The world in brief

Catch up quickly on the global stories that matter

Photograph: AFP

Volodymyr Zelensky said **Russia** "doesn't want peace" as he travelled to Florida for a meeting with **Donald Trump**. The Ukrainian president's remarks came after Russia's latest assault on Kyiv, which lasted ten hours and killed at least two people. Mr Trump and Mr Zelensky are expected to discuss America's peace plan for the war, including a possible security guarantee for Ukraine.

Polling stations opened in **Myanmar's** sham general election. Voters will be able to choose from 55 parties, but all credible opposition to the country's junta, which seized power in 2021, has been banned. Voting will also be impossible in large parts of the country where rebel forces continue to fight the army. Several human-rights groups have called on other governments to reject the results of the poll.

Nigeria's government said that **American** strikes hit two Islamic State-linked camps in north-western Nigeria on Thursday. Mr Trump claimed that Nigeria had requested the attacks in order to protect the country's Christian population, which some conservative Americans believe face a "Christian genocide". Mr

Trump claimed that multiple “terrorists” had been killed. But local authorities claim there were no such casualties.

Profits at big **Chinese** industrial firms fell by 13% in November, the biggest annual decline in more than a year. The new data, which covers firms with annual sales greater than 20m yuan ($2.8m), adds to concerns about weakening demand. China’s chief statistician blamed “structural adjustment pressures” because of the shift from “old to new” growth drivers.

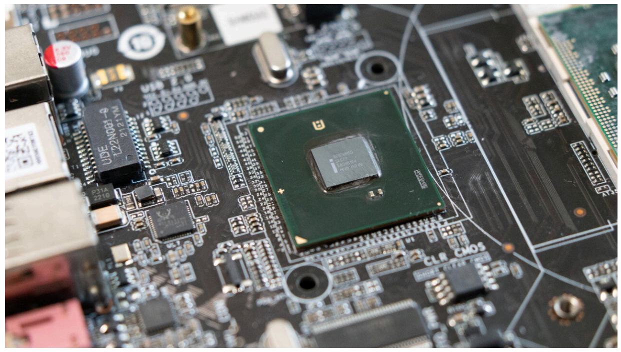
Britain announced visa restrictions on people arriving from **the Democratic Republic of Congo** because of the African country’s refusal to implement measures allowing the return of illegal migrants. The new restrictions include the removal of fast-track visa services for Congolese visitors. Angola and Namibia, which faced the same threat, agreed to accept returning illegal migrants and criminals. The moves are part of Britain’s tough new line on migration.

More than 9,000 domestic flights were cancelled in **America** as a **winter storm** hit the country’s north-east. The states of New York and New Jersey declared a state of emergency amid heavy snow and strong winds. New York City received more than two inches of snowfall on Saturday night—the most snow the city has seen since 2022.

The **Bayeux Tapestry**, an 11th-century embroidery depicting the Norman conquest of England—including the legendary moment that Harold Godwinson, the English king, was struck through the eye with an arrow—will be insured by Britain’s treasury for an eye-watering £800m ($1.08bn) as it travels from Normandy to the British Museum, ready for display in September next year.

Word of the week: *Denisovans*, an elusive human species with origins in Siberia. Read the full story.

Figure of the day: 57%, the proportion of Britons who say they have confidence in the judicial system and courts, down from 69% a year earlier. Read the full story.



Photograph: Getty Images

China will push for self-sufficiency in AI chips

Until January 2nd we are looking ahead to next year's big stories. Today, what will shape business?

In January DeepSeek, an obscure Chinese firm, shocked the West with an artificial-intelligence model rivalling America's best. Thanks to an ingenious training method, the startup had narrowed a lead that American AI-chip export controls were supposed to preserve. China will soon surprise the world again—not with more clever code, but with chip design and manufacturing.

