



Time to push back

The U.S. has been emboldened to make increasing demands on India

The latest accusation levelled by the United States against India has the potential to be the most harmful to the Indian economy. A recent White House report, naming around 40 countries in all, has said that India ranks among the top 'enablers' of China's evasion of U.S. tariffs. The accusation is that India and these other countries are importing Chinese goods, making minor modifications to them, and then exporting them to the U.S. at lower tariffs than what Chinese goods would have faced. The fact that Chinese imports form a significant pillar of Indian manufacturing is no secret. Yet, the nature of these imports is slowly changing. India is gradually moving away from importing finished products, making cosmetic changes, and selling them. Instead, the share of intermediate goods in Indian imports from China has been steadily rising. That, India is doing much of its own assembly and manufacturing in several sectors now, relying on China and other countries for the parts needed. This shift is an important step towards full-scale manufacturing in India. The U.S. has not yet announced punitive actions based on its assessment of apparent Chinese tariff evasion, though that eventuality is conceivable. However, should it do so, India must resist bowing to U.S. pressure on this issue. As even the government has admitted, Chinese imports right now are an important part of the Make in India story.

The fear of India bowing to U.S. pressure is based on precedent. In its first term as U.S. President, Donald Trump railed against India's tariffs on high-end motorcycles. In 2018, India cut these tariffs to 50% from the earlier 60%-75%, and then cut them further to 40% in February 2025, before trade deal talks had even started. Similarly, it slashed the import duties on shrimp feed and its components in the February 2024 Budget, a key ask of the U.S. It did the same with tariffs on frozen duck and turkey. The pressure of the 50% punitive tariffs pushed India to diversify away from Russian oil, despite India's strident claims of energy sovereignty and the discount it was receiving. Russia's share in India's oil imports fell to below 20% in January 2026, from nearly double that when the 50% tariffs were imposed six months earlier. This had happened with Venezuelan oil in 2019 as well. It was the West Asia crisis, and the U.S.'s temporary reprieve, that has seen India turning back to Russian oil. Allowing FDI in the e-commerce inventory model, as India recently did, was something Amazon had been lobbying for a decade, and a dilution of India's long-held stance. The U.S. can wield immense pressure and so concessions are understandable. But that has emboldened it to make increasing demands. India needs to start pushing back.

Beyond America

Arab States can no longer depend on the U.S. for their security needs

Donald Trump's threat to bomb Oman, a long-standing American ally in the Persian Gulf, reflects both his administration's deepening frustration with the war against Iran and Washington's declining influence in the region. This is the second time that the U.S. leader has threatened to attack Oman, which hosted talks between Washington and Tehran before he launched the war on February 28. When Mr. Trump backed down from a threatened escalation after 13 days of bombing on Iran in July, he said the U.S. and Iran were close to a deal on reopening the Strait of Hormuz, which was closed by Iran after it was attacked. But Iran never said that it had agreed to a deal with the U.S. over the Strait and instead issued several demands, including releasing frozen funds and issuing sanctions relief, as preconditions for any agreement. Ever since, Oman, under U.S. influence, has been talking to Iran seeking a settlement. As Iran, which survived two rounds of U.S. bombings, refused to offer major concessions, the U.S.'s frustration with Oman has deepened. Mr. Trump has repeatedly claimed that the Strait of Hormuz was open, but traffic through the waterway, through which one-fifth of the world's seaborne oil passed before the war, is nowhere near its pre-war levels.

The war has raised questions about America's regional security strategy and its commitment to the security of its allies. Over the years the U.S. had built military bases across the Persian Gulf. However, Tehran has turned these bases into a liability by repeatedly striking them and their host countries. At least 15 American bases, including the Fifth Fleet Headquarters in Bahrain, are either damaged or destroyed, which has substantially reduced the U.S.'s strategic presence. But Mr. Trump does not seem to grasp the seriousness of the situation. Instead of reassuring the allies, he is now threatening to bomb them because they are not able to deliver on his push for a face-saving deal with Iran. From day one of the war, his threats and rhetoric did little to advance America's strategic goals or deter Iran. But Mr. Trump, stuck deep in the Persian sands, appears unable to change tack. Whether he acknowledges America's growing limitations in West Asia or not, countries in the region confront a new strategic reality: the foundations of the old security architecture have been shaken. In their hour of need, American bases have turned out to be a liability. They should also recognise that the decades-old policy of containing Iran has failed. To ensure their own security and regional stability, the Persian Gulf countries need to look beyond the American security umbrella and lay the foundations for a new regional order, shaped by a cold peace between the Arab states and Iran.

Rural workers are paying a heavy price for the Union Government's ill-conceived tinkering with India's employment guarantee law. Indeed, evidence is mounting of an unprecedented crash in employment generation under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and its successor, the Viksit Bharat-Guarantee for Rozgar and Aajeevik Mission (Gramin) alias VB-G RAM G Act.

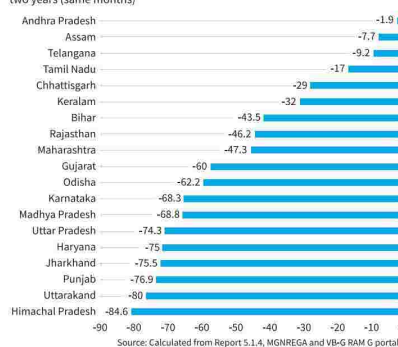
One aspect of this crash has been widely noted: the 50% decline in employment generation under VB-G RAM G in July 2026, vis-à-vis MGNREGA in the same month last year. The 50% estimate is actually based on a premature figure of 7.7 crore person-days for July 2026. The latest figure is 8.3 crore, and the final figure is likely to be around 9 crore according to the Ministry of Rural Development. But even if we accept this anticipated total for July, the decline vis-à-vis July 2025 would be above 40%, which is a massive setback.

Misleading excuse

The Ministry of Rural Development made a lame attempt to attribute this setback to the fact that a few States explicitly suspended VB-G RAM G in

Employment decline in April-July 2026

Percentage change in person-days, April-July 2026 versus average of previous two years (same months)



Jean Drèze

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Independent scholar based in Ranchi, Jharkhand

VB-G RAM G has driven employment guarantee into the ditch

parts of July 2026 under Section 6 of the Act, but this is the mother of all red herrings. For one thing, these States account for a small share of total MGNREGA employment, and the July 2026 decline looks much the same in proportionate terms when these States are left out. For another, the July decline is just the continuation of a crisis that began earlier.

