

Catch up: America and India vow to boost trade; but reciprocal tariffs loom



Donald Trump said **America** and **India** would “strengthen ties further” by increasing American military sales to India by “billions of dollars”. Speaking at a joint press conference with Narendra Modi, India’s prime minister, Mr Trump also announced plans to sell more oil and gas to India. Mr Modi said his country was “fully prepared” to take back undocumented Indian migrants from America.

Hours earlier **Mr Trump** set out plans for **reciprocal tariffs** on America’s trading partners. The president ordered his advisers to calculate new [duty rates](#) to match those enforced by other countries on American goods. It is unclear when the levies would take effect, but the administration said it would prioritise countries with which America has big trade deficits.

Kaja Kallas, the **European Union’s** top diplomat, warned that “any quick fix is a dirty deal” for Ukraine. She made the comments after Donald Trump and Vladimir Putin [agreed to start negotiations](#) to end the war in Ukraine. Meanwhile Pete Hegseth, America’s

defence secretary, appeared to walk back his remark that it was not “realistic” for [Ukraine](#) to join NATO. Instead he insisted that “everything is on the table”.

Apple and Google restored **TikTok** to their American app stores. The tech firms reportedly received assurances from the Trump administration that they would not face legal liabilities for [hosting the social-media app](#), which is owned by China’s ByteDance. A law that took effect last month shut down TikTok briefly. Mr Trump suspended its enforcement, giving ByteDance 75 days to address America’s national-security concerns.

Arm, a British [chip designer](#), is reportedly planning to make its own **chip**. The firm secured Meta, a tech giant, as the first customer for its new product, according to the *Financial Times*. The move puts Arm in direct competition with its customers, to whom it typically licenses chip designs. Shares in Arm jumped on the news.

Prices in **Argentina** rose by 2.2% month on month in January, the lowest increase since July 2020 and down from 20.6% a year earlier. When President [Javier Milei](#) entered office in December 2023 he devalued the artificially strong peso, helping to push inflation to a three-decade high. He has since [slashed government spending](#) by around 30% in real terms.

Elon Musk said in a court filing that he would drop his bid to buy **OpenAI** if the startup agrees to retain its not-for-profit corporate structure. Earlier this week Mr Musk [offered \\$97bn](#) for the company, which Sam Altman, OpenAI’s boss, rejected. Mr Musk, who was a founder of OpenAI but left to start his own artificial-intelligence firm, ultimately wants to hobble his rival.

Figure of the day: 86%, the share of the Pentagon’s budget that goes to just five specialist contractors. [Read the full story.](#)

Alarm bells over Ukraine in Munich



The Munich Security Conference, which begins on Friday, provides an opportunity for behind-closed-doors diplomacy. This year many delegates are alarmed. On Wednesday Donald Trump boasted that he had a [productive call with Vladimir Putin](#), Russia's president, about the war in Ukraine. He did not consult beforehand with either European allies or Volodymyr Zelensky. This week Ukraine's president gave an [interview to *The Economist*](#) in which he warned Mr Trump against seeking a bilateral deal with the Kremlin.

Adding to the gloom, America's defence secretary, Pete Hegseth, declared that Ukraine should give up the idea of getting back lost territory. Any security guarantees for Ukraine would have to come solely from Europe. The continent, Mr Hegseth added, would have to take responsibility for its own security in future. Mr Zelensky is expected to meet America's vice-president, J.D. Vance, on the sidelines of the Munich conference. He is unlikely to receive much reassurance.

DOGE in the dock



On Friday a federal court in New York will hear arguments in a case brought by Democratic-run states to keep political appointees out of the Bureau of the Fiscal Service, the part of the Treasury responsible for paying almost all of the government's bills. The case has gripped Washington as government watchers wonder what [Elon Musk and his Department of Government Efficiency](#) have been getting up to inside America's chequebook.

Last month the bureau's boss, David Lebryk, resigned, apparently after being ordered by an ally of Mr Musk to stop payments to the US Agency for International Development. On February 8th a judge issued a temporary restraining order barring Mr Musk's acolytes from the payment system, which contains some of the most sensitive data the federal government holds. J.D. Vance, the vice-president, suggested the government might disobey the ruling. The latest hearing will see if the restraining order can be made more permanent—or whether DOGE might gain access again.

