

The world in brief

Catch up quickly on the global stories that matter

Delegations from **Russia** and **Ukraine** met for their first direct peace talks in three years in [Turkey](#). During the two-hour discussion Russia “voiced a number of things which we deem unacceptable”, said a Ukrainian spokesman. But both countries agreed to exchange 1,000 prisoners of war. “The next step”, urged Ukraine’s defence minister, is a meeting between Volodymyr Zelensky and Vladimir Putin.

Moody’s stripped **America** of its AAA **credit rating** because of worries about the country’s ballooning debt. It is the last of the big-three credit-rating agencies to downgrade America from its highest band, in this case to one notch below, or Aa1. Meanwhile, a group of conservatives blocked a Republican budget bill from coming before a full House of Representatives session, arguing it would increase the deficit.

Israel’s army said it had begun mobilising troops and had carried extensive air strikes in order to “achieve operational control” in **Gaza**. Gaza’s health ministry said the Israeli attacks had killed more than 250 people since Thursday, including women and children. The fresh assault came as Donald Trump concluded his tour of the Middle East—a trip on which he conspicuously [bypassed Israel](#).

Mr Trump said that America would announce **new tariffs** in the next “two to three weeks”. He said trade partners should expect letters telling them what “they’ll be paying to do business in the United States”. Several levies have been scaled back since their announcement in April, but Mr Trump said too [many countries](#) (150, he claims) wanted to negotiate reductions.

Novo Nordisk changed its boss, Lars Fruergaard Jorgensen, amid a fall in profits. The firm did not name his successor. The Danish maker of weight-loss drugs lost market share to competitors, especially America's [Eli Lilly](#). Tests of new medicines have also yielded disappointing results. Novo Nordisk was Europe's most valuable listed company last year; its shares have fallen by half from their peak.

The **International Criminal Court's** chief prosecutor, Karim Khan, has stepped down until a probe into sexual misconduct is completed. A junior staffer said Mr Khan forced himself on her, according to the *Wall Street Journal*. (He denies this.) Mr Khan has [accused](#) Israeli and Hamas leaders of war crimes, leading to arrest warrants. His two deputies will stand in during his period of leave.

Hadi Matar, the attacker of **Sir Salman Rushdie**, a [British novelist](#), was sentenced to 25 years in jail for attempted murder. The trial in New Jersey lasted for three months. Sir Salman—for decades the target of attacks for a novel deemed blasphemous by Muslim clerics—was partially blinded after being [stabbed multiple times](#) during a lecture in New York in August 2022.

Figure of the day: 16%, the increase in the average weight of a slaughtered cow in Brazil since 1997. [Read the full story.](#)



Photograph: Alamy

Japan's taxation debate

[Japan's economy](#) is feeling the squeeze from the rising cost of living and the turmoil caused by Donald Trump's tariff threats. These pressures have reignited debates over the country's consumption tax of 10% for most goods and 8% for essentials such as [food](#). Cutting the tax was once a left-wing rallying cry, but the idea has more recently gained support from opposition parties across the political spectrum, ahead of an election this summer. The ruling Liberal Democratic Party has called such proposals fiscally reckless, saying the tax helps fund social programmes for Japan's ageing population.

Adding to the pressure, on Friday the country released lousy preliminary GDP figures for the first quarter of 2025. They suggest the economy shrank by an annualised 0.7%, the first contraction in a year. Private consumption—which makes up more than half of the country's GDP—rose only marginally. Household spending remained weak due to higher food prices. The controversy over Japan's consumption tax will continue.



Photograph: Reuters

Syria after sanctions

On Tuesday Donald Trump said that America would [lift sanctions on Syria](#) to give the country “a chance at greatness”. Western sanctions, imposed on the dictatorial regime of Bashar al-Assad, have isolated the country from the global economy. But Mr Assad was toppled in 2024 after 13 years of civil war. Syria’s new leader, [Ahmed al-Sharaa](#), a former jihadist, has made relief from sanctions a priority. Mr Trump’s decision will aid his attempts to rebuild the economy.

The removal of sanctions will restore access to international payments systems and increase aid and investment. Foreign firms may bid for reconstruction contracts. But the road ahead will be difficult. Mr Trump’s decision took many American officials by surprise, leaving them to work out just how to peel away layers of sanctions. It may also require congressional approval. Syrians celebrated Mr Trump’s message. But it may take some time for them to benefit from it.