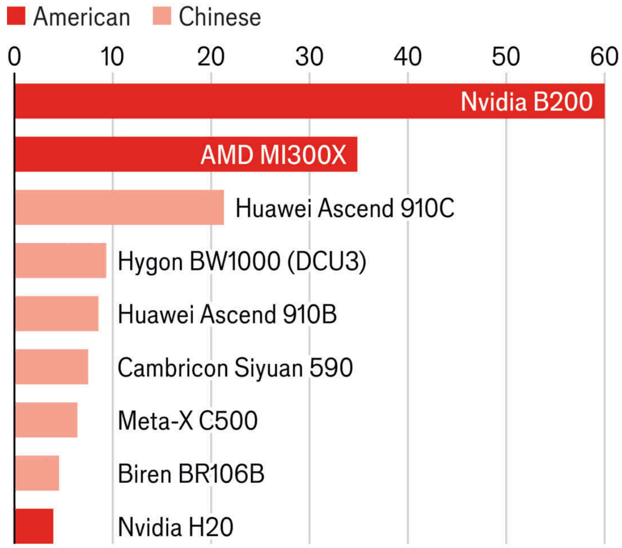
On the design front, Chinese chips already match the lower-grade versions American firms may sell in the country. But they can only rival the performance of Nvidia's best offerings in large clusters, requiring colossal amounts of energy. More efficient improvements could be achieved by aligning chip design better with software.

Local manufacturing will rise sharply too. China is constrained because the best equipment is also subject to export bans. Even so, it will manage to produce millions of chips, enough to cover much of domestic demand. Although its chips may never match global leaders in efficiency or performance, China's self-sufficiency will leap forward in 2026.

Catching up

Selected AI chips, total processing performance*

Nvidia B300=100



*Measure of computing power

Source: Bernstein


Photograph: Reuters

The economic consequences of the war

If you seek peace, splurge on war. Europe’s rearmament drive is expected to add a cumulative €700bn-800bn to its defence bill between 2022 and 2028. Officials hope this will spur an industrial renaissance in the continent’s long-neglected defence industry, where even the largest firms are pea-shooters compared with their American counterparts. Germany’s Rheinmetall has already benefited: it makes €10bn in annual sales and its share price today is 16 times what it was when Russia invaded Ukraine.

Around 48% of European defence spending currently goes to non-EU suppliers—but the balance will tip further in Europe’s favour in 2026 as its firms step up. Even so, the continent faces a huge challenge. The Kiel Institute, a think-tank, finds that a six-fold increase in weapons production is needed to match the scale of Russian rearmament. That sort of pace is unimaginable outside of wartime.

Photograph: Alamy

How AI is changing the career ladder

Graduates entering the job market in 2026 will be up against a cadre of recruits who are well informed, can work fiendishly long hours and don’t give a hoot about salaries: AI bots. AI adoption may be lower than tech giants hope, but there are early signs that it is already causing a contraction in hiring.

That might upend long-established workforce patterns. Dan Priest, chief AI officer at PwC, an accounting and consultancy firm, suggests that companies adopting AI may shift from a “pyramid” shape (large numbers at the base, few at the top) to a “diamond” shape (few at the top and bottom, with a big middle layer).

Graduates could boost their prospects by doubling down on AI literacy, helping them leapfrog laggards. But they can also argue their case by pointing out that the future of any firm that doesn’t hire fresh talent is at risk if there are no employees qualified to take over as bosses age.

Photograph: AP

Geothermal energy goes from niche to necessary

Geothermal energy has been used to generate power for more than a century, but it accounts for less than 1% of global electricity. That's because there are only a few spots on earth where the immense heat, pressure and water are found close enough to the earth's surface to be tapped by conventional drilling.

Now, by borrowing fracking techniques from the shale industry, companies are pioneering techniques that will allow them to drill for geothermal energy almost anywhere. Fervo Energy, a startup backed by Bill Gates and Google, is set to deliver energy to the American grid in 2026. Other techniques that do not rely on fracking are also making progress: "closed loop" systems circulate fluid at depth, drawing conducted heat to the surface.

America's Department of Energy predicts that by 2050 geothermal technologies could provide triple the energy supplied today by its nuclear power infrastructure. Over the coming decades, this obscure source of power could become indispensable.

A thought will colour a world for us.

Theodore Dreiser