Some background may help. A Bill paving the way for the replacement of MGNREGA with VB-G RAM G was rushed through Parliament in December 2025. The Rural Development Minister announced, at that time, that the replacement would take place on April 1, 2026. However, nothing of the sort happened on April 1.

Evidently, the Ministry was not ready for the transition. The Rules, in particular, had not been framed. MGNREGA continued, by default.

On May 22, 2026, the Ministry released draft VB-G RAM G Rules for public consultation. These Rules are mainly a rehash of MGNREGA rules and orders. Release of the final Rules began at the end of June, just on time for the official replacement of MGNREGA with VB-G RAM G on July 1. VB-G RAM G wage rates were also notified on June 30, with a minimum norm of ₹300 per day – much the same as the earlier MGNREGA norm of ₹100 per day at 2009-10 prices.

The transition, the ground reality

During the first three months of this financial year (April to June), confusion prevailed. To paraphrase Gramsci, the old world of MGNREGA was dying, and the new world of VB-G RAM G was struggling to be born. In some districts, MGNREGA functionaries refused to open new works. In many areas, there was no MGNREGA work at all. This was a serious lapse, as MGNREGA is normally at a peak during these summer months (a slack agricultural season in large parts of India). The limbo continued in July 2026, when VB-G RAM G made a faltering start.

In 2024-25 and 2025-26, the first four months of the financial year (April to July) accounted for nearly 50% of annual employment generation – 128 crore and 119 crore person-days, respectively. In 2026-27, however, MGNREGA and VB-G RAM G generated only 70 crore person-days of employment in the same months – a decline of 43% from the average of the preceding two years. Employment declined in all major States, but the decline was far from uniform across States (see chart). It was relatively small in a few States (example, Andhra Pradesh, Assam and Telangana), but larger than 40% in most States. In



At Honnakirang village in Kalaburagi district, Karnataka. ARUN KULKARNI

10 out of 19 major States, the decline ranged between 60% and 85%. States where employment generation came to a virtual standstill in April-July 2026 include Madhya Pradesh, Uttar Pradesh and Jharkhand, some of India's largest and poorest States.

This crash in employment is all the more startling as the transition to VB-G RAM G was supposed to lead to a huge increase in employment generation. The VB-G RAM G allocation in the 2026-27 Union Budget is ₹95,692 crore – a little more than the actual MGNREGA expenditure in 2025-26. The total VB-G RAM G budget, inclusive of State contributions (40% of the total for most States), was due to shoot up to ₹1.5 lakh crore or so – an increase of about 70% vis-à-vis MGNREGA expenditure in 2025-26. With wages more or less unchanged in real terms, one would expect this enhanced budget to trigger a big increase in employment generation. Instead, the first four months of 2026-27 witnessed an unprecedented crash.

An uncertain road ahead

It is, of course, too early to pass judgement on VB-G RAM G. But the launch is certainly a damp squib as things stand. The fact that employment generation has been virtually nil for months in some of India's largest and poorest States is particularly alarming.

The situation may improve in the next few months, but it is hard to see how the projected VB-G RAM G expenditure of ₹1.5 lakh crore in 2026-27 is going to materialise. Wage payments may face serious problems too, with the imposition of fiscal recognition at the worksite and Centre-State cost-sharing. The outlook is bleak.

A vision for an inclusive Bangladesh

The July Uprising of 2024 was not an isolated event in Bangladesh. Rather, it was the culmination of nearly two decades of democratic struggle.

Bangladesh has a long and strong history of striving for democracy. The Bangladesh Nationalist Party (BNP), which is currently in government, has consistently advocated democracy and contributed to efforts to build an inclusive society in which freedom of speech, social harmony, the rule of law, and human rights are upheld.

Since the July Uprising, the BNP, as the country's largest political party, has repeatedly emphasised the importance of keeping society united and building a better Bangladesh for all. In the aftermath of the uprising, the then BNP Chairperson and former Prime Minister Begum Khaleda Zia, in a video message, called for "no destruction, no revenge, no vengeance", and urged the people to build a society based on knowledge, peace, and justice.

Towards an inclusive and equal Bangladesh

Following the July Uprising and the fall of the previous regime, Bangladesh Prime Minister Tarique Rahman strongly condemned mob violence and repeatedly emphasised the importance of protecting the rights and dignity of every citizen, including religious and ethnic minorities.

The BNP's traditional position on minority rights is rooted in the principle that Bangladesh should not be defined through a majority-minority framework. Regardless of religious, race, geographical location, or ideological position, every citizen in the country should be able to enjoy their religious, political, cultural, and social rights without hindrance. The government's position is that religion is an individual matter, but the state is for all.

This principle is also reflected in the government's public programmes. At the beginning of major state functions, verses and teachings from the Quran, the Gita, the Tripitaka, and the Bible are presented, reflecting the government's stated commitment to respecting



Shahadat Shadin

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citizens of all faiths equally. For the first time in Bangladesh's history, the Tarique Rahman government has appointed Bijon Kanti Sarkar as Special Assistant to the Prime Minister, with the status of a state Minister and responsibility for minority rights. The appointment is intended to strengthen institutional attention to minority concerns and provide a channel through which their issues can be brought directly to the Prime Minister's attention.

The Bangladesh government has also sought to ensure broader representation in public institutions, the Cabinet, and Parliament.

Alongside Hindu representatives and an indigenous representative from the Chittagong Hill Tracts, the party nominated Anna Minj to a reserved parliamentary seat. She belongs to the Oraon indigenous community and also represents the Christian community. These appointments reflect the objective of building a more inclusive political system.

Another significant social-welfare initiative is the provision of allowances to religious representatives serving in mosques, temples, Buddhist monasteries, and churches. The policy is intended to recognise religious institutions across communities on an equal basis and demonstrate the government's commitment to treating citizens from all faiths with equal dignity.

