

# Daily briefing | The Economist

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## Daily briefing

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Take five minutes to catch up on today's essential news

### The world in brief

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President Joe Biden joined other Democrats in calling on **Andrew Cuomo**, the Democratic governor of New York, to resign. The state's attorney-general released a damning report yesterday, after an investigation prompted by accusations of sexual harassment. It found that Mr Cuomo had groped and made suggestive comments to 11 women. State legislators may force him from office if he refuses to resign.

An **oil tanker** hijacked in the Gulf of Oman is sailing towards Iranian waters, according to Lloyds of London. The Asphalt Princess was boarded about 100km east of the Musandam peninsula. Iranian state television dismissed the accusation as a pretext for "hostile action". America, Britain and Israel had accused Iran of being behind a drone attack on another tanker last week.

An explosion announced a co-ordinated attack in **Kabul**, apparently aimed at the home of Afghanistan's defence minister, which ended in a firefight in the capital's most secure quarter. In the provinces, the country's armed forces are facing much worse. Anticipating an onslaught by the Taliban in Laskhar Gah, the capital of Helmand, the commanding general urged civilians to flee.

**Sanofi**, a French medical giant, ploughed \$3.2bn into the technology underpinning the mRNA vaccines that were designed to beat covid-19. In buying Translate Bio, an American firm that specialises in the stuff, Sanofi is betting on a hearty future for drugs made by manipulating messenger-ribonucleic acid. Covid is only the first of many diseases in the specialists' sights.

America's top securities regulator asked Congress for more power to protect investors in **cryptocurrency markets**, which he likened to the "Wild West". Gary Gensler, chair of the Securities and Exchange Commission, called the asset class "rife with fraud, scams and abuse". He noted that crypto is used more by money launderers and cyber-thieves than as a proper medium of exchange.

America's Centres for Disease Control and Prevention announced it will halt **evictions** in parts of the country hard hit by the Delta variant of covid-19. The protections are expected to cover 90% of the population for up to two months. A previous moratorium, enacted by the

CDC last September, expired at the end of July. Many states already have their own measures in place.

A **Belarusian** Olympian, who had refused to board a flight home from Japan, instead flew to Austria. She had been expected to go to Poland. Her husband left Belarus for Ukraine. In a video Krystsina Tsimanouskaya said she had been threatened for criticising her coaches and never meant to make a political statement. She also said she hoped eventually to return to Belarus.

**Fact of the day:** 6.6m, the number of new firms born in America since the start of the pandemic. [Read the full article](#).

## Today's agenda

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### Lo and behold: a bipartisan infrastructure bill

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Pity the printers. After frenetic bipartisan negotiations, a 2,702-page behemoth of an [infrastructure bill](#) was released on Sunday evening, which promised to shower hundreds of billions of dollars on roads, passenger railways, broadband and electric-vehicle charging stations. But getting toner to paper is only the start of things. This package is meant to be the bipartisan portion of a two-pronged infrastructure package. The second, stuffed with Democratic wish-list items on climate change and the safety net, is promised to be an even larger bill passed through a process called budget reconciliation, which would sidestep the threat of a Republican filibuster.

Even if the first package passes the Senate this week, as Chuck Schumer, the Democratic leader in the chamber, wishes, it will probably not pass the House of Representatives and become law until negotiations on the second version are completed. The printers will have more work ahead of them.

### Bit concerned: cryptocurrency regulation

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There is never a dull moment in the world of [bitcoin](#). The cryptocurrency rallied to \$42,000 over the weekend, helped by encouraging words from Elon Musk, the boss of Tesla, an electric-vehicle company, as well as unconfirmed rumours that an e-commerce giant, Amazon, may be entering the sector.

Yet since then it has fallen by nearly 9%. Not all investors are sanguine. China cracked down on bitcoin mining in June. Last week American legislators sealed a deal that would tax crypto investors. Other watchdogs are trying to rein in Binance, the largest crypto exchange.

Regulators are slowly grasping that a crypto mega-crash where, say, the price of [bitcoin falls to zero](#) would not just cause havoc among crypto investors. It could also hurt markets for traditional assets. One channel of contagion might be a run on stablecoins, which investors

use to trade cryptocurrencies without using the banking system. Expect further immune reactions.

## Feeling the heat: Alibaba's earnings

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Alibaba, a Chinese e-commerce group, has had a rough year. The company has been a primary target in a crackdown on tech companies in the country. In April it was hit with a record fine of 18bn yuan (\$2.8bn) for what regulators called abuse of its market dominance. Its once-high-flying co-founder, Jack Ma, hasn't been seen for months.

Today it released results for the quarter to the end of June. Its net income was 42.8bn yuan, beating expectations. But revenues fell short of expectations, at 205.7bn yuan. That represents year-on-year growth of 34%, a far cry from the 64% growth in the previous quarter. Industry watchers will be searching for hints that the company is out of hot water. But Alibaba's troubles are unlikely to cool anytime soon.

## Together for now: Brazil's Congress and Jair Bolsonaro

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Today Brazil's Senate resumes its investigation into the government's handling of the pandemic, which has claimed the lives of more than 550,000 Brazilians. The probe will focus on alleged corruption in negotiations for vaccines. A whistleblower testified in June about irregularities in a deal for 20m doses of the Indian-made Covaxin.

President Jair Bolsonaro is a particular focus of attention. A record number of people want him out and he is being investigated by prosecutors for corruption, which he denies. So far, demands for his impeachment have fallen on deaf ears. Mr Bolsonaro has created new ministries to cater to the *centrão*, a group of parties willing to stand by him. Meanwhile, ex-president Luiz Inácio Lula da Silva is leading early polls for an election in 2022. Yesterday Brazil's Supreme Electoral Court also opened an investigation into Mr Bolsonaro after he predicted, without evidence, that the election will be mired in fraud.

## Pray away the hate: an "ex-gay" documentary

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In 2013 Alan Chambers, the president of Exodus International, posted a statement on the organisation's website. Since the 1970s the evangelical Christian group had offered to "help people who wished to limit their homosexual desires" through prayer and conversion therapy (bogus attempts to change a person's sexual orientation). But Mr Chambers conceded that these methods were not only ineffective but also harmful to those it was purporting to help. "I am sorry that some of you spent years working through the shame and guilt you felt," he said, as he announced Exodus's closure.

"Pray Away", a documentary released on Netflix today, follows former Exodus leaders (many of them now openly gay), advocates of conversion therapy as well as its victims to explore the history of the "ex-gay" movement in America. Though the institution has closed, its

legacy endures. The belief that sexual or gender identity is a choice persists, particularly on the religious right. If only that could be prayed away.

### Summer quiz: week three

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Up for another battle with our baristas in a summer quiz? For week three, we'll again serve up a daily question. On **Thursday**, your challenge will be to **give all four answers and tell us the connecting theme**. Email your responses (and include mention of your home city and country) by 1700 BST on Thursday to [[email protected](#)]. We'll pick randomly from those with the right answers and crown one winner per continent on Friday.

**Tuesday:** Which ancient city had a coin depicting an owl?

Before Man goes to the stars he should learn how to live on Earth.

*Clifford D. Simak*