.

But still it took Mr Merz three attempts before he eventually landed the CDU's top job in January 2022. Since then he has trodden a fine line: trying to convince CDU moderates that their views retain a place in the party while demonstrating to German voters that he is steering the party back to its conservative roots. It hasn't always worked. Some party allies worry his tirades against immigration veer too close to territory staked out by the hard-right Alternative for Germany. He says his focus in next year's campaign will not be immigration, but Germany's faltering economy. Here his instincts are those of a pro-business small-stater: he once said tax returns should be small enough to fit on a beer mat.

So unpopular is the left-leaning coalition led by [Olaf Scholz](#), the chancellor, that Mr Merz is a clear front-runner to take over. But he has his work cut out. Mr Scholz's advisers think Mr Merz can effectively be portrayed as an out-of-touch hothead who will take a hatchet to Germans' rights and pensions. (Expect references to his wealth and the private jet he enjoys flying.) And although the CDU/CSU is polling better than the three parties in Mr Scholz's government combined, for now Germans do not find the prospect of Mr Merz in the chancellery any more enticing than the incumbent.

This week's crossword



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*.

Email all four answers, along with your home city and country, by 9am BST on Monday to crossword@economist.com. We will pick randomly from those with the right answers and crown three winners in next week's edition.

September 21st edition

Cryptic clues

- 1 down Disorganised, I shop in clinic for computer part (7,4)
- 1 across Heavenly body evacuated sauna with wind (6)
- 2 across Academic institution somewhat unorthodox for degrees (6)
- 3 across Corrupt a sport minister (6)

Factual clues

- 1 down The product for which the area around Palo Alto,

California, is nicknamed (7,4)

1 across A planet which Earth may once have more closely resembled (6)

2 across A favourite university of the British elite (6)

3 across The profession of David Lin, the American recently released by China (6)

The winners of this week's quiz



The Economist

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

Rob Saar, Blue Mountains, Canada

Ailsa Green, Choma, Zambia

Tomas Rosenthal, Hod Hasharon, Israel

They all gave the correct answers of: wine, flags, carpets, light and herring. The theme is words associated with the colour red: red wine, red flag, red carpet, red light and red herring.

The questions were:

Monday: *Premier cru* is a French term normally associated with which product?

Tuesday: Vexillology is the study of what?

Wednesday: Saxony, twist and woven are types of which household product?

Thursday: What takes around eight minutes and twenty seconds to travel from the Sun to the Earth?

Friday: What type of fish is a kipper, a breakfast delicacy in some parts of the world?

Chiplets

The smaller blocks into which a silicon chip can be broken down in order to create a more compact layout.

Read the full story.

Fortune sides with him who dares.

Virgil