Honouring 1971, embracing 2024

The BNP's commitment to Bangladesh's founding history is also deeply rooted in its institutional heritage. The party's founder, Shaheed President Zia Rahman, was the proclaimer of independence in 1971 and a valiant freedom fighter of the nation. The spirit and legacy of the Liberation War therefore remain central to the party's political identity.

For the BNP, upholding the aspirations of 1971 means ensuring democracy, development, human rights, and national dignity. The party has also strongly rejected attempts, particularly in the period following August 5, to create a false conflict between the legacy of 1971 and the aspirations associated with the events of 2024.

The two moments should not be viewed as

competing narratives. The year 1971 is the root of Bangladesh's national identity, while 2024 represents a renewed inspiration for democratic aspirations and political transformation.

This understanding has also been reflected in the government's symbolic initiatives. After assuming office, Prime Minister Tarique Rahman named galleries in Parliament in honour of the heroes of 1971 and 2024. He also named the main entrance of Parliament after General M.A.G. Osmani, the commander-in-chief of Bangladesh's Liberation War.

Domestic and foreign policy

The government's domestic policy priority is to ensure quality education and proper health care for every citizen. As a delta nation, it also prioritises sustainable development and environmental conservation. It focuses on job creation, social welfare, human development, economic diplomacy, global trade, and strategic partnerships around the world.

Regarding foreign policy, the government believes in putting Bangladesh first and adopting a self-respecting, active, and responsible global position based on equality, fairness, and mutual respect.

The founder of the BNP, Shaheed President Ziaur Rahman, was a proponent of the South Asian Association for Regional Cooperation (SAARC), and the party continues to prioritise making SAARC more effective. Bangladesh's current government promotes friendly bilateral relations with other countries, including its neighbours, on the basis of sovereign equality, national dignity, non-interference in each other's internal affairs, and mutual benefit.

Under Tarique Rahman's leadership, Bangladesh seeks to build a people-centred welfare system and a society based on peace, justice, and equality for people of all religions and beliefs. Overall, these initiatives demonstrate an attempt to connect Bangladesh's historic struggle for democracy, human rights, inclusion, and accountable governance.

The views expressed are personal

LETTERS TO THE EDITOR

Students bear the burden

The Jharkhand students' agitation, coming as it does close on the heels of the recently held CUP-led Jantar Mantar agitation, has put the education on edge. It signifies that the agony and angst of the student community are not localised or limited to Delhi and Jharkhand but are spreading like a pandemic across the country. This exposes the decadence of the entire education and

examination ecosystem in the country and the lack of accountability in the governing architecture. What is all the more deplorable and intriguing is that not only have paper-leak cases occurred with alarming frequency, but the results of examinations conducted without any reported leaks have also not been declared for inordinately long periods, for no ostensible reason, to the chagrin and

utter dismay of job-seeking students. The selling of jobs for money by those sitting at the helm of affairs makes the problem all the more vicious and difficult for poor, eligible students to cope with in a system mired in corruption. Although education is a subject on the Concurrent List under the Constitution, this malady needs to be addressed through drastic measures at the national level. Those responsible for

this mess need to be brought to book and meted out exemplary punishment through time-bound legal proceedings. The issue needs to be addressed lock, stock, and barrel; otherwise, the crisis could put the whole nation on the boil sooner rather than later.

Ravi Mathur,

Noida, Uttar Pradesh

Elections and finance

It is an open secret that money power is one of the

deciding factors in determining the outcome of elections (inside pages, "Black money in elections hampers democracy, says Supreme Court", August 18). Money is spent like water, and cases of large amounts of currency being seized are regularly reported. The job of the Election Commission of India does not begin and end with conducting polls and declaring results. It also needs to scrutinise

expenditure on the massive arrangements made during election campaigns. Political parties should be required to disclose and substantiate the sources of their funds. While the government insists on curbs on FCRA, why is it silent on massive election expenditure?

Balasubramaniam Pavan,

Secunderabad

Letters emailed to letters@thehindu.co.in must carry the postal address.

Education must change to account for AI

The spectre of a world orchestrated by Artificial Intelligence (AI) looms over discussions at coffee tables, in industry, and in the corridors of power. Opinions about what the near future portends range widely. While some suggest that superintelligence is only a few years away, others say it is many years away. Questions about education too are frequent, but mostly with respect to teaching and examinations. Only a few bring up preparedness for the jobs of the near future.

The nature of work at every level is changing rapidly and unpredictably. It is not just that 'vibe coding' threatens to render much routine coding obsolete. With wisely configured agents and other tools, even important work can be made routine, leaving fewer employees to provide oversight.

An overhaul of work

The same acceleration is coming to manufacturing, and will affect every sector in which India has strengths. In generic drugs and biosimilars, AI is reshaping molecule screening and formulation, while robotics and machine vision will increasingly handle synthesis and quality control. Vaccine development and manufacture will also change visibly: AI can help design antigens and predict immune responses, while robotic bioreactors, automated fill-finish lines, and AI-managed logistics will make production faster, cleaner, and more precise.

Indian industry will no doubt pivot to meet these challenges. Companies may survive and prosper, but their employee profiles will change dramatically. Many entry-level positions will disappear, but people with deep domain expertise will still be needed, and such expertise cannot magically be acquired at the point of entry.

The earlier technological revolutions were met by extending



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education: from basic literacy to primary school, then high school, college and, increasingly, professional master's degrees. Each transition asked people to acquire and retain more knowledge before entering the workforce. That strategy is now running out of road. As AI systems advance, the comparative need is no longer for humans to simply store ever more information in their heads. It is to know what must be understood deeply, what can be retrieved when needed, and how to learn quickly in unfamiliar situations.

How education must change

Education must therefore do two things that may appear contradictory: thin out what it teaches, while providing far more opportunities to learn on the fly. The objective is not less rigour but a different kind of rigour – selection, synthesis, judgement and adaptation. Students need repeated experience in confronting problems whose answers are not in the syllabus, finding the relevant knowledge, and using it with judgement.

The task before our education system is to prepare young people for an unpredictable future. There are no easy fixes. For reasons of accident and design, our higher-education system resembles a bowl of *seviyan* payasam (vermicelli pudding):

there are gems of raisins and cashews, but much of it is slippery and impossible to untangle. Yet a few simple steps could have a disproportionate impact.

