

The world in brief

Catch up quickly on the global stories that matter



Photograph: Getty Images

Donald Trump arrived in **Egypt** for a “[peace summit](#)” aimed at building on the Gaza ceasefire to help establish regional stability. Over twenty leaders, including those of Britain, France, Qatar and the Palestinian Authority, are attending. Earlier America’s president hailed a “historic dawn” in the Middle East in an address to Israel’s parliament. Hamas and Israel also completed a planned hostage-prisoner swap.

OpenAI said it would buy artificial-intelligence chips with a total power consumption of 10 gigawatts from **Broadcom**. The two American companies will develop the chips and accompanying data-centre technology together. It is the latest in a string of AI infrastructure deals struck by the ChatGPT developer, following [similar arrangements](#) with AMD and Nvidia, two other chipmakers. Broadcom’s stock rose nearly 10% on the announcement.

Andry Rajoelina, **Madagascar’s** president, fled the country. He was evacuated by a French military plane after speaking with France’s president, Emmanuel Macron, according to RFI, a French broadcaster. Earlier Mr Rajoelina warned of an “attempt to seize power” from him after an elite army unit joined [anti-government](#)

[protests](#). His grip on power had weakened since the protests broke out on September 25th.

Joel Mokyr, Philippe Aghion and **Peter Howitt** shared the **Nobel prize for economics**. Mr Mokyr received half of the prize for “having identified the prerequisites for sustained growth through technological progress”. Mr Aghion and Mr Howitt each received a quarter of the prize for their “theory of sustained growth through creative destruction”.

Patrick James resigned as boss of **First Brands Group**, an American car-parts maker that filed for bankruptcy last month. Pressure had been building on Mr James to resign amid intense scrutiny over the firm’s [off-balance-sheet financing](#). An interim chief will now head the company—which is \$12bn in debt—while an independent committee investigates whether it borrowed fraudulently.

Venezuela will close its embassies in Norway and Australia as part of what it called a “strategic re-assignment of resources”, following [Maria Corina Machado](#), the opposition leader, winning the Nobel Peace Prize. Norway, which once mediated talks between President Nicolás Maduro and the opposition, called the move regrettable. The government said it would open new embassies in Zimbabwe and Burkina Faso.

A bus crash on a mountain road in **South Africa** killed at least 42 people and injured around 50 others. The passengers were Zimbabwean and Malawian nationals. Officials are investigating the cause of the incident; they said the vehicle came off the road and fell down an embankment. A crash last year in the same province killed 45 travellers from Botswana.

Figure of the day: 18, the number of world records held by Britons out of the 35 that are recognised by the European Giant Vegetable Growers Association. [Read the full story.](#)



Photograph: Getty Images

Donald Trump travels to Israel

It was a deserved victory lap. On Monday Donald Trump made a quick visit to Israel to celebrate the [ceasefire agreement](#) that halted the fighting in Gaza. The centrepiece was an address to the Knesset, Israel's parliament, where the American president basked in adulation. Then he flew to Egypt for a brief summit of world leaders.

The 20 living Israeli hostages still held in Gaza have arrived home after 737 days in captivity. The symbolism is profound: it is the eve of Simchat Torah, the Jewish holiday on which Hamas abducted them two years earlier.

Yet despite the optimism, [much uncertainty lies ahead](#). Negotiators from Israel and Hamas will need to discuss the complicated issues in the second phase of Mr Trump's ceasefire plan: whether Hamas will be disarmed, how Gaza will be governed, who will secure the territory. They agree on none of this. America will need to stay engaged long after Mr Trump's lightning visit to Jerusalem.

