

# The world in brief

Catch up quickly on the global stories that matter



Photograph: Bloomberg via Getty Images

**Donald Trump** said in a social-media post that he would “substantially” increase the 25% tariff on Indian imports, imposed last week, in response to India’s purchases of Russian oil. He accused India of reselling the oil for “big profits”. India had been expected to be one of the first countries to sign a trade deal with the Trump administration, but [ties have cooled](#) recently.

**Tesla’s** board awarded **Elon Musk** around \$30bn-worth of the company’s stock. Mr Musk, the chief executive, had threatened to leave the electric-car maker if he wasn’t given more shares. The move comes as he appeals against a court ruling that voided a 2018 pay package worth up to \$56bn. Tesla said the award would encourage Mr Musk to remain at the company.

**Gaza’s** Hamas-run health ministry said that 40 Palestinians were killed by Israeli forces. Ten were reportedly shot [near aid sites](#) run by the Gaza Humanitarian Foundation, which is backed by Israel and America. Earlier Hamas offered to work with the Red Cross to deliver aid to hostages it holds in Gaza, if Israel opens humanitarian corridors and halts airstrikes during its distribution.

**Germany’s** finance minister, Lars Klingbeil, criticised **Mr Trump’s** attempts to interfere with America’s economic

institutions. America's president has [put pressure on the Federal Reserve](#) to cut interest rates; on Friday he fired the head of the Bureau of Labour Statistics after it published disappointing jobs figures. Mr Klingbeil made the comments before meeting America's treasury secretary, Scott Bessent, in Washington.

Anti-corruption authorities in **Ukraine** charged six people with graft related to a drone-procurement scheme. Those charged included a member of Ukraine's parliament, a national-guard commander and regional officials. Last week the parliament [restored independence](#) to Ukraine's two main anti-corruption agencies following an earlier vote to rein them in, which sparked widespread protests.

**BP** said that it had made its biggest oil-and-gas discovery in 25 years, off the coast of Brazil. The full potential of the reserve, located about 400km from Rio de Janeiro, won't be clear until laboratory analysis of its fluids is completed. The find provides welcome news for the British oil giant after [years of embarrassing mishaps](#), including safety lapses and the departure of several bosses.

**South Korean** soldiers started dismantling the loudspeakers on their country's border with North Korea that blare K-pop and anti-communist propaganda at North Korean forces. The move is part of efforts by the new South Korean president, Lee Jae-myung, to improve relations with the neighbours. Under Mr Lee's predecessor, Yoon Suk Yeol, [cross-border dealings](#) were notably frosty.

2%, the estimated revenue growth of McKinsey, the world's most illustrious consultancy, in 2024. [Read the full story.](#)



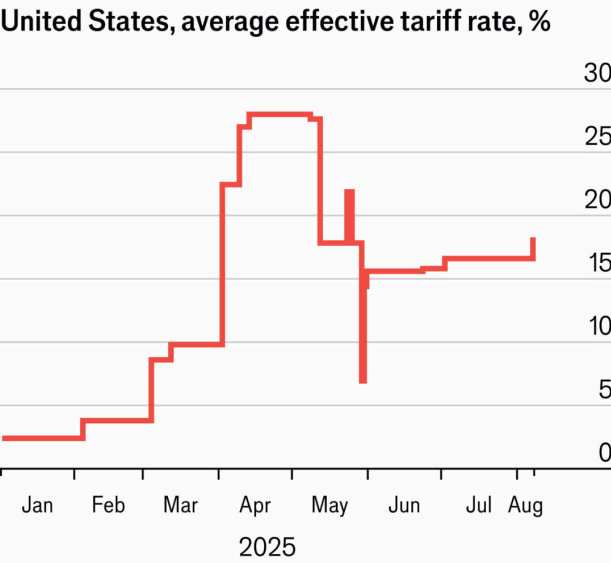
Photograph: Getty Images

## How long before American companies tap out?

Just glancing at a [chart of America's effective tariff rate](#) is enough to make you dizzy. Since returning to office Donald Trump has announced obscenely high taxes on imports to America, only to walk many back or delay their implementation. The latest batch, announced by America's president on August 1st, sent stock markets around the world tumbling.