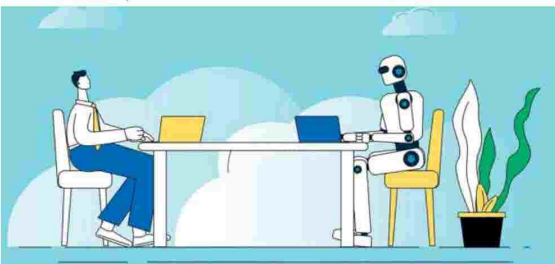
Learn via practice

The ideal way to train an expert is through apprenticeship: one student working closely with one teacher or practitioner. However, that model cannot be provided at scale at this time.

But the National Education Policy's four-year undergraduate structure already provides for a research pathway in the final year, which is the closest institutional equivalent available.

In practice, residual coursework often crowds out the immersion the policy intends. Universities should allow any remaining essential coursework to be completed online and free students to spend the year embedded in industry, working with university laboratories or national laboratories. There they could work alongside people solving real problems, encounter uncertainty, and learn how to acquire knowledge as it becomes necessary.

A future we cannot predict cannot be prepared for by adding ever more material to the curriculum. We should instead give undergraduates the time and freedom to practise entering the unknown.



GETTY IMAGES

Panic over Telangana's voter purge

The CM has sounded the alarm bell over mass deletions during the SIR process

STATE OF PLAY

Ravi Reddy

The ruling Congress party has sounded the alarm over Telangana's ongoing Special Intensive Revision (SIR) of electoral rolls fearing a structural voter purge similar to, what it describes as, the "West Bengal and Assam model" where large-scale deletions allegedly altered electoral outcomes.

The concern was raised by Chief Minister A. Revanth Reddy during a recent Zoom meeting with senior party leaders, where the Chief Minister expressed strong displeasure over the manner in which the Congress had handled the ongoing SIR exercise. Mr. Reddy alerted his Cabinet colleagues and party cadre that a potential reduction of 21% in voter numbers could have serious consequences.

The Chief Minister criticised the party organisation for their "lackadaisical approach" during the field verification process. While Opposition parties were closely monitoring voter data and enrolment patterns, the Congress failed to deploy adequate Booth Level Agents to safeguard its voter base, he felt. This, he argued, allowed lapses in the electoral revision process to go unchecked.

According to the Telangana Chief Electoral Officer's (CEO) office, of the total electorate of 3,38,26,448, a total of 2,64,86,214 enumeration forms have been digitised, representing a completion rate of 78.3%. The remaining 21.7% have been classified as "uncollectable". In addition, nearly 20 lakh entries have reportedly been identified as technically inconsistent or unmapped. Together, these categories ac-



count for nearly 94 lakh electors who may face scrutiny during the revision process. The "uncollectable" category includes 9,22,230 deceased voters, 11,25,546 marked absent or untraceable, 45,18,961 listed as permanently shifted, 6,70,203 shown as enrolled elsewhere, and 1,02,294 classified under other categories.

Why Congress is worried

The Congress leadership's anxiety stems largely from the possibility that a disproportionate number of deletions could affect the voting rights of the poorer sections of society. The party's electoral support base includes minorities, low-income households, and socio-economically weaker groups. From the Chief Minister's perspective, the high number of 'uncollectable' forms is not merely an administrative issue but a matter with wider demographic implications. Drawing parallels with voter-list controversies witnessed in other States, Mr. Reddy asserted that, "losing a vote does not merely disenfranchise a citizen; it can also affect access to welfare-linked identity systems and government benefits," he asserted.

Several factors are being cited for the unusually large number of affected voters. One explanation was that overburdened Booth Level Officers allegedly skipped mandatory door-to-door verification in several areas and

instead, operated from centralised collection points. As a result, persons who could not visit these centres were marked as unavailable.

A preliminary assessment within the ruling party suggests that the issue is concentrated in districts surrounding Hyderabad. The erstwhile districts of Hyderabad such as Rangareddy, Medak, Mahabubnagar and Nalgonda have witnessed substantial migration to the capital region over the years. This has led to a "dual voter" imbalance, according to party leaders. People from those districts choose to retain their votes in the native places. Across the 28 Assembly segments falling under the Hyderabad, Secunderabad, Chevella and Malkajigiri Lok Sabha constituencies, local enrolment rates are reported to be relatively low. A significant number of residents are believed to have retained voter registrations in their native districts rather than transferring them to Hyderabad. Similarly, migrant workers from Bihar, Chhattisgarh, and other States are also choosing to vote in their home States rather than registering locally.

Any elector whose form is missing, uncollected or found to contain discrepancies may face further scrutiny during the claims and objections process. The Congress party now hopes to identify such voters and assist them during the revision process. For the Congress, the upcoming claims and objections phase is no longer a routine electoral exercise. It has evolved into a high-stakes effort to protect what the party sees as its core voter base before the final rolls are published. To what extent the damage-control operation will succeed remains to be seen.

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PM CARES donations have dropped, and utilisation is abysmal

The corpus of PM CARES grew by 26% in two years despite drop in donations due to accrual of interests. However, utilisation of the funds has reduced

DATA POINT

Pon Vasanth B.A.

The audited financial statements of the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM-CARES) Fund, released for the financial years of 2023-24 and 2024-25 after a delay of two years, showed that donations had dropped and the utilisation of available funds was abysmally low. The corpus grew by 25.8% between 2023-23 and 2024-25 from ₹6,722 crore to ₹8,453 crore. However, in the same period, the utilisation dropped from ₹437.9 crore to just ₹87.5 lakh, which was 10,000 times smaller than the available corpus (Chart 1). The money flowing into funds through donations and interests from corpus far exceeded the money disbursed since 2023-23 (Chart 2).

Moreover, "refunds" from "implementing agencies" were far higher than the money utilised (Chart 3). Neither the details of these implementing agencies nor the purpose for which the refunded money was originally allotted has been made available.

Additionally, donations have also dropped sharply. The growth in the corpus was mainly due to earnings through interests. In 2024-25, the income received through interest payments (₹475 crore) was almost the same as donations (₹480 crore) (Chart 4). The sharp increase in interests' income could be attributed to the Union government moving the corpus from savings account to fixed deposits in 2023-24 (Chart 5).