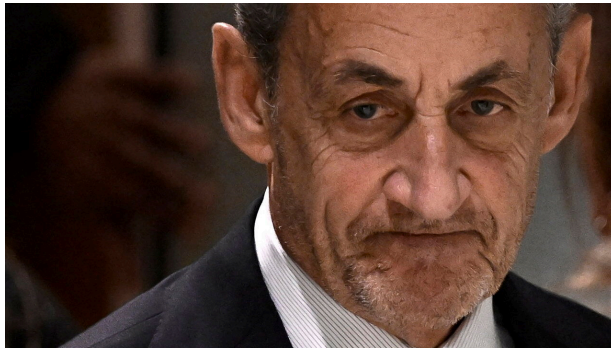


Photograph: Getty Images

The downsides of China's manufacturing might

China's industrial machine is a source of power and pride. The *People's Daily*, the Communist Party's newspaper, recently repeated the boast that China is the only country that makes something in every industrial category featured in the United Nations statistical system. China's dominance of two categories in particular—rare-earth refining and advanced batteries—constitutes a potent economic weapon, as illustrated by the [new export controls it announced on October 9th](#).

But China's robust industrial production must contend with weak domestic demand. As a consequence, firms are cutting prices and avidly seeking overseas markets. Figures released on Monday showed that exports grew by more than 8% in September, compared with a month earlier, despite Typhoon Ragasa, which hit China's south coast on September 24th. And data released on Wednesday will probably show that factory-gate prices in Chinese industry fell in September for the 36th month in a row. China churns out every category of industrial good. And it has been rewarded with deflation in most.



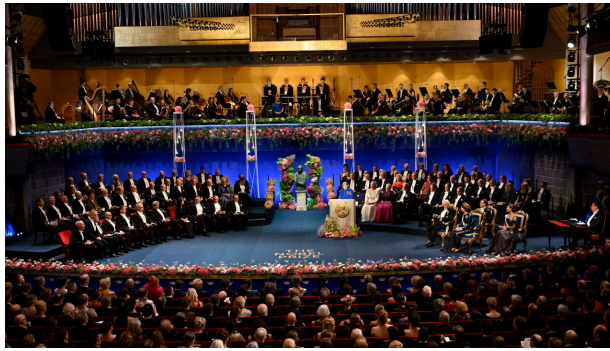
Photograph: Getty Images

France's former president heads to prison

On September 25th a Paris court found Nicolas Sarkozy guilty of “criminal association” in a trial over the illegal financing of his 2007 presidential campaign by Muammar Qaddafi, the former dictator of Libya. Mr Sarkozy was sentenced to five years in prison. Having been given a few weeks “to organise his professional life”, on Monday he learnt the date of his incarceration: October 21st. He will become the first former French president in the modern era to serve time behind bars.

The ruling came as a shock in France. Mr Sarkozy was acquitted on three other charges, including corruption. He was given a sentence with immediate effect, so will serve time even pending his appeal. After the ruling, the 70-year-old said: “If I have to sleep in prison I will sleep in prison, but with my head held high. I am innocent.”

[President Emmanuel Macron](#) urged people to respect Mr Sarkozy's right of appeal, as well as the impartiality of the judges.



Photograph: Getty Images

Why economists are looking sharp

Some economics students may have noticed that their professors are looking sharper than usual. Academics are not normally a well-groomed bunch, but every October those with even the faintest hope of recognition from the Nobel committee tend to book in for at least a haircut.

On Monday three professors—Joel Mokyr, Philippe Aghion and Peter Howitt—were awarded the clumsily named Sveriges Riksbank Prize in Economic Sciences for “having explained innovation-driven economic growth”. (It is not simply called the “Nobel prize in X” because it is decades younger than the other prizes.) As is the case with [all the awards](#), predicting the winner would have been a fool’s errand. The pool of worthy candidates was deep—including people like Edward Glaeser of Harvard, for his work on the economics of cities, and Samuel Korton of Yale, for his work modelling trade. Judging by the volumes wagered in prediction markets, even bettors who had taken a flutter on the literature and peace prizes seemed reluctant to take a punt on the economics prize.



Illustration: The Economist

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 [\[email protected\]](#). We'll pick randomly from those with the right answers and crown three winners on Saturday.

Monday: The Beaufort scale measures the intensity of what?

*Europe was created by history.
America was created by
philosophy.*

Margaret Thatcher