Some countries have made desperate agreements with America. The rates they have secured are lower than those Mr Trump first threatened, but much higher than rates before he took office. And it is not only other countries feeling the pain. Tariffs mainly harm importers, not exporters. American companies [have been working hard](#) to prevent consumers feeling the pain. But the goods they have stockpiled will run out, and the Trump administration wants to crack down on workarounds in customs law they have been exploiting. How long they feel protecting their customers helps their bottom line remains to be seen.

Not April, not nothing



Source: The Budget Lab at Yale



Photograph: Reuters

## **Gaza on the brink of famine, and invasion**

Nearly 22 months into the war in Gaza, talks for a ceasefire remain at a standstill. Visiting the region over the weekend, Steve Witkoff, Donald Trump's special envoy, said America and Israel have been working on a plan "that effectively means the end of the war". It would include the release of Israeli hostages, the disarming of Hamas, the Islamic militant movement which began the war in October 2023, and the reconstruction of the devastated territory.

But Hamas says it has no intention of laying down its arms without the establishment of an independent Palestinian state. And the Israeli government is mulling a further offensive. It could annex parts of Gaza. Meanwhile things are getting worse within the enclave. Israel has begun allowing more food in to [stave off famine](#), but aid organisations claim this is woefully insufficient. A new round of fighting could badly aggravate a humanitarian crisis that has already shocked the world.



Photograph: Getty Images

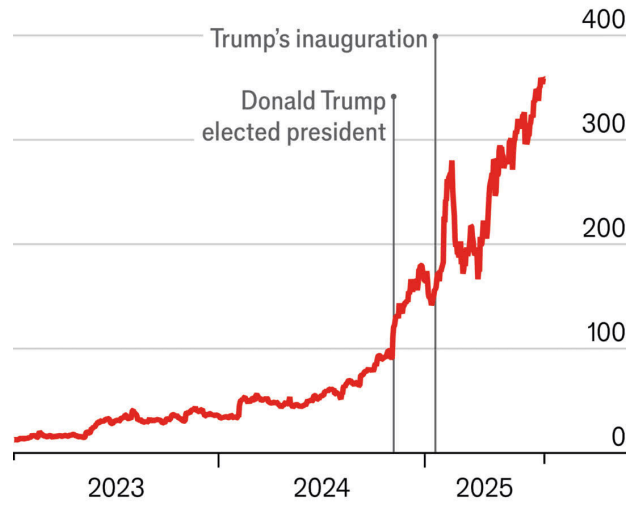
## Palantir gets a Trump tailwind

Palantir is expected to unveil another strong quarterly earnings report on Monday, fuelled by artificial intelligence and the Trump administration. The [data-analytics firm](#), which has broadened out from intelligence gathering and counter-terrorism to commercial software and AI, is the highest flyer this year in the s&p 500, an index of big American firms.

Commercial revenues are likely to be the fastest growing parts of the business as customers flock to AIP, Palantir's AI platform. But the company has also become a firm favourite of the American government. Last week the Pentagon said it would pay Palantir up to \$10bn over the next decade to consolidate software procurement for soldiers. It has also awarded big contracts to Palantir for tools that provide troops with real-time data on the battlefield. Palantir's CEO, Alex Karp, will no doubt highlight the company's patriotism in his quarterly letter to investors. Its biggest challenge is to replicate its success beyond America's shores.

## Soft power

Palantir Technologies, market capitalisation, \$bn



Source: LSEG Workspace



Photograph: Disney+

## **Return of the King (of the Hill)**

After 15 years off the air, “King of the Hill” is back. Hulu, a Disney-owned streaming service, is rebooting the beloved animated sitcom by Mike Judge, the creator of such irreverent classics as “Beavis and Butthead” and “Office Space”. The Hill family, around whom the show revolves, is now a decade and a half older, and in a very different world from that of 2010. They, their friends and the other residents of the fictional town of Arlen, Texas, must negotiate a changed America.

The strength of “King Of The Hill” remains its knack for cloaking sharp satire with human warmth—the latter on display most in the title character Hank Hill, a kind-hearted, socially conservative propane salesman. If ever an era needed a show that depicts middle-Americans as generous, sane and tolerant—and just as confused as anybody else by events—surely this is it.





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:** What was the title of Martin Scorsese's 2005 documentary about Bob Dylan?

*So he walked more proudly than  
ever, as his noblemen held high  
the train that wasn't there at all.*

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***Hans Christian Andersen***