Ever since its creation as a public charitable trust in March 2020, PM-CARES has come under criticism for its lack of transparency, refusal to share information, and inordinate delays in releasing financial statements. The prolonged delay (Chart 6) in the release of statements coincided with the Centre changing the auditors.

Transparency deficit

The delays in the release of financial statements were calculated using Internet Archive and the metadata available in the official website of PM-CARES Fund

CHART 1: While the corpus of the PM-CARES Fund continued to grow, the utilisation has dropped sharply after COVID-19 pandemic (values in ₹ crore)

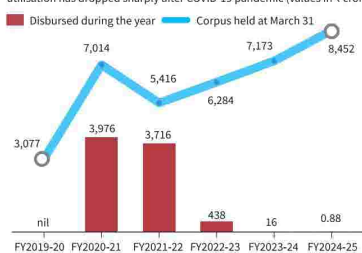


CHART 2: Since 2020-23, the money flowing into the fund has far exceeded the money disbursed (values in ₹ crore)

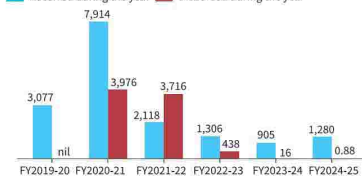


CHART 3: In 2023-24 and 2024-25, the money refunded by "implementing agencies" was much higher than the money utilised (values in ₹ crore)

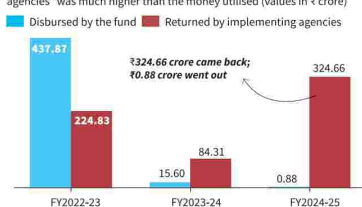


CHART 4: Donations to PM-CARES Fund has considerably reduced. In 2024-25, the income through interests' was almost the same as the donations received



CHART 5: In 2023-24, the government moved the corpus from savings accounts to fixed deposits, which was the likely reason for increase in income through interests

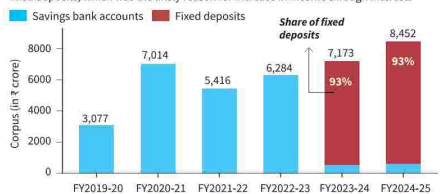


CHART 6: The table shows the delays in the release of audited statements. The last two were approved together by auditors

Financial year	Date published	Delay (days)
FY2019-20	Aug 19, 2020*	141
FY2020-21	Feb 8, 2022	314
FY2021-22	Nov 1, 2022*	215
FY2022-23	Dec 28, 2024	638
FY2023-24	Aug 17, 2026	869
FY2024-25	Aug 17, 2026	504

FROM THE ARCHIVES

The Hindustan

FIFTY YEARS AGO AUGUST 19, 1976

Collection of night soil on Singapore model

New Delhi, August 18: The Centre has advised the State Governments to launch a pilot project in selected cities for night soil service on the model of Singapore.

This follows the recommendation of the Committee set up by the Works and Housing Ministry to examine the report of Sivaraman Committee on urban wastes.

Only 200 out of the 3,000 urban centres in the country are now sewered. Even of these, most centres have only partial sewerage. Thus, large pockets of urban population are outside the coverage of sewer system. Since sewerage has not been able to keep pace with the rapid expansion of cities, the Sivaraman Committee has come to the conclusion that night-soil collection will continue for quite some time. The issue therefore, is how to undertake night soil collection in a way that will contribute to the cleanliness of the city.

The enquiry by the Committee has shown that in many places the refuse and night soil are dumped together – a practice which is considered most insanitary.

A HUNDRED YEARS AGO AUGUST 19, 1926

Encouragement of Indian art

Bombay, August 18: Her Highness the Maharani Gaekwar of Baroda opened this evening the Exhibition of Old Indian Paintings and Textiles in the Town Hall, the exhibition being organised by the newly formed society for the encouragement of Indian art in Bombay. The organisers have succeeded in collecting a variety of Indian paintings ranging from the second century B.C. down to early 19th century. The collection of old textiles is also of a varied character and excellent in their designs, testifying to the wonderful workmanship of Indian looms and art now almost dead. A feature of the Exhibition is the series of illustrations of India's two great epics lent by the Baroda Museum.

These beautiful pictures which Mr. S. Ganguly, Curator, Baroda Museum, was successful in acquiring are signed paintings by different artists revealing various conventions, methods and styles in vogue at the Court of Akbar.

Text & Context

THE HINDU

NEWS IN NUMBERS

Peacekeeping personnel serving in Lebanon

7,500 Human Rights Watch has called on the United Nations to keep an international force in Lebanon after its peacekeepers' mandate ends this year. The force in southern Lebanon, UNIFIL, has been in place since 1978. Last year, however, the UN Security Council, under U.S. pressure, decided to end its mandate. ^{PTI}

Medical aid fund given to organ transplant patients

15.79 ₹ in crore. The Maharashtra government's Chief Minister Medical Assistance Fund extended financial aid of ₹15.79 crore to 798 patients undergoing organ transplant surgeries between April 1, 2025 and March 31, 2026. The assistance was provided to patients requiring kidney, liver, lung and heart transplants. ^{PTI}

India's projected Gross Domestic Product growth in FY27

6.8 in per cent. India's GDP growth is projected to slow to 6.8% in FY27 from 7.6% in FY26, according to India Ratings & Research (Ind-Ra). The agency attributed the expected moderation to risks from higher fuel and food inflation amid uncertainty over the West Asia conflict, a weak rupee and the likely impact of El Niño on agriculture. ^{PTI}

Odisha: relief package announced for flood-affected areas

1,000 in ₹ crore. Odisha Chief Minister Mohan Charan Majhi has announced a ₹1,000 crore relief package for flood-affected areas after reviewing the situation in six districts — Balasore, Bhadrak, Jajpur, Mayurbhanj, Keonjhar and Kendrapara. The floods have so far affected nearly 9.40 lakh people. ^{PTI}

Government jobs at risk after JSSC-CGL exam cancellation

2,000 Jharkhand govt.'s decision to cancel the JSSC-Combined Graduate Level examination has put over 2,000 government jobs at risk, with many successful candidates having already joined various departments after December 2025. ^{PTI}

COMPILED BY THE HINDU DATA TEAM

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What drives corporate investment?

