

Catch up: Kamala Harris's first rally; Tesla's disappointing earnings



At her first presidential campaign rally **Kamala Harris** spoke to an energetic crowd in [Wisconsin](#). Drawing on her experience as a criminal prosecutor, Ms Harris said she knew “Donald Trump’s type” and positioned her campaign as one that focused on “the future”, pledging, among other things, to protect abortion access and unions. Earlier, top congressional Democrats—**Chuck Schumer** and **Hakeem Jeffries**—endorsed Ms Harris with “enthusiasm” to be the party’s [presidential nominee](#).

Tesla reported net income of \$1.5bn for the quarter ending in June—a 45% drop, year on year—missing analysts’ profit expectations. The electric-vehicle firm said that it would focus on “company-wide cost reduction”, “growing our traditional hardware business” and “accelerating development of our AI products and services”. In January Tesla warned that growth would be “notably lower” this year, as [demand for EVs has cooled](#).

Kimberly Cheatle resigned as the director of America’s **Secret Service**. Ms Cheatle and [the agency](#) had been under scrutiny since

the [attempted assassination of Mr Trump](#) this month. Calls for her to step down grew on Monday when she was grilled by lawmakers. In an email sent to her staff on Tuesday she reportedly took “full responsibility for the security lapse”.

Several rival **Palestinian** groups, including Fatah and Hamas, signed a declaration to form a unity government, ending years of division. **China** brokered the negotiations. Fatah, which controls the West Bank’s [Palestinian Authority](#), was thrown out of Gaza by Hamas in 2007. The agreement paves the way for creating a government for the West Bank and Gaza Strip.

Spotify’s efforts to boost its bottom line appeared to have paid off. The streaming company reported a 45% increase in profits year on year in the second quarter. Despite raising the price of subscriptions, it added 26m paying subscribers in that period, reaching a total of 246m. Last year the company laid off almost a quarter of its workforce.

Kim Beom-su, the founder of Kakao, which runs **South Korea**’s most successful messaging app, was arrested over alleged stock price rigging. He is accused of conspiring with a private-equity fund to buy shares worth 240bn won (\$174m) to inflate the stock price of a [K-pop](#) agency. He wanted to prevent rivals from acquiring SM Entertainment.

The death toll from two landslides in southern **Ethiopia** rose to at least 229 people, government officials said. Heavy rain caused the first landslide on Sunday; a second occurred on Monday while rescue teams were searching for casualties. They are believed to be some of the deadliest landslides to hit the country yet.

Figure of the day: 60%, turnout in Britain’s latest general election, the second-lowest in a century. [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.

America and Israel look ahead



On Wednesday Binyamin Netanyahu, Israel's prime minister, will cap a [three-day trip](#) to Washington with a speech to Congress. It will be his fourth—more than any other foreign leader has delivered (Winston Churchill gave three). His speech comes at a critical juncture for his own country as well as his host; on Wednesday President Joe Biden will deliver an address of his own, about “what lies ahead” after ending his campaign.

[Kamala Harris](#), who is likely to replace Mr Biden as the Democrats' presidential nominee, does not have as close a relationship to Mr Netanyahu or to Israel. Republicans, who control the lower chamber of Congress, are fans of Mr Netanyahu. But he will no doubt be working hard to win over Ms Harris, as well as increasingly sceptical congressional Democrats. As the conflict in Gaza drags on, and Israel loses international support, shoring up relations with its indispensable protector will be a top objective.

ASEAN and the South China Sea



On Wednesday foreign ministers from the Association of Southeast Asian Nations will meet in Vientiane, the capital of Laos, to discuss rising tensions in the South China Sea, among other things. China has adopted increasingly aggressive tactics in the sea, which it claims almost entirely, asserting rights over waters and islands that South-East Asian countries consider their own.

ASEAN has struggled to respond to Chinese aggression. It is negotiating a code of conduct with China in an attempt to reduce the risk of [conflict in the sea](#). On Sunday the Philippines said it had “reached an understanding” with China to allow it to resupply the *Sierra Madre*, a Filipino ship deliberately beached on the highly contested South Thomas Shoal. In the past China has repeatedly blocked resupply missions to the vessel. Details of the agreement are yet to be released.