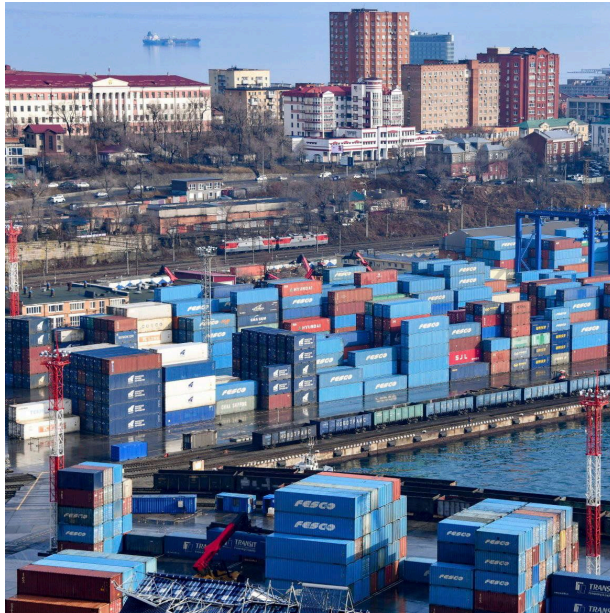


Photograph: Reuters

America's budget conundrum

Ordering a pizza for a crowd is tricky: everyone wants different toppings—and some don't belong on the same pie. Republicans on the Budget Committee of America's House of Representatives have a similar problem. The party is trying to [pass a bill](#) to fund Donald Trump's policy priorities and extend tax cuts that expire next year. Eleven House committees have begun drafting parts of the bill. The Budget Committee's job, which begins on Friday, is to make them all work together.

Unfortunately, like anchovies and pineapple, some don't pair well. Fiscal conservatives want to slash spending. Meanwhile some Republicans from high-tax blue states want to raise or remove a cap on how much taxpayers can deduct from their federal taxes to offset state and local taxes they have paid. That would be expensive. And Senate Republicans, who must also approve the bill, object to proposed cuts to Medicaid, a federal health-insurance scheme for the poor. Whatever the committee comes up with, some will find it hard to swallow.



Photograph: AP

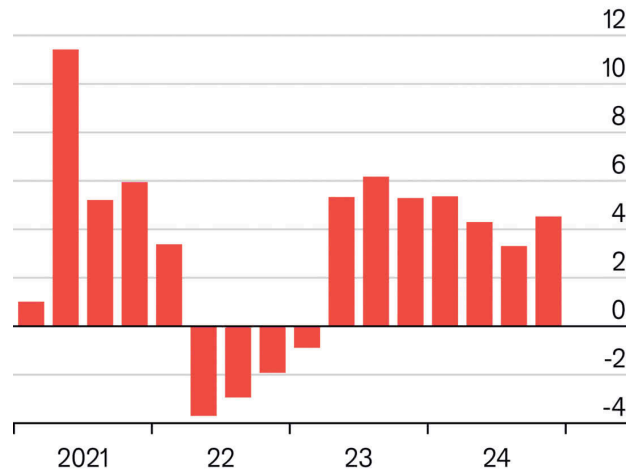
Russia's bear market

Since Vladimir Putin launched his invasion of Ukraine three years ago, Russia's economy has outperformed almost all forecasts. Following a mild recession in 2022, it grew rapidly in 2023 and 2024. But GDP figures released on Friday are [expected to confirm](#) what less comprehensive data have suggested for weeks. Russia's economy is slowing.

Year-on-year growth in the first quarter probably halved from 4.5% in the final quarter of 2024. There are three big reasons. First, Russia's wartime infrastructure splurge, which went towards [building up ports and roads](#) in the east, is coming to an end. Second, a military-spending push over the last couple of years is slowing. Third, lower oil prices—brought about by Donald Trump's trade war and [rising supply](#) from the Organisation of the Petroleum Exporting Countries—are reducing energy companies' revenues. The worsening economic situation will not force Mr Putin to the negotiating table. Yet talk of "Fortress Russia" looks increasingly wide of the mark.

Impregnable?

Russia, GDP, % change on a year earlier



Source: Haver Analytics



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.

Friday: Which traditional Australian song begins with the line “Once a jolly swagman camped by a billabong”?

Thursday: The state of Georgia has a nickname associated with which fruit?



Illustration: The Economist

The winners of this 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:

Jud Sinton, Hamilton, Canada

Carlos Sangil, Madrid, Spain

Marie-Christine Di Bartolo, County Donegal, Ireland

They all gave the correct answers of [Lahore](#), [Naira](#), [Greece](#) and [Lawrence Wong](#).

*The less there is of eloquence, the
more there is of love.*

Charles Perrault