

The world in brief, June 5th 2024



Narendra Modi, **India's** prime minister, declared victory in the country's election. With more than half the vote counted, the governing Bharatiya Janata Party [looks set to lose its parliamentary majority](#). Mr Modi will probably have to rely on other parties to form a government. Share prices of Indian companies, especially those linked to allies of Mr Modi, have plunged. *The Economist* is tracking the [results](#) as they are announced.

President Joe Biden signed an [executive order](#) that would prevent [migrants](#) who cross America's southern border with Mexico illegally from applying for asylum. The rule comes into effect when average daily encounters at the border exceed 2,500 over a seven-day period. This threshold has reportedly already been met, meaning that the border could soon temporarily close.

A month before **Britain's** general election, the men vying to be prime minister met in the first televised debate of the campaign. Rishi Sunak, the Conservative incumbent, and Labour's Sir Keir Starmer quarrelled about taxes, immigration and more. In a YouGov poll 51% of respondents reckoned Mr Sunak performed

better. But *The Economist's* [forecast model](#) puts his party's chance of victory at less than 1%.

A senior [Hamas](#) official lashed out at **America** for suggesting that the Palestinian Islamist group is the obstacle to acceptance of a ceasefire proposal made by Mr Biden. Sami Abu Zuhri claimed Israel was refusing to make peace. America said that Israel supports the proposal. Meanwhile *Time*, an American magazine, published an interview from May in which Mr Biden suggested that Binyamin Netanyahu, Israel's prime minister, could be prolonging the war for political reasons.

Georgia's government proposed legislation that would restrict the rights of gay couples. The laws, if passed, would block same-sex couples from registering their marriages and stop them from adopting children; they would also ban schools from using teaching material that "promotes" gay relationships. The move follows parliament's adoption of a [draconian law](#) that targets Western-funded NGOs and civil-society groups.

Unemployment in **Germany** remained at a seasonally adjusted rate of 5.9% in May, though the number of people registering as unemployed increased. Jobless claims rose by 25,000 last month; most economists had forecast a smaller rise, of around 10,000. The head of [Germany's](#) labour agency said that the figures show that the "spring recovery hasn't really taken off".

Australia's army said that it would begin recruiting some foreign nationals in an effort to boost numbers. New Zealanders, Americans, Britons and Canadians will all become eligible to enlist in the coming months. Australia has been trying to [bolster its military strength](#) in order to counter China's increasing assertiveness, but has struggled to increase the size of its army owing to low unemployment rates.

Figure of the day: 272, the number of seats needed to secure a majority in India's parliament. [Read the full story.](#)

In the run-up to America's presidential election, we've launched The US in brief—a daily update to help you keep on top of the political stories that matter. Sign up here to receive it as a newsletter, each weekday, in your inbox.

Grasping for peace in Gaza



On Friday President Joe Biden announced an Israeli proposal of steps towards a possible ceasefire. The outline included an initial pause in fighting, the release of Israeli hostages held by Hamas, followed by the withdrawal of Israeli troops.

Mr Biden called the plan “a roadmap to an enduring ceasefire and the release of all hostages”, and exhorted both sides to accept it. But neither is nearly as enthusiastic as he is. Hamas has yet to formally respond. Parts of the Israeli government are strongly opposed to the proposal. Two far-right Israeli ministers have threatened to quit if it goes ahead, which would jeopardise the governing coalition. An Israeli official claimed that Mr Biden’s version of the original Israeli proposal left out important details. In any case, moving on to a workable plan for Gaza’s future will take weeks, if not months, of laborious negotiations. Meanwhile [the carnage of war](#) continues.

America's job market weakens



After a remarkable bull run, the world will be closely watching upcoming labour-market data for signs about the health of [America's economy](#). The first of the releases, on Wednesday, will be private-sector employment figures for May from ADP, a payroll-services provider. These are expected to be slightly lower than in April. Weekly unemployment insurance claims on Thursday and an official monthly employment report on Friday will be even more important.

Job creation slowed sharply in April, and analysts believe that the official figures in May probably remained at about the same level. The hope for investors and officials alike is that a weaker jobs market helps to alleviate inflationary pressure without harming the economy. So far the signs have been generally good. Wage growth has decelerated, even though the unemployment rate has remained below 4%. A continuation of such trends would suggest that the economy is softening, but not cracking.

Climate contradictions on World Environment Day



The UN secretary-general has promised to deliver a “hard-hitting” speech about the dangers of global warming in New York on Wednesday. António Guterres is expected once again to demand much faster action by governments to slash emissions.

Last year the International Energy Agency, a forecaster, predicted that, due to the rapid expansion of renewable-energy sources, [fossil-fuel use](#) would peak in 2025. But prognostications have recently become gloomier. In May Wood Mackenzie predicted that emissions will peak in 2032. BloombergNEF now predicts that the global cost of reaching net-zero by 2050 will be \$34trn higher than previously thought. Both energy consultancies reckon that high interest rates and supply-chain problems will make expanding renewable capacity further much more expensive and difficult.

Companies and countries seem more inclined to accept that the future will be grim than to listen to Mr Guterres. Big oil companies recently weakened their environmental targets. In April Scotland’s

government scrapped its goal of cutting emissions by 75% by 2030, saying it was unrealistic.

Australia's economy slows to a crawl



Data released on Wednesday will show that Australia's economy barely grew in the first quarter of this year. Economists believe that weak consumer spending pulled down the annual growth rate to just above 1%.

That is a problem for Australia's central bank. It raised interest rates to 4.35% last year in a bid to [reduce inflation](#). Analysts had expected it to start loosening monetary policy soon. Yet recently inflation has increased. It rose to an annual rate of 3.6% in April, up from 3.4% in February. The costs of services such as rents and insurance is proving especially hard to tame.

So central bankers are unlikely to cut interest rates before next year. They may still be able to return inflation to their target of below 3% without causing a recession, but achieving a soft landing is proving to be more difficult than expected.

Charles III is on the money



For decades most Britons came into daily contact with their queen by handling notes and coins bearing Elizabeth II's face. On Wednesday the keenest notaphilists can queue at the Bank of England to get the first banknotes featuring [King Charles III](#).

Elizabeth was the first British royal to appear on paper currency. Her final portrait, made in 1990 when she was 64, appeared on notes until her death in 2022. Charles, too, will probably remain frozen in late-middle age. Although the king was 73 on the day of his coronation, his monetary image is based on a photograph taken ten years before.

Britons will see far less of him than they did of his mother. Many [no longer carry cash](#). And the late queen's notes will not be taken out of circulation unless they are damaged—a rare occurrence, since they are made from a durable polymer. Wallets will continue to hold Elizabeth's image alongside her son's, and perhaps even that of the monarch who succeeds him.

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

Wednesday: What is the capital of Nevada?

Tuesday: Who was the first chief justice of the United States?

The number of seats needed to secure a majority in India's parliament.

Read the full story.

**It is better to be roughly right than
precisely wrong.**

John Maynard Keynes