Corporate investment as a share of GDP in India has declined sharply since demonetisation, with the fall persisting despite tax cuts and a low-interest-rate regime; smaller firms face higher interest costs, while larger firms are constrained by demand; reviving investment requires govt. expenditure to push profitability up

ECONOMIC NOTES

Rohit Azad
Indranil Chowdhury

Corporate investment, as a share of GDP, has been declining in India for some time now (Chart 1). This trend raises an important question: what explains this prolonged decline?

A few things stand out in Chart 1. Corporate investment in India took off in 2004, when it jumped almost four percentage points, from 6.5% to 10.3%. After rising during the dream run of India's growth story, it fell during the Global Financial Crisis (GFC), but began a steady revival till demonetisation hit the economy in 2016 (marked by a vertical line in the chart). Since then, the decline has been singular. So much so that the share has not even returned to the low levels during the GFC (see the horizontal dashed line).

This last point is the most damning. The global economic crisis was an external shock beyond India's control, whereas demonetisation was a self-inflicted shock. To be sure, there was another external shock — Covid — in 2020-21. But the decline in investment had started a few years earlier.

What determines investment?

Think of building a factory. A factory has a long life, so you need to take many things into account over its lifetime before committing to building one. What are the factors that may influence this decision? The three most important factors are likely to be: the expected profitability from selling the goods the factory produces; the confidence with which you can predict those profit rates over the factory's lifetime; and the cost of credit, especially if the level of investment crosses your own available funds, needed to build the factory in the first place. The story becomes even more interesting when we bring in firms of different sizes because what constrains investment varies across firm size. Let us see how.

As for the first factor, most industries have economies of scale. Larger equipment, factories, and workspaces have higher profit rates compared to their smaller counterparts. Thus, expected profitability rises with the size of investment, as shown by the upward-sloping portion of the profitability curve in Graph 1. However, each firm has an upper limit to how much it can sell and, consequently, an upper limit to the size of the factory, represented by the vertical portion of the profitability curve in Graph 1. If it invests more than that, that part of the factory will go to waste given that the firm cannot cross the sales set by its share in the total market.

The second factor — the confidence with which a firm holds these expectations — determines the position of the profitability curve. A high level of confidence, what John Maynard Keynes called 'animal spirits', means the profitability curve would move outward and the reverse if the capitalists are pessimistic about the future. An economy-wide shock of demonetisation pushed the profitability curve inward across the board (dashed blue curve in panel (b) of Graph 1) both because immediate profitability declined and because the credibility of future policy steps became suspect. This fall may be so drastic that it pushes small firms below the cost of credit curve altogether, forcing



GETTY IMAGES

The investment slump

Corporate investment in India as a share of GDP has been declining since demonetisation. What explains the prolonged slowdown?

GRAPH 1: What determines investment

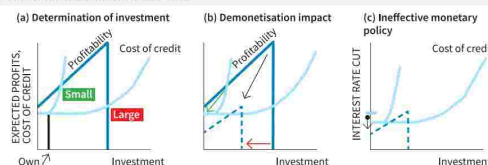
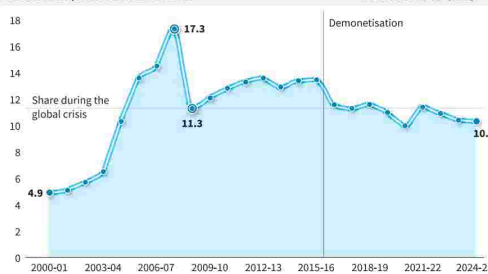
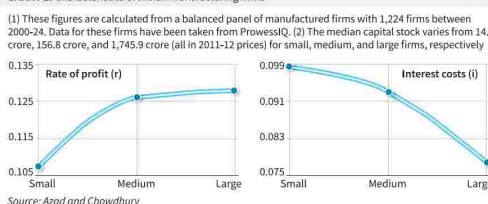


CHART 1: Corporate investment in India



Source: Authors' calculations, Database on Indian Economy, RBI

CHART 2: Characteristics of Indian manufacturing firms



Source: Azad and Chowdhury

them out of business — exactly what happened to many MSMEs during this period.

The third factor — interest rates — could matter for two different reasons. First, a

firm that is not interested in building the factory has the option of parking its money in assets bearing this rate of interest. For there to be any investment, therefore, expected profitability needs to

What is needed is to push the profitability curve outward, which would increase investment by both small and large firms. This can be achieved only if government expenditure acts as an autonomous stimulus

be higher than the market rate of interest. Second, if a firm has to borrow from the market to invest, the cost of credit will play a role. This cost is likely to rise as firms take on more loans in proportion to the funds they are committing to the project. So, up to a point given by firms' own capital, the cost curve may be flat, but it rises steadily after that. This 'principle of increasing risk' was proposed by Michal Kalecki, which meant the system is rigged against small capitalists, even when small and large capitalists have the same blueprint of a technology. Access to capital, a priori, begets more capital.

Does size matter?

What is interesting in this story is that for the smaller firms with very low levels of own capital, the cost curve starts rising way sooner than the larger firms and may cut the upper portion of the profitability curve (panel (a) of Graph 1). Investment for such firms, therefore, may be constrained by the availability of credit. Interest costs, therefore, would be quite high for such firms. For the larger firms, their own capital may be so high that the cost curve cuts the profitability curve on its vertical portion (panel (a) of Graph 1). Such firms are limited by the market instead of finance. Interest costs may not be consequential.

Chart 2 shows that such a broad categorisation across size, by and large, holds for the Indian manufacturing sector. We have compiled a balanced panel data set of listed firms in the manufacturing sector between 2000 and 2024 from the Prowess dataset and categorised them in three sizes — small, medium, and large. Smaller firms have lower profitability but higher interest costs, whereas the larger firms have higher profitability but lower interest costs, as expected in Graph 1.

What does this mean for investment?