Antony Blinken, America’s secretary of state, is expected to meet Wang Yi, China’s foreign minister, on the side of the summit this week. America’s top diplomat will hope to calm the [choppy waters](#).

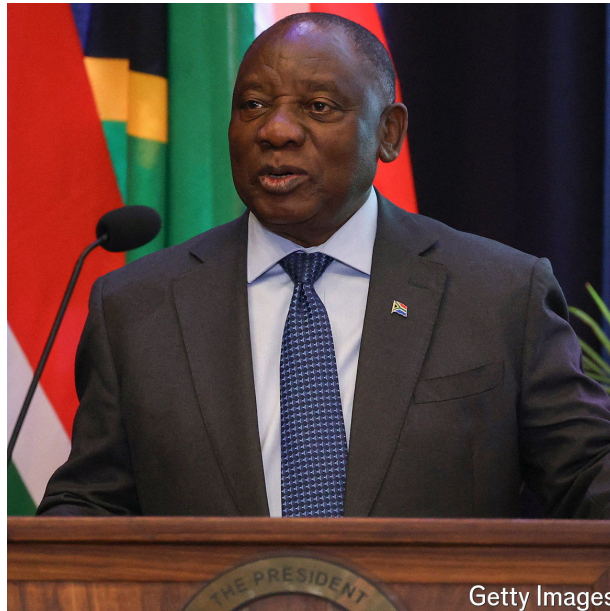
The EU's corruption scorecard



The European Union is supposed to improve the [rule of law](#) in member states. But many argue that the EU fails to do enough to stop countries that undermine it. On Wednesday the European Commission will hand down grades to every EU member country in its annual Rule of Law Report.

Some countries, such as [Hungary](#), will be chastised, not for the first time, for politicising the judiciary. Others, such as Italy, may be rapped on the knuckles for failing to control theft of EU funds. But in recent years the commission's president, Ursula von der Leyen, has watered down the report's conclusions for political reasons. The commission ended inspections of Romania and [Bulgaria](#) despite their poor performance. Greece got off easy for jailing whistleblowers. And Hungary was applauded for meaningless reforms. The report will no doubt be more lenient than one issued in March by Liberties, a coalition of watchdogs. It dinged even Sweden for its declining media freedom.

Revitalising Africa's largest economy



South Africa's president, Cyril Ramaphosa, and his erstwhile opponents in the liberal Democratic Alliance party deserve credit for swiftly [banding together](#) after elections in May to keep populists out of office. But to prevent them from gaining ground in future their government of national unity (GNU) will need to prove that the country can end prolonged economic stagnation.

Inflation data released on Wednesday may show price rises slowing from the 5.2% annual rate recorded in May. That would give South Africa's hawkish central bank reason to finally cut interest rates from 8.25%, a 15-year high. But fixing South Africa's economy will also require restructuring the state-owned enterprises that control electricity, water and logistics. The danger is that, having swelled the cabinet to 34 ministers, Mr Ramaphosa will be preoccupied with managing a bloated and unwieldy government. Earlier this week the president spoke of the need for "urgency". Now he must show it.

The draw of Wagner



The Bayreuth Festival in northern Bavaria opens on Wednesday with a free open-air performance. From there it gets trickier to find a place at the month-long annual celebration of [Richard Wagner](#), the German composer. The wait for tickets can last a decade, as half a million applicants every year vie for the fewer than 60,000 seats over 30 performances. These are staged in the Festspielhaus, a theatre designed by Wagner himself. Inaugurated in 1876, it featured fancy innovations such as a recessed orchestra pit and dimmable lighting.

As every year, the programme will include all seven of the composer's major operas. For the first time a woman, Simone Young, chief conductor of the Sydney Symphony Orchestra, will take the baton for performances of the four-opera, 16-hour-total Ring Cycle. There will be more women conductors at Bayreuth than men this year. That is a fast shift in key: the festival roster was all-male until 2021.

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

Wednesday: Which rock singer adopted the alter ego Ziggy Stardust?

Tuesday: Land O' Lakes, Kerrygold and Lurpak are all brands of which grocery item?

60%

Turnout in Britain's latest general election, the second-lowest in a century.

[Read the full story.](#)

**Nobody has ever measured, not even poets,
how much the heart can hold.**

Zelda Fitzgerald