

Catch up: reactions to Trump's Gaza plan; Alphabet's shares tumble



Hamas called Donald Trump's [proposal](#) to take over **Gaza** a “recipe for creating chaos”; Saudi Arabia rejected the suggestion, and reaffirmed its support for an independent Palestinian state. On Tuesday **Mr Trump** said that America could “own” the strip after its 2m Palestinians are “permanently” resettled in neighbouring countries. [America's president](#) suggested the enclave could be developed into “the riviera of the Middle East”.

Alphabet's shares tumbled after its fourth-quarter earnings fell short of analysts' expectations. Revenues rose by 12% year on year in the three months to December, down from 13% a year earlier. Google's parent company announced plans to invest around \$75bn to grow its [artificial-intelligence](#) operations.

The **US Postal Service** temporarily stopped accepting parcels from China and Hong Kong after Mr Trump scrapped a trade rule allowing duty-free imports under \$800, known as [“de-minimis” exemptions](#). The move will disrupt shipments from retailers like

Shein and Temu, which rely on the exemption. Nearly half of all de-minimis packages sent to America come from China.

The Philippines' House of Representatives voted to impeach Sara Duterte, the vice president, ahead of elections in May. Ms Duterte is accused of misusing public funds and threatening to assassinate the president, Ferdinand “Bongbong” Marcos; she denies all charges. The Marcoses and Dutertes, two political dynasties, formed an uneasy alliance to win an election in 2022—but they began [feuding](#) shortly after.

Equinor said it will halve investment in [green energy](#) and boost **fossil-fuel** production. The Norwegian energy giant, which dropped “oil” from its name seven years ago, plans to produce 2.2m barrels a day by 2030, 10% more than previously expected. The company joins BP and Shell in scaling back renewables, as rising costs and weak margins hit the offshore wind industry.

Santander's fourth-quarter profit rose by 11% year on year to €3.27bn (\$3.4bn), bringing full-year earnings up 14% to €12.57bn. [Spain's largest bank](#) benefited from increased lending activity. It added 8m customers in 2024. In Britain, a core market, net profit climbed 10% to €331m as higher lending margins offset a 4% drop in loan volumes. The bank announced €10bn in share buybacks.

The Aga Khan, a dazzlingly rich philanthropist, horse-racing aficionado and spiritual leader of the world's 15m Ismaili Muslims, died aged 88. The 49th hereditary imam, considered by his followers to be a direct descendant of the Prophet Muhammad, “passed away peacefully” in Portugal, according to his charity. His fortune was estimated to be worth around \$1bn in 2008, according to *Forbes* magazine.

Figure of the day: 460, the number of words in the average British parliamentary speech, down from almost 1,000 in 1938. [Read the full story.](#)

China's face-off with Trump on tariffs



Bullies are often told to pick on someone their own size. Few of them do. President Donald Trump is an exception. After he threatened China, [Canada and Mexico](#) with new tariffs, America's two smaller neighbours found ways to placate him. [China](#), whose economy is closer to America's in size, fought back.

Shortly after America's new 10% tariffs came into effect, China launched an antitrust investigation of Google. It placed restrictions on an American biotechnology firm and PVH, which owns brands including Calvin Klein. China also said it will limit exports of rare metals and place import duties on American energy, farm machinery, big cars and pickup trucks. (It did not, however, weaken the yuan.)

China's response is largely symbolic, a warning shot intended to deter future tariffs. The only problem with this approach is that Mr Trump takes symbolism very seriously. China's show of defiance may provoke America's president into further escalation. China can match America's economic heft. But few can match Mr Trump's economic recklessness.

Novo finds new uses for slimming drugs



Novo Nordisk, Europe's most valuable company, announced its annual results on Wednesday. The Danish drugmaker reported better-than-expected profits in its latest quarter, driven by soaring demand for its weight-loss treatments known as GLP-1s drugs. That is welcome news for the firm as it tried to catch up with its [American rival](#), Eli Lilly.

Novo's treatments are proving useful for treating other medical conditions. Ozempic, the version of the slimming jab primarily used to treat diabetics, was recently approved by the Food and Drug Administration, America's drug regulator, to reduce the risk of kidney disease. Clinical trials suggest that liraglutide, an older formulation, may slow the progression of Alzheimer's disease.

Still, Novo faces pressure to reduce prices. Medicare, America's public health insurer for seniors, plans to renegotiate prices for its weight-loss drugs from 2027, which could lower the cost to patients. Meanwhile, compounding pharmacies, which mix their own drugs, are selling cheaper versions of Novo's blockbuster treatments.

China welcomes Thailand's premier



Thailand's prime minister, Paetongtarn Shinawatra, arrives in Beijing for a four-day visit on Wednesday. The 38-year-old heiress is the daughter of Thaksin Shinawatra, a tycoon turned populist prime minister, who was ousted in a coup in 2006. Many in Bangkok, the Thai capital, suspect that he controls his daughter's government.

Regardless, China's leaders are rolling out the red carpet for her. In Beijing Ms Paetongtarn will meet her Chinese counterpart, Li Qiang, and has even been granted an audience with President Xi Jinping.

Her hosts will push Ms Paetongtarn and her father to do more to crack down on [cyber-scams](#) operating just beyond Thailand's borders in Myanmar and Cambodia. For her part, Ms Paetongtarn wants to reassure Chinese tourists that it is still safe to travel to Thailand. Last month a Chinese actor was abducted from an airport in Bangkok and transported to work in a scam centre in Myanmar. He had to be rescued.

Bayrou's no-confidence vote in France



Last December French legislators used a vote of no-confidence [to topple](#) the minority government of the conservative prime minister Michel Barnier, and scrap its budget for 2025. On Wednesday his successor, the centrist François Bayrou, also faces a no-confidence vote, tabled by the hard left after the prime minister announced that he too would try to force his budget through parliament without a vote.

But Mr Bayrou should survive. Crucially, the [Socialist Party](#) decided on Monday not to vote against him. The next day Jordan Bardella, president of the hard-right National Rally, hinted that his party might follow suit. Assuming he survives, Mr Bayrou will have defied the parliamentary odds, and France will—finally—have a budget for 2025. This should reassure the markets, but the price will be concessions to the left, notably tax increases on the rich and big companies. Bernard Arnault, head of the LVMH luxury empire, denounced these as a “cold shower”, pushing firms to move abroad.

Monsters of rock



“Becoming Led Zeppelin”, showing in cinemas from Wednesday, is the first authorised documentary about the band. Led Zeppelin towered over the 1970s rock era, selling more than 300m albums. Why it was not sanctioned sooner is an intriguing question. Perhaps the band was waiting to live down a deserved reputation for excess and debauchery. The film ends after their first flush of success, in the early 1970s, neatly dodging all the staleness and tragedy into which mega-groups have customarily sunk.

Yet Bernard MacMahon’s account is no whitewash. It explains the social context of the British quartet’s upbringings, as well as the artistry and energy that propelled them to the pinnacle. All three surviving members (Jimmy Page, Robert Plant and John Paul Jones), alongside archive tape of the late John Bonham, come across as thoughtful and lucid in their recollections. Belying all the bombast surrounding the band, they seem grateful simply to have come together to produce such [enduring music](#).

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. We'll pick randomly from those with the right answers and crown three winners on Saturday.

Wednesday: What is the common term for someone who is second-in-command of a ship?

Tuesday: Al-Fatiha, the first chapter of the Koran, has what literal meaning?

My definition of a free society is a society where it is safe to be unpopular.

Adlai Stevenson