

Politics



Donald Trump sacked **Rex Tillerson** as secretary of state, announcing the defenestration on Twitter. Mr Tillerson had become increasingly detached from the White House as the president let it be known that he wanted to pursue a more muscular foreign policy. Concluding that his unconventional approach was reaping benefits, Mr Trump had earlier surprised South Korean envoys, and his own national-security team, by agreeing to meet Kim Jong Un for talks on **North Korea's** nuclear aims.

The new secretary of state will be **Mike Pompeo**, who currently runs the CIA. **Gina Haspel** steps up from deputy director to the top job at the CIA. She will be the first woman to hold the position if her appointment clears the Senate, where she will face tough questioning about her past supervision of "enhanced" interrogations at secret sites.

Republicans on the House Intelligence Committee released their report on **Russian meddling** in the 2016 election, concluding that provocateurs had interfered, but that there had been no collusion with the Trump campaign. Robert Mueller, the special counsel, is still investigating.

The governor of Florida, Rick Scott, signed a bill that raises the state's legal age for all **gun** purchases from 18 to 21 and introduces a three-day waiting period when buying a weapon. The law would have stopped the 19-year-old who massacred 17 people at a school near Miami from buying his semi-automatic rifle.

The Democrats claimed victory in a special election for a congressional seat in the suburbs of **Pittsburgh**. The seat had been held by the Republicans since 2003 and its voters chose Mr Trump in the presidential election by a 20-point margin. The win fired up the Democrats' hopes of taking the House in the mid-terms.

Forever Xi

China's rubber-stamp parliament, the National People's Congress, removed the two-term limit for presidents, allowing Xi Jinping to remain in office for life. It also announced the re-organisation of more than two dozen ministries and departments.

In **Hong Kong**, by-elections were held in four of the six seats where pro-democracy candidates had been removed from office for criticising the governments of China and Hong Kong during their swearing-in. The pro-democracy movement lost two of the seats, a blow to its standing.

Rodrigo Duterte, the president of the **Philippines**, threatened to withdraw his country from the International Criminal Court because it is investigating human-rights abuses in his bloody campaign against drug pushers and users.

A scandal over the sale of state land at a huge discount to a school with links to the wife of **Japan's** prime minister was revived, after the finance ministry admitted it had doctored documents relating to the sale before submitting them to parliament.

The mother of diplomatic rows Britain said it would expel 23 **Russian** diplomats in response to a nerve-agent attack on a former Russian spy and his daughter in Salisbury. Theresa May, the prime minister, said Moscow had reacted to the attack with "sarcasm, contempt and defiance". Russia said it would retaliate.

Lucy Allan, the MP for Telford, renewed her call for an independent inquiry into the

alleged **sexual abuse** of up to 1,000 "white working-class girls" in the English town by suspected gangs of men of South Asian origin. As with a similar case in Rotherham, the authorities have come under intense criticism for not investigating the claims because of the racial sensitivities.

Angela Merkel was sworn in as **Germany's** chancellor for a fourth term. The Social Democrats, coalition partners to her Christian Democrats, have been given the jobs of finance minister and foreign minister, filled by Olaf Scholz and Heiko Maas respectively.

The prime minister of **Slovakia**, Robert Fico, offered to stand down, following the murder of a young journalist who had been investigating official corruption. Huge crowds had demonstrated against Mr Fico in the capital, Bratislava, and other cities.

Anti-revolutionary forces

Colombians voted in legislative elections and presidential primaries. They rejected the candidates from the political party created by former rebels from the FARC, though the party is guaranteed ten seats in congress. Rodrigo Londoño, the FARC's leader, withdrew from the presidential race because of bad health. Iván Duque, the right's candidate, and Gustavo Petro, the left's man, are the front-runners in the presidential election.

Federal police in **Mexico** arrested a man they say was involved in the disappearance of 43 students from the town of Iguala in 2014. Erick Uriel Sandoval is accused of helping burn the students' bodies at a rubbish dump. Independent

experts have cast doubt on prosecutors' version of events.

Lawmakers in **Peru** put forward a motion to begin impeachment proceedings against Pedro Pablo Kuczynski, the president, who is defending himself in congress against accusations that he lied about donations from Odebrecht, a Brazilian construction firm.

Close shave

A roadside bomb in Gaza targeted the convoy of the **Palestinian** prime minister, Rami Hamdallah. The Palestinian Authority called the explosion an assassination attempt and held Hamas, the Islamist group that controls Gaza, responsible for the breakdown in security, but did not accuse it of carrying out the attack.

Israel's government settled a dispute over a bill that would extend an exemption from military service for ultra-Orthodox **yeshiva** students. The row threatened to bring down the government. However, there is speculation that Binyamin Netanyahu, the prime minister, wants an early election as he faces multiple corruption investigations.