This asymmetry across firms of different sizes has some interesting implications. Even a fall in the rate of interest may not revive investment among smaller firms (dashed yellow line in panel (c) of Graph 1). For a large firm, which is not constrained by credit in the first place, such a policy would have no impact. Cost-side policy interventions, including tax cuts, may not have much expansionary impact on investment. This may help explain why corporate investment has not responded despite the corporate tax cut from 30% to 22% in 2018, along with the low-interest-rate regime followed by the RBI.

What is needed instead is to push the profitability curve outward, which would increase investment by both small and large firms. This can be achieved only if government expenditure acts as an autonomous stimulus. That will create demand actively and push the profitability curves outward. But this would mean giving up on being a fiscal hawk and instead listening to the youth protesting on the streets asking for genuine employment.

(The authors are a part of the DevMac (Development Macroeconomics) network, which seeks pluralism in Economics)

THE GIST

Corporate investment as a share of GDP has declined sharply since demonetisation, falling below even the levels seen during the Global Financial Crisis; the decline began before the Covid shock.

Investment depends on expected profitability, confidence in future returns, and the cost and availability of credit, with smaller firms facing higher financing constraints than larger firms.

Lower interest rates or tax cuts may not revive investment if firms lack demand; stronger government spending could instead boost demand, push profitability higher and encourage investment across firms.

KEYWORD

A secular republic's sacrilege problem: the legal price of criticising holy writ in India

Punjab's new sacrilege law has reignited debate over the criminalisation of religious offence in a secular state; its definition of sacrilege extends beyond physical desecration of the Guru Granth Sahib to words, signs and representations, bringing expressive conduct within the scope of the law

Prathmesh Kher

In April 2026, the Governor of Punjab gave his assent to the Jaagat Jot Sri Guru Granth Sahib Satkar (Amendment) Act, which criminalises sacrilege against the Guru Granth Sahib with sentences running as high as life imprisonment. The law arrived almost immediately after passage, closing out a decade of agitation that followed the desecration incidents at Bargari and Burj Jawahar Singh Wala in 2015, and the police firing at Behal Kalan that killed two protesters. On paper, this looks like routine State legislation responding to genuine communal hurt. In substance, it is India's most severe working sacrilege law: a statute that punishes the physical desecration of a sacred text with sentences up to and including life.

The Constitution declares secularism part of its "basic structure," and a law of this kind sits awkwardly against that declaration. It permits, and in Punjab's case has now enacted, punishment for disrespect to religion in a nation-state that officially professes no religion of its own and guarantees every citizen the right to free speech. Punjab's law is only the most vivid recent example of a wider pattern: a body of provisions, some colonial in origin and some entirely contemporary, that treat criticism of religious belief and practice as a matter for the police rather than public debate.

Two wrongs, one right

Blasphemy, in the sense English ecclesiastical law first gave the word, is an expressive wrong: contemptuous or irreverent speech, writing or imagery about a god, a prophet, a scripture or a set of beliefs. Sacrilege is a different kind of wrong, the violation or defilement of something set apart as sacred, whether a place of worship, a rite, or a physical object. It has historically been understood as a matter of conduct, akin to trespass or vandalism, rather than expression. The distinction sounds academic, but Indian law actually draws it on the statute book. Section 298 of the Bharatiya Nyaya Sanhita, carrying forward the old Section 295 of the Penal Code, punishes injuring or defiling a place of worship with intent to insult a religion, a sacrilege-type offence aimed at conduct. Section 299 of the BNS, carrying forward the old Section 295A, punishes deliberate and malicious insult to religious beliefs by words, signs or visible representation. Reference works on Indian law describe this expressive offence as the country's general prohibition on blasphemy.

Measured against that distinction, Punjab's new law does not sit cleanly on the sacrilege side of it. The Act's own definition of "sacrilege" is written in two parts: it covers any "wilful and deliberate" act of desecration through physical damage, defacement, burning, tearing or theft of the Saroop, the physical volume of the Guru Granth Sahib or part of it, but the same clause extends sacrilege equally to acts committed "by words, either spoken or written, or by signs or by visible representations or through electronic means," wherever this is of a nature to hurt the religious feelings of persons professing the Sikh faith. The first half criminalises what is done to the book



A rally seeking justice for the sacrilege incident of Guru Granth Sahib that took place in 2015, at Bargari village in Faridkot, on October 7, 2018. PTI

itself. The second half criminalises expressing a disrespectful opinion about it, which is precisely the blasphemy-type wrong the distinction above is meant to set apart.

The line is real, but it does not always survive contact with how these laws are enforced. In 2007, the Karnataka editor B.V. Seetaram, along with his wife and co-director Rohini, was arrested after the Kannada dailies they ran published articles questioning the right of Digambara Jain monks to appear naked in public. Nothing had been physically defiled. The entire complaint concerned words in print, precisely the terrain the blasphemy-type Section 295A exists to cover. That the case still produced an arrest and days in judicial custody shows how quickly an expressive complaint can escalate into criminal process once religious offence is invoked.

A colonial ancestry

India's principal blasphemy provision, Section 295A of the old Indian Penal Code (now Section 299 of the Bharatiya Nyaya Sanhita, in force since July 2024), was not an indigenous invention. Its origin lies in the story of *Rangila Rasul*, a pamphlet about the marriages of the Prophet Muhammad published in Lahore in May 1924 by Mahashe Rajpal, under the anonymous authorship of an Arya Samajist, Pandit Chamupati. The pamphlet did not appear out of nowhere: it was written, on the evidence of Dr. B.R. Ambedkar's own account of the affair, in direct retaliation for an earlier Muslim pamphlet, *Sitaka Chinala*, which had made insulting claims about Sita, the wife of Lord Rama, and it arrived in the middle of a decade in which Hindu and Muslim publicists in Punjab were trading such attacks with regularity. Rajpal was prosecuted under Section 153A, the general provision against promoting enmity between communities. A

magistrate convicted him in 1926, the Lahore Sessions Court upheld the conviction in February 1927, and the Lahore High Court, in a judgment by Justice Dalip Singh on May 4, 1927, acquitted him, holding that however malicious and wounding the pamphlet was, Section 153A was meant to prevent attacks on a living community, not polemics against a deceased religious founder, however scurrilous.

