

# The world in brief

Catch up quickly on the global stories that matter



Photograph: Getty Images

**Donald Trump** threatened “very severe consequences” if **Russia** refuses to end its war in Ukraine. The president’s warning came ahead of [a summit](#) with Vladimir Putin on Friday. Earlier Mr Trump had a “very friendly” call with European leaders, including **Ukraine’s** president, Volodymyr Zelensky. Germany’s chancellor, Friedrich Merz, said the Europeans agreed with America’s president on a strategy for negotiations, adding that Ukraine must be invited to future discussions.

**Global stocks** extended a rally and **cryptocurrencies** soared amid growing expectations that America’s Federal Reserve will start cutting interest rates next month. Scott Bessent, America’s treasury secretary, told Bloomberg that the central bank’s benchmark rate should be at least 1.5 percentage points lower than it is now after the annual inflation rate held steady at 2.7% in July.

The **Israel Defence Forces** said its chief of staff has approved the “main concept” of Binyamin Netanyahu’s plan to attack and seize **Gaza city**, after objecting to the proposed expansion of the war. For three days Israel has carried out intense air strikes on Gaza city; the Hamas-run health ministry said on Wednesday that 123 people were killed in the past 24 hours.

Parts of Patras, **Greece's** third-largest city, were evacuated after **wildfires** reached the city's outskirts. Blazes have raged across Europe this week after temperatures soared above 40°C in many countries. The amount of European land scorched by wildfires so far this year has [more than doubled](#) compared with the same period in 2024, according to the European Forest Fire Information System.

**Bullish**, a cryptocurrency exchange, raised \$1.1bn in an initial public offering of shares in New York. They more than tripled in value, and ended the trading day with a gain of 84%, giving the company a market capitalisation of more than \$13bn. Bullish, founded in 2021, said a “slew” of other crypto firms would also go public; they include Gemini and Grayscale Investments.

**Peru's** president, Dina Boluarte, signed a law pardoning security officials accused of committing human-rights abuses [during the country's internal conflict](#), from 1980 to 2000. Nearly 70,000 people died or disappeared in clashes between the government and leftist rebel groups. The **amnesty** law, which Latin America's human-rights court opposed, will stop hundreds of pending trials and overturn more than 150 sentences.

**Claire's Accessories**, a jewellery and ear-piercing business that caters to teenagers, went into administration in Britain and Ireland, putting more than 2,150 jobs at risk. Last week its parent company filed for bankruptcy protection in America. The retailer has suffered from increasing competition. It said its 306 shops in Britain and Ireland will continue trading while it assesses “the best possible path forwards”.

**Figure of the day:** \$1bn, Palantir's revenue in the second quarter of this year, quadruple the figure for the same period in 2020. [Read the full story.](#)



Photograph: Alamy

## **Foxconn's new growth engine**

Foxconn, a Taiwanese contract manufacturer, reported results for the first half of the year on Thursday. Second-quarter profits grew by 27% year on year, beating analyst expectations. Once best known for assembling Apple's iPhones, the firm is riding a boom in artificial intelligence. It makes data-centre hardware for chipmakers such as Nvidia and cloud providers like Google. In the first quarter, servers and related kit accounted for 34% of earnings.

But [trade tensions](#) threaten that momentum. America has announced a 20% tariff on imports from Taiwan. In May Foxconn cut its full-year revenue forecast, citing tariffs and currency swings, despite strong first-quarter results. To offset the risk, the firm is expanding in America: this week it pledged to invest \$1bn in manufacturing there over the next decade. Margins are slim—about 3% last year—so investors will seek evidence that Foxconn can weather the tariff storm while capitalising on AI growth.

