

The Economist

Can Friedrich Merz save Germany?

How America and the EU get AI wrong

What the Letby case says about Britain

The man who understood parking

FEBRUARY 15TH-21ST 2025

BATTLE FOR THE PENTAGON

Can Donald Trump remake American defence?



Contents



On the cover

Will DOGE wreck the Pentagon or reform it? Leader, page 9. To win future wars, America needs new weapons, new suppliers and a new system of procurement: briefing, page 16. Defence tech is all the rage in Silicon Valley: Schumpeter, page 56. Meet Europe's defence disrupter, page 54

Can Friedrich Merz save Germany?

He is likely to win the election, but to fix Europe he will first have to fix his own country: leader, page 10. Germany's probable next leader talks to *The Economist* about Ukraine, saving the economy and beating the AfD, page 40

How America and the EU get AI wrong

Both need to rethink their approach: leader, page 11. AI looks likely to widen social divides, page 57. Top-flight large language models are getting much cheaper, page 66

What the Letby case says about Britain

It increasingly looks as if the conviction of a nurse for killing babies was questionable, page 46. Her case exposes a British affliction: leader, page 12

The man who understood parking

Donald Shoup exhorted America to love meters: obituary, page 74

→ The digital element of your subscription means that you can search our archive, read all of our daily journalism and listen to audio versions of our stories. Visit economist.com

The world this week

- 7 A summary of political and business news

Leaders

- 9 American defence Battle for the Pentagon
- 10 Friedrich Merz Can he save Germany?
- 11 Artificial intelligence The Paris discord
- 11 Taiwan China's diplomatic coup
- 12 The Letby case Blind Britain

Letters

- 15 On diversifying portfolios, the *London Gazette*, exit taxes, social media, red tape, braindance

Briefing

- 16 Disrupting the Pentagon How to win future wars



Bartleby Getting people to resign, page 55



United States

- 19 Federalist capers
- 20 Quid pro quos
- 21 Disused planes
- 22 USAID dismantled
- 23 DOGE at the Treasury
- 24 Lexington Bob Dylan



The Americas

- 25 Where migrants really go
- 26 Showdown with a sect
- 27 Free-market tea



Asia

- 28 Trade in Asia
- 29 Modi and Trump
- 30 The Cook Islands
- 31 Banyan Top Gun fantasies



China

- 32 Food security
- 33 The ice-and-snow economy
- 34 Power and Panama



Middle East & Africa

- 35 Trump v South Africa
- 36 African aquaculture
- 37 Dispatch from Homs
- 38 Raiding a bookshop
- 38 Lebanon's government
- 39 Israel and Hamas



» Contents continues overleaf