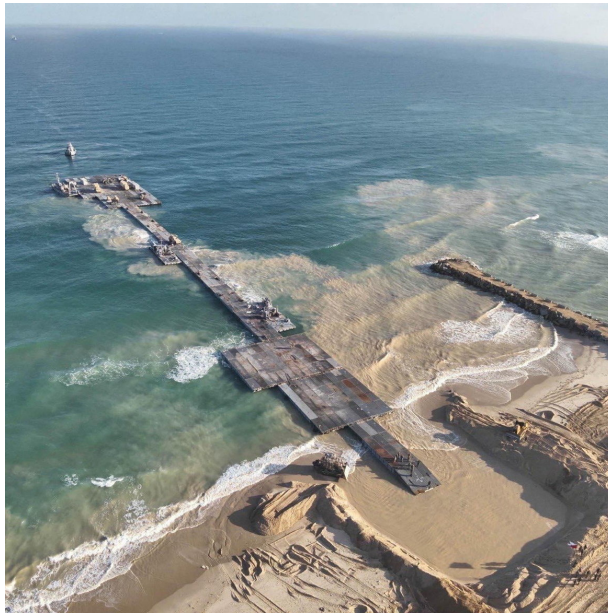


The world in brief, May 29th 2024



America said only a “major” operation into **Rafah** would prompt America to withdraw military aid. The Biden administration confirmed that it would not change its policy towards Israel after its air strike on a tent camp on Sunday **killed** at least 45 people and provoked an international outcry. Meanwhile, America’s deliveries of **humanitarian aid** were interrupted when a temporary pier off the coast of Gaza was damaged by weather. The Pentagon said it was towing the pier away for repair.

The **IMF** bumped up its forecast for **China’s** growth over the next two years. The fund said it now expects GDP in the world’s second-largest economy to increase by 5% in 2024 and by 4.5% in 2025. Both estimates were 0.4 percentage points above its previous forecast. It cited strong exports and investment. However, it warned China’s government that its **industrial policy**, which includes backing “priority sectors”, is risky.

Australia’s annual **inflation rate** rose to 3.6% in April, a five-month high and more than the 3.4% expected by economists. The rise was driven by increases in petrol, housing and food prices.

Australia's central bank does not expect inflation to fall to the target range, of between 2% and 3%, until late in 2025.

International Distributions Services, the owner of **Britain's** embattled **Royal Mail**, accepted a takeover proposal worth £3.6bn (\$3.9bn) from [Daniel Kretinsky](#), a Czech tycoon. Mr Kretinsky already owns over 27% of IDS. The deal is likely to ruffle feathers: some politicians have already expressed concern over Mr Kretinsky purchasing the formerly state-owned company.

Hong Kong made its first arrests under [Article 23](#), the national-security law it introduced in March. Six suspects—including Chow Hang-tung, a prominent pro-democracy activist who is already in prison under national-security charges—were detained for advocating “hatred” of Hong Kong's and China's governments, seemingly in relation to social-media posts about the upcoming anniversary of the [Tiananmen Square massacre](#) in 1989.

Ryan Salame, a former executive at **FTX**, once one of the world's largest [crypto-exchange companies](#), was sentenced to seven and a half years in prison. He pleaded guilty in September to charges including violating campaign-finance law. Mr Salame was a trusted deputy to [Sam Bankman-Fried](#), the disgraced boss of FTX who is serving 25 years in jail for defrauding customers out of billions of dollars.

Donald Trump's [criminal trial](#) ended with fireworks. Todd Blanche, Mr Trump's lawyer, suggested to jurors that his client could go to prison if convicted. That, prosecutors later said, was an inappropriate bid to “curry sympathy” for the defendant, who would not necessarily be imprisoned. The judge reprimanded Mr Blanche for the “outrageous” comment.

Figure of the day: 10.8kg. The weight of high-explosives in each 155mm artillery shell. Europe is racing to produce more for Ukraine. [Read the full story](#).

In the run-up to America's presidential election, we've launched The US in brief—a daily update to help you keep on top of the political stories that matter. Sign up here to receive it as a newsletter, each weekday, in your inbox.