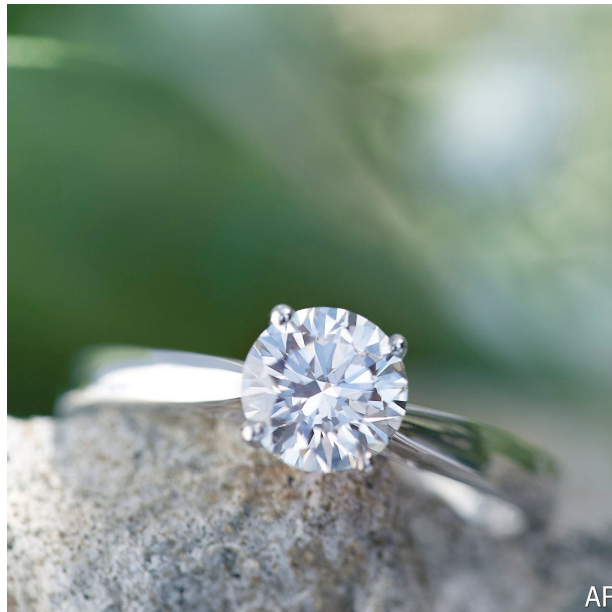
Serbia's leader under pressure



The student-led protests that have recently rocked Serbia will continue with a large demonstration in the central city of Kragujevac this weekend. The unrest started in November after the collapse of a canopy at a railway station in Novi Sad killed 15 people. Protestors claim that corruption and political interference in the building's refurbishment played a role in the disaster. They also decry a broader decline in the rule of law under the party of President Aleksander Vucic, which controls Serbia's main media outlets and the judiciary.

The protests have spread in recent weeks. On February 7th farmers protesting a proposal to give permission for lithium prospecting near Bogatic, a town in western Serbia, stormed a municipality building. Mr Vucic's prime minister resigned as the party tried to contain the unrest, to little avail. On Saturday Mr Vucic will hold a rally to mark Statehood Day, a national holiday. The president faces a significant threat to his authority, even if he may try to ignore it.

Lab-grown diamonds to stay a Valentine's special?



February 14th is one of the popular days for western couples to get engaged. This Valentine's Day more of them, particularly in America, will be popping the question with rings bearing [lab-grown diamonds](#), rather than ones mined out of the ground. The lab-grown diamond industry has gone from strength to strength in recent years: surveys suggest over half of the loose diamonds sold in America are now man-made, up from one in ten at the start of 2020. American imports of cut-and-polished natural diamonds have halved between 2022 and 2024.

It may not last. The prices of lab-grown stones have plummeted over the past five years. Discount jewellers are now adding lab-grown diamonds to their ranges alongside knock-off stones like cubic zirconia. That might kill the appeal of the factory-made stones as opulent tokens of affection. Luxury jewellers may also face the task of convincing people to fork out much more for a near-identical, but natural stone.

The return of Bridget Jones



“Bridget Jones: Mad About the Boy” brings Helen Fielding’s everywoman back to the big screen after nine years. The [fourth film](#) in the franchise finds Bridget, now 51, as a widow—her husband, Mark Darcy, has been killed on a humanitarian mission—and struggling to raise their two children alone. She is, once again, out of step with the “smug marrieds” and pushed by her friends to find a new partner. The film explores the perils of dating as a middle-aged woman as well as the drawbacks of dating apps.

Bridget is a heroine for the ages. The first three films, released between 2001 and 2016, brought in \$1.3bn in today’s money. One reason is Ms Fielding’s comic talents (“Mad About the Boy”, which she co-wrote, is very funny). Another is the franchise’s winning combination of reality and fantasy. Whenever Bridget falls over (which she does, a lot), she finds a way to pick herself up and seek her happy ending.

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.

Friday: Which American scientist wrote the best-selling book “Guns, Germs and Steel”?

Thursday: Which is the only number one single achieved by the singer-songwriter Neil Young?

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:

Peter Grodzinski, London, Britain

Darin Fitzpatrick, Mülheim an der Ruhr, Germany

Vinod Gangadharan, Bangalore, India

They all gave the correct answers of [George Orwell](#), [Greggs](#), [email](#) and [London](#). Check back tomorrow for this week's crossword.

Some minds are like soup in a poor restaurant—better left unstirred.

P.G. Wodehouse