Haider al-Abadi, the **Iraqi** prime minister, issued a decree lifting a ban on international flights to and from the **Kurdistan** region. Kurdish authorities agreed to place the airports under federal control, according to the decree.

Julius Maada Bio, a former leader of a military coup, won the first round of **Sierra Leone's** presidential election. He will face Samura Kamara, the ruling party's candidate, in the run-off.

Happiness, happiness

Burundi came last in the annual **World Happiness Report** by the UN, which ranks countries on factors such as life expectancy, freedom and corruption. Burundi edged out the Central African Republic, which came bottom last year. Norway, the happiest country in 2017, was nudged out of the top spot by Finland. ►►

Business

In an extraordinary intervention, Donald Trump blocked **Broadcom's** hostile bid for **Qualcomm** on national-security grounds. Based in Singapore but with half its staff in America, Broadcom had been pursuing its rival chipmaker for months. To defend itself, Qualcomm had turned to the Committee on Foreign Investment in the United States, which recommended that Broadcom should be stopped. The president's order is based on a fear that allowing Qualcomm to fall into foreign hands would boost China's role in global chipmaking.

The end of a forgotten era
Blackstone, one of America's private-equity titans, revealed that China's sovereign-wealth fund had sold its holding in the firm. The stake had been purchased in 2007, the first time the Chinese fund had invested commercially in America, eliciting hopes at the time of closer business ties between the two countries.

The **securities regulator** in China slapped a 5.5bn yuan (\$871m) fine on the country's largest private owner of cargo railcars for manipulating the share price of three companies it had invested in. It was the largest penalty handed down by the regulator to date, equivalent to 70% of the fines it dished out in total last year.

Larry Kudlow was given the job of Mr Trump's economic adviser, following Gary Cohn's resignation in the wake of the president's imposition of steel tariffs. Mr Kudlow is a conservative broadcaster who may be more in tune with Mr Trump's economic agenda than Mr Cohn was. He worked in Ronald Reagan's budget office and describes himself as a "supply-sider".

The identity of the likely successor to Lloyd Blankfein as chief executive officer of **Goldman Sachs** became clearer when Harvey Schwartz

abruptly stepped down as co-president, leaving the path clear to the top job for David Solomon, the other co-president. Mr Blankfein has led the bank since 2006.

The Securities and Exchange Commission fined Elizabeth Holmes, the founder of **Theranos**, a blood-testing startup that was once a darling of Silicon Valley, \$500,000 to settle claims of fraud. The-**ranos** fell foul of regulators in 2015 amid revelations that it had misled investors. Ms Holmes agreed to settle the charges without admitting wrongdoing.

Martin Shkreli was sentenced to seven years in prison, after being found guilty last August of securities fraud related to hedge funds he once ran. Mr Shkreli is notorious for increasing the price of some medicines by up to 5,000% at a drugs company he founded, earning him the sobriquet of America's "most hated man".

Dropbox priced its forthcoming IPO at between \$16 and \$18 a share. That values the file-sharing service at up to \$7.9bn, much less than the \$10bn it was thought to be worth at its last round of fundraising in 2014.

Following a similar decision by Facebook, **Google** said it would ban advertisements for **crypto-currencies** such as bitcoin across all its platforms, including YouTube and its display-ad network.

Tesla beware
Volkswagen laid out plans for the "massive expansion" of its range of **electric cars**. The German company will open 16 production sites within five years in Europe, China and America to make electric vehicles, with a goal of selling 3m a year by 2025. It also announced partnerships with manufacturers to supply car batteries to Europe and China. Meanwhile, GEM, a battery-recycling firm in Shenzhen, signed a contract with Glencore to provide it with 50,000 tonnes of **cobalt**, a key element in car batteries. That is half the total amount of cobalt produced worldwide last year.

Unilever chose Rotterdam as the site for the headquarters of a new unified company. It is a symbolic blow to the British government, which had hoped the Anglo-Dutch consumer-goods group would keep its headquarters in London. The company denied that the decision was connected to Brexit.

In a complex transaction that reshapes Germany's power industry, **E.ON** and **RWE** agreed to swap assets in a deal that leaves E.ON as an operator of energy networks with a large retail presence and RWE as a producer of renewable energy. Utilities have been forced to reconfigure their businesses in response to the government's *Energiewende* policy, which directs them to pivot towards renewables.

Shop till someone else drops



Under pressure from Amazon in the mushrooming market for online food shopping, **Walmart** announced that it will extend its grocery-delivery service to more than 100 American cities. Instead of using its own drivers Walmart will employ transport startups, including Uber.

For other economic data and news see Indicators section