South Africa's pivotal election



South Africans vote on Wednesday in the most closely watched [elections](#) since those in 1994, which followed the end of apartheid. Thirty years of the African National Congress in power has left the country in a bad way, with some of the world's highest rates of unemployment, inequality and violent crime. There is plenty of residual loyalty to the party that helped liberate black South Africans from white rule, but the ANC will probably perform worse than it did in 2019, when it won 57.5% of the vote, a record low.

How poorly will it do? Below about 45% the ANC would have to form a coalition with one of the larger opposition parties. Above that, the party can strike a deal with a minor party or two to continue its policies. Most analysts suggest the ANC will do well enough to continue without having to compromise too much. Sadly for South Africa, that would make it fall even further behind on the measures that matter.

A mining mega-merger (maybe)



BHP, the world's biggest mining company, has [set its sights](#) on Anglo American, a 107-year-old South African firm that mines copper, among other things. Huge amounts of the metal are needed to electrify transport and build sources of renewable energy.

Anglo rejected BHP's initial offer of \$39bn, and turned down two higher bids. But it finally agreed to enter talks on May 22nd. Under Britain's takeover rules BHP must make a formal bid by Wednesday. That morning, BHP announced it was seeking a further deadline extension.

Anglo dislikes the complicated structure of BHP's offer, which would require it to spin off some South African units. Sprawl has been a problem for Anglo, which has struggled to invest in the right mines at the right time. Investors encouraged the company to negotiate with BHP, even though Anglo promised to restructure. The deal, if it goes through, will become one of the largest in decades and set off a rush for metals for the green transition.

America buys back unloved bonds



The world's most important asset market is about to undergo a small but potentially crucial restructuring. On Wednesday America's Treasury will start buying back older and harder-to-trade government bonds, its first buybacks in more than two decades. These operations are different from companies' share buybacks. These reduce their outstanding shares and so boost returns for investors. The Treasury's goal is to improve liquidity: it will replace unloved debt with new bonds, holding the total number constant.

In recent years less-popular [Treasuries](#) such as 20-year bonds have suffered from shortfalls in liquidity. Given that global asset prices are partly based on American government bond prices, distortions in trading them can ripple through markets. By buying back less-liquid bonds, the Treasury hopes to fix those problems. Its programme will be capped at \$2bn per week, a fraction of the \$27trn-worth of outstanding American government bonds but enough to make a difference.

Which countries execute their citizens?



On Wednesday Amnesty International, a human-rights group, published its latest global report on the death penalty—a fairly reliable litmus test of which countries most respect [liberal values](#).

Its findings are worrying. A total of 1,153 people were executed in 2023, a 31% increase on the previous year and the highest number in almost a decade. (The figures do not include secretive countries like North Korea, Vietnam and China, which is believed to execute thousands each year.) The surge was largely attributed to the spike in executions for drug-related offences in Iran, which alone accounted for 74% of all executions. Iranian authorities appear to have increased their use of the death penalty to intimidate the public following an [uprising around women's rights](#) in 2022.

There was some progress. In 2023 executions were carried out in 16 countries, the lowest number on record. That suggests countries that execute people are becoming rarer.

Porsche's new shade of green



Porsche 911 enthusiasts are an exacting bunch. When the first generation of water-cooled engines replaced air-cooled versions, die-hards railed against the change to the company's most famous sports car.

After taking 25 years to come to terms with what had already long been standard technology, the sticklers now face a fresh affront. This week Porsche launched the first 911s with electric power. But traditionalists should keep calm. The battery is small, and designed merely to give the petrol engine extra heft rather than to replace it. Porsche says that it plans to keep making the 911 with a combustion engine for as long as possible. The company has already started producing [carbon-neutral synthetic liquid fuel](#) at a plant in Chile, reassuring its customers that Porsche's 911 engines will continue to roar even as battery power takes over elsewhere.

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 QuizEspresso@economist.com. We'll pick randomly from those with the right answers and crown three winners on Saturday.

Wednesday: Which 19th century philosopher wrote “On Liberty”?

Tuesday: Which Old Testament book features Shadrach, Meshach and Abednego?

10.8kg

*The weight of high-explosives in each 155mm artillery shell.
Europe is racing to produce more for Ukraine.
Read the full story.*

**You become responsible, forever, for what
you have tamed.**

Antoine de Saint-Exupéry