

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.

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.

Nike’s boss, John Donahoe, will step down in October. He will be replaced by Elliott Hill, a longtime employee who retired in 2020. In June [the world’s biggest sportswear maker](#) reported dire quarterly results and said it expects revenue to decline more than previously thought in the year through May 2025. Nike’s stock rose by nearly 10% on news of the leadership shuffle.

The **Thwaites Glacier**, a mass roughly the size of Britain holding back the [West Antarctic ice sheet](#), is melting at its fastest-ever pace, according to new research. Since the 1940s the glacier has been retreating by hundreds of metres per year. It drives around 4% of global annual sea-level rise. Warming waters are accelerating that process: scientists working on the International Thwaites Glacier Collaboration, a research project, called its prospects “grim”.

Figure of the day: \$150bn, the valuation that OpenAI, the maker of ChatGPT, is reportedly seeking from investors. [Read the full story.](#)

America's presidential vote begins



The campaign for November's presidential election has been one of the most unpredictable, and seemingly longest, in recent history. But the final stretch is in sight: on Friday voters in three states will begin casting in-person ballots. Registered voters in South Dakota, Minnesota and Virginia will decide if they want to see [Donald Trump](#) back in the White House, or to promote [Kamala Harris](#) from vice-president. Other states will join them in the coming weeks, with Michigan being the last swing state to open voting booths on October 26th.

Voting ends on election day, November 5th. It could take days or even weeks in a close election before a [result becomes clear](#). *The Economist's* [election forecast](#) currently gives Ms Harris a very slim lead, but the volume and partisan makeup of early voters could offer some hints at how this contest will finally resolve itself.

The Bank of Japan soothes markets



In July the Bank of Japan—which ended its longstanding [negative interest-rate policy](#) in March—roiled markets by raising its short-term rate from 0-0.1% to 0.25%. Ueda Kazuo, the governor, said the bank will continue hiking rates so long as prices grow sustainably, driven not by rising import costs, but by higher income levels. Japan's latest consumer-price index figures showed the annual inflation rate in August was 2.8%, above the bank's 2% target.

But at its latest two-day monetary-policy meeting, which concluded on Friday, the bank decided to keep rates unchanged. It is unlikely to announce further interest-rate rises. That is partly to monitor markets, still jittery after [a topsy-turvy summer](#). The yen's value spiked and led to a market slump; the Topix stockmarket index saw its worst performance since 1987 on August 5th, before a sharp rebound the next day. And with America's [Federal Reserve](#) slashing rates this week, the BoJ will be careful to avoid further turbulence.

A bellwether vote in Czech politics



Deadly floods struck the Czech region of Moravia-Silesia this week, along with much of the rest of central Europe. Nevertheless, regional and senate elections will go ahead as planned across the country on Friday. The voting is a bellwether for the more important election to the lower house of parliament in autumn 2025. The government of Petr Fiala, the prime minister, is a complicated coalition of liberals and centre-right types. Polls show it running behind the opposition, led by the populist ANO party of [Andrej Babis](#), an ex-prime minister and scandal-plagued oligarch.

Just a third of the senate is up for election. The chamber's powers are limited: it can mainly just delay legislation. However, it can also veto changes to electoral laws, a helpful means of protection against democratic backsliding. That may prove important if Mr Babis returns to power next year.

Britain's resurgent hard-right



On Friday members of Reform UK gathered in Birmingham for a two-day conference. The hard-right party's leader and self-styled political insurgent, [Nigel Farage](#), will address his supporters for the first time as an MP. He was elected in July after seven attempts between 1994 and 2015. The question for Reform is how to build on its success, having won more than 4m votes (if only five MPs).

At their national convention, Reform leaders will probably put Labour MPs in their sights. The ruling party won in 89 of the 98 constituencies where Reform came second. But it is the Conservative Party that should be more worried about Reform's march. According to the British Election Study, a survey, 68% of those who voted Labour said they "strongly dislike" Reform UK, compared with only 22% of Conservatives. The [next Conservative leader](#) will have to win back moderate voters, as well as those tempted by the overtures of the strident right.

Can Katy Perry find her roar again?



Katy Perry, an American pop star, has been out of step with the 2020s. Her past two albums have commercially underperformed earlier ones. Even before its release on Friday, her latest album, “143”, has been marred by promotional missteps. The album’s lead single, “Woman’s World”, a formulaic dance-pop tune, drew a backlash over the involvement of Dr Luke, a producer who has been accused of sexual abuse by Kesha, another singer (he denies the allegations and entered into a settlement agreement with Kesha in 2023). It has also been criticised for banal cod-feminist catchphrases and a clumsily risqué video, which Ms Perry insists was meant as satire.

Cartoonish naughtiness is Ms Perry’s stock in trade. But [female-led pop](#) has become more lyrically complex, thanks to such singer-songwriters as Billie Eilish, Olivia Rodrigo and Chappell Roan, while rap artists Cardi B and Megan Thee Stallion have upped the ante on explicit raunch. Pop music is undoubtedly a woman’s world, but Ms Perry may find that it is no longer hers.

Daily quiz



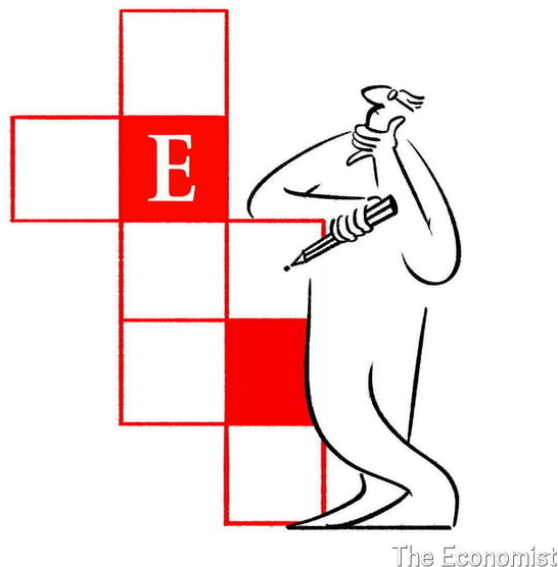
The Economist

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.

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

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

The winners of last week's crossword



Thank you to everyone who took part in our weekly crossword, published in the weekend edition of Espresso. The winners, chosen at random, were:

Ben Stewart, Sydney, Australia

Alice Li Hagan, Honolulu, Hawaii, America

David Tropp, Osaka, Japan

They all gave the correct answers of [Sergio Mendes](#), [stolen](#), [orange](#), and [Sweden](#). Check back tomorrow for this week's crossword.

\$150bn

The valuation that OpenAI, the maker of ChatGPT, is reportedly seeking from investors.

Read the full story.

**Life is too short to live with any but the
greatest books.**

Leo Strauss