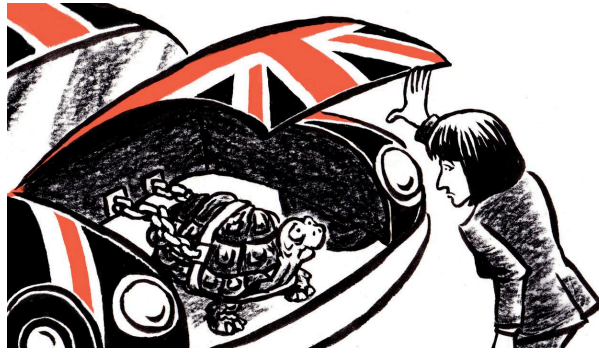


Illustration: David Simonds

## Britain's growth grind

Raising Britain's lacklustre economic-growth rate is the chief aim of the chancellor, [Rachel Reeves](#). Thursday's preliminary data, indicating that GDP grew by 0.3% in the second quarter, will have been welcome. Though that reflected a sharp slowdown from the first quarter's surprisingly strong 0.7% (which may have been flattered by a rush to beat new American tariffs), most economists had reckoned on a dismal 0.1% or so.

Ms Reeves likes to talk up growth. A bill to speed up Britain's restrictive planning system is before Parliament; the *Financial Times* reports that she is already preparing other legislation to hasten the building of critical infrastructure. Yet her own policies aren't all helping. Labour-market data published on Tuesday showed further declines in both payrolls and vacancies. For that, a rise in payroll taxes that kicked in this April surely bears some blame. Getting Britain growing faster will still be a long haul.



Photograph: eyevine

## Jimmy Lai's trial nears its end

On Thursday closing arguments were scheduled to begin in the trial of Jimmy Lai, Hong Kong's most famous political prisoner. (Hearings were adjourned because of Typhoon Podul.) The 77-year-old owned *Apple Daily*, once a popular pro-democracy newspaper. When the government in Beijing imposed a draconian national-security law on Hong Kong in 2020, he quickly became a target. But Mr Lai, a billionaire with British citizenship, [refused to flee](#). Now he faces a maximum sentence of life imprisonment for foreign collusion and sedition. His supporters say his only crime is pro-democracy journalism.

The trial illustrates the dismantling of civil liberties in Hong Kong. Since 2019 the territory has plunged by 67 places to 140th of 180 countries ranked in the World Press Freedom Index, published by Reporters Without Borders, an NGO. Dozens of journalists have been prosecuted; once-punchy outlets have been muzzled or closed. The government insists journalists are free to report if they “do not violate the law”. But today the story is really about the erasure of press freedom.



Photograph: Ingun Alette Mæhlum

## High stakes in the high north

Residents of Longyearbyen, the planet's most northerly permanent settlement, will brace for traffic jams on Thursday. The capital of the [Svalbard archipelago](#), part of Norway, is to host high-ranking officials including the prime minister, Jonas Gahr Store, for ceremonies marking 100 years of sovereignty. Norway's control is enshrined by the Svalbard treaty that came into force on August 14th 1925.

More is at stake than history lessons. The treaty grants nationals and companies of other countries, including Russia, rights to settle on Svalbard. Norway, a NATO country, has seen its relations with Russia chill in recent years and is anxious to avoid confrontation. A few hundred Russians live in [Barentsburg](#), a town just 40km from Longyearbyen. Russia declares Norway unfriendly and has accused it, and NATO more generally, of making use of Svalbard for military ends—something the treaty prohibits. Conflict remains unlikely, but as sea ice melts, geopolitical interest in the region is heating up fast.







Photograph: Getty Images

## The dark old days of New York

On screen, New York is gritty and rough. To some Republicans, it's a crime-ridden hellhole. In fact it is one of America's safest big cities—but it wasn't always. A new book by Jonathan Mahler —“[The Gods of New York](#)”—takes readers back to the days when homelessness, crack and AIDS bedevilled the city.

Non-New Yorkers will enjoy seeing familiar figures early in their careers: Rudy Giuliani when he was a throat-slittingly ambitious prosecutor; Al Sharpton when he was a rabble-rousing preacher; and Donald Trump when he was a wannabe casino mogul careening heedlessly into debt.

New Yorkers are prone to nostalgia, which Mr Mahler skilfully avoids, and to complaining about the mushrooming of chain stores and the cost of living. But New York really was a worse place to live in the late 1980s. On-screen grittiness is fun; the real thing belongs in the past.





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.

**Wednesday:** Which country music star is noted for hits such as “One More Last Chance” and “I Still Believe In You”?

**Thursday:** What does the L stand for in EFL and NFL, two sports competitions?

*To understand God's thoughts we must study statistics, for these are the measure of His purpose.*

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***Florence Nightingale***