

The world in brief

Catch up quickly on the global stories that matter



Donald Trump said that he had sacked Lisa Cook from the Federal Reserve's board, accusing her of "deceitful and possibly criminal conduct in a financial matter". Ms Cook is alleged to have made false statements on mortgage agreements. She said that the president had no authority to fire her and that she would not resign. Mr Trump has attempted to undermine the independence of the [central bank](#), which he is pressuring to lower interest rates.

Following a meeting with South Korea's president, **Lee Jae-myung**, Mr Trump said he wanted to meet [Kim Jong Un](#), North Korea's dictator "in the appropriate future". He also claimed he could arrange talks between Mr Kim and Mr Lee. After the presidents' meeting at the White House, Korean Air said it would buy \$36bn-worth of Boeing planes.

Two **Israeli attacks** on Nasser Hospital in southern Gaza killed at least 20 people, [including five journalists](#), according to Palestinian health authorities. The Israel Defence Forces said it regretted "any harm to uninvolved individuals". Meanwhile Norway's sovereign wealth fund, the world's largest, sold its stake in Caterpillar, an American construction-equipment maker. The fund's advisers reportedly alleged that Israel was using the firm's products to destroy Palestinian property.

American immigration officials again detained **Kilmar Abrego Garcia**, an undocumented migrant who was [wrongfully deported to El Salvador by the Trump administration](#) in March. The government brought him back to **America** in June to face criminal charges. He was released from custody last week ahead of a trial. Mr Garcia now faces possible removal to Uganda. His lawyer is appealing against the move.

Elon Musk's artificial-intelligence startup, xAI, sued **Apple** and **OpenAI**, the maker of ChatGPT, accusing the tech firms of behaving like “monopolists”. Apple recently announced a deeper [partnership with OpenAI](#) that bakes ChatGPT into its devices and programming tools; xAI alleges such deals prevent other “innovators” from competing. Last year Mr Musk sued OpenAI in an attempt to stop it abandoning its non-profit model.

François Bayrou, France's [centrist prime minister](#), said he would hold a confidence vote next month in an effort to push through budget cuts of €44bn (\$51bn). Opposition parties said they would vote against the cuts, putting Mr Bayrou's minority government in peril. In December Michel Barnier, **France's** previous prime minister, was ousted in a no-confidence vote after trying to force his budget through parliament.

Ismael “El Mayo” Zambada, a founder of Mexico's **Sinaloa cartel**, pleaded guilty to drug-trafficking charges in America. He was [arrested in Texas last year](#). Sinaloa, whose other founder was Joaquín Gúzman, or “El Chapo”, controlled much of the production and shipment of heroin, cocaine and synthetic drugs into America. El Chapo is serving a life sentence in a high-security prison.

Figure of the day: 200m, the number of people using Dream11's fantasy-gaming platform in India—more than there are Indian stockmarket investors. [Read the full story.](#)



Photograph: Getty Images

American homebuyers catch a breath

America's resilient [house market](#) appears to be losing steam. Average home prices fell by 0.5% between March and May, according to the Federal Housing Finance Agency. Figures for June, due on Tuesday, are expected to show a further dip. Zillow, a property platform, suggests that prices continued to slide through the summer.

Falling home prices usually signal economic trouble ahead. But in today's topsy-turvy economy, the picture is less clear. Strong demand for AI-related investment is helping to keep interest rates high, which in turn keeps mortgage costs elevated and deters buyers. Falling migration may also be reducing housing demand. Neither trend necessarily points to a wider slowdown.

Sluggish prices are of course good news for buyers—especially first-timers. Wage growth remains robust, so homes are becoming a bit more affordable relative to income. Some long-awaited relief, at last, for squeezed millennials.



Photograph: Getty Images

Another American peace deal falters

This week was meant to see the latest sign of progress in talks to end one of Africa's longest-running conflicts, in the mineral-rich east of the Democratic Republic of Congo. But last week talks stalled between the Congolese government and M23, a militia group backed by neighbouring Rwanda. The two sides failed to sign an accord as scheduled on August 18th.

M23, which seized the cities of Bukavu and Goma in the region earlier this year, refuses to leave them before Congo makes certain concessions, such as the release of prisoners. Both sides accuse the other of continuing to fight despite an ostensible truce. The stand-off raises questions about the durability of a deal struck by America in June between [Congo and Rwanda](#). And the longer the fighting goes on, the more it will suggest that Rwanda is unwilling to give up the leverage gained by its proxy force, despite the commitments it has given to the Trump administration.

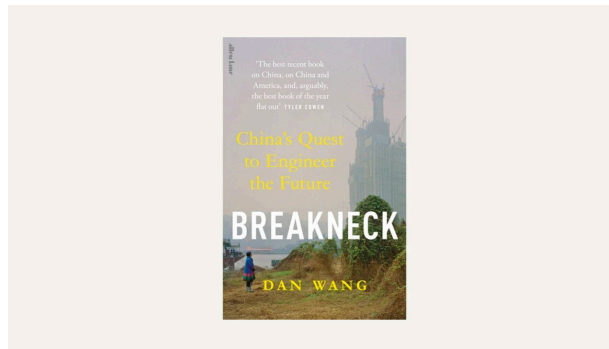


Photograph: Alamy

India's most political birthday bash

On Tuesday celebrations began for the 100th anniversary of the Rashtriya Swayamsevak Sangh, the [world's largest volunteer organisation](#), with some 5m members. As an early birthday gift, the Hindu-nationalist outfit received a shout-out from its best-known former functionary: Narendra Modi. In his Independence Day speech on August 15th India's prime minister praised an organisation that supporters revere for preserving Hindu culture and detractors revile for discriminating against minorities.

The opposition called Mr Modi's unprecedented name-check "a blatant breach of the spirit of a constitutional, secular republic" and a "desperate attempt to appease the organisation". The RSS has been banned several times, including after a Hindu nationalist assassinated Mohandas Gandhi, the leader of India's freedom struggle, in 1948. But since 2014, when Mr Modi's premiership began, it has wielded influence over policy and personnel. No wonder Mr Modi, who lost his absolute majority in last year's parliamentary election, wants to make sure he is on the RSS's good side.



Photograph: Allen Lane/Penguin Books

China Inc v America Inc

China has become an “engineering state”, furiously building infrastructure and technology, while America has evolved into a “lawyerly society” that systematically blocks progress. That is the argument of [Dan Wang’s](#) new book “Breakneck: China’s Quest to Engineer the Future”, out on Tuesday. Mr Wang suggests that China’s advantage lies in the [millions of engineers](#) and factory workers who, day after day, accumulate practical knowledge through hands-on experience that cannot be easily transmitted through blueprints or patents.

Whereas Apple designed the iPhone in Silicon Valley, it was China’s manufacturing workforce that assembled it. This spurred the emergence of entire new industries in Shenzhen, from electric vehicles to drones. Meanwhile, Mr Wang observes, America’s engineering expertise has been hollowed out at iconic firms such as Boeing and GE. “Breakneck” is thought-provoking, particularly when read alongside “Abundance”, by Ezra Klein and Derek Thompson, another new book that argues that America needs to build more stuff.



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.

Tuesday: What type of people did Karl Marx and Friedrich Engels call upon to “unite” in the Communist Manifesto?

Monday: In 2008, who pointedly asked “Why did nobody notice it?” when given an explanation about the origins of the global financial crisis at the London School of Economics?

*Everybody is a candle, true. But
not everybody is lit.*

Harbhajan Singh Yogi