The acquittal caused precisely the disorder the law had been trying to prevent, and Justice Dalip Singh himself had urged the legislature to close the gap he had just identified. It did so quickly: a bill was introduced within months, refined by a Select Committee that included Muhammad Ali Jinnah, and enacted as Section 295A, receiving the Governor-General's assent on September 22, 1927. The new section criminalised "deliberate and malicious" acts intended to outrage the religious feelings of any class of citizens, whether by words, signs, or visible representation, and now, under the BNS, explicitly by electronic means. The law arrived too late to touch the original pamphlet, and it did not, in the event, prevent what came next. On April 6, 1929, nineteen months after Section 295A had already entered the statute book, a young Lahore carpenter named IIm-ud-din stabbed Rajpal to death, declaring that he had taken revenge for the Prophet. Jinnah himself argued against IIm-ud-din's unsuccessful appeal against the death sentence; he was executed that October. Whatever else it achieved, Section 295A cannot be credited with preventing the very killing its enactment is sometimes said to have followed. In 1957, the *Supreme Court in Ramji Lal Modi versus State of Uttar Pradesh* upheld the provision's constitutionality regardless, reasoning that it fell within the "public order" exception to free speech carved out by Article 19(2) of the Constitution.

The reasoning has held for nearly a century, but it rests on a fiction that has always troubled civil libertarians: that hurt feelings, however genuinely felt, are equivalent to a threat to public order. A law meant to prevent riots has, in practice, become a general licence to prosecute writers, film-makers, and cartoonists whenever a sufficiently organised group of the offended chooses to complain. The Select Committee that drafted Section 295A inserted the words "deliberate and malicious" specifically to protect social reformers who might need to attack superstition or ill practice to bring about change. Jinnah went further still: addressing the Central Legislative Assembly on 5 September 1927, he argued that the law had to protect "those who are engaged in bona fide and honest criticism of a religion," alongside historians and truth-seekers, from being caught by the same net meant for wanton vilification. The trouble is that "bona fide and honest" is not a rule so much as an invitation to a judgment call, and it is subject to the perspective from which it is judged.

The country that gave India this legal inheritance has since gone the other way entirely. In England and Wales, the common law offences of blasphemy and blasphemous libel, from which Section 295A's own drafting ultimately descends, were abolished by Section 79 of the Criminal Justice and Immigration Act 2008, which received Royal Assent on May 8, 2008, and took effect that July; Scotland repealed its own common law blasphemy offence in 2021, in force from 2024.

India inherited a colonial category of law that its former coloniser has since dismantled across almost all of its own territory, and then, in Punjab's case nearly a century later, made its own version of the underlying idea more severe rather than less. (First in a three-part series)



FROM THE ARCHIVES

Know your English

S. Upendran

"I see that the house next door has now become an office. It has a nice name too. Silent World."

"Silent World, indeed. It's a misnomer."

"A what?"

"M...l...s...n...o...m...e...r. The first syllable sounds like the word 'miss', while the second sounds like the word 'no'."

"The final 'e' is like the 'a' in 'china', I suppose? But what does the word mean?"

"It means that something has been given the wrong name or designation."

"A wrong word has been used to describe something. Is that what you are saying?"

"I guess you could say that. For example, Silent World is a misnomer for the office next door. It should be called 'Noisy World'. It is anything silent."

"Calling Agarkar an 'all-rounder' is a misnomer."

"That's a pretty good example. But the stress in 'misnomer' is on the second syllable. Here's another example. 'First class restaurant' is a misnomer for the run down place we have down the street..."

"... what's the matter with you today? Why do you look so grumpy?"

"Haven't you told me a million times that I always look grumpy?"

"Not this grumpy. Something went wrong with the presentation you made yesterday?"

"Yes, the presentation went down like a lead balloon."

"Went down like a lead balloon, eh? Is that another way of saying that your presentation flopped?"

"That's right. When you say that something went down like a lead balloon, it means that it was a total disaster. It failed to be funny."

"You tried to make a funny presentation? You have no sense of humour. Everyone knows that. Your jokes always go down like a lead balloon."

"Nobody has ever told me that my..."

"... remember the play you wrote a couple of years ago. You thought it was really funny. But nobody else did."

"Well if you keep insulting me like that, you will go down like a ton of bricks."

"Sorry. I didn't mean to insult you. But you..."

"... Oh never mind. I guess it's about time I forgot all about the presentation."

"Your presentations are usually good. What went wrong this time?"

"I just didn't have time to prepare. I'd spread myself too thin, and..."

"... spread yourself too thin? You certainly don't look it. If you ask me, you have put on weight."

"Spreading oneself too thin has nothing to do with putting on or losing weight. When you say that you have spread yourself too thin, what you are implying is that you are doing too many things at the same time."

"And if you are doing too many things at the same time, then it isn't possible for you to focus on anything in particular."

"Exactly!"

"Many of the students in my class have spread themselves too thin."

"Bala is teaching five courses this semester. I am afraid that he has spread himself too thin."

"I make it a point never to spread myself too thin."

"You are a completely different case. You make it a point to work as little as possible."

"...ok grumpy!"

Published in The Hindu on August 28, 2001

THE DAILY QUIZ

A new Netflix show, *Safed Sagar*, is based on Operation Safed Sagar, the code name for the Indian Air Force's operations during the Kargil War. A quiz on the war:

Radhika Santhanam

QUESTION 1

This town, on National Highway 1, is often called the Gateway to Ladakh and has become a tourist spot because of its Kargil War association. Name it.

QUESTION 2

This man, who partly grew up in Turkey, sent plane loads of relief to India following the Gujarat earthquake, just two years after the Kargil War, for which he was the architect. He was sentenced to death in his country for subverting the Constitution.

Name him.

QUESTION 3

This Army officer, posthumously awarded the Param Vir Chakra, was killed at point 4875 during the Kargil War. He was played by Siddharth Malhotra in the 2021 film *Shershaah*. Name him.

QUESTION 4

This elite squadron that executed Operation Safed Sagar was also involved in executing Operation Sindoor in 2025. Name them.

QUESTION 5

What was the military operation to clear out the Kargil sector called?



Visual Question:

Indian Prime Minister Atal Bihari Vajpayee is seen in this photo with Pakistani Prime Minister Nawaz Sharif in 1999 just months before the Kargil War broke out. What was the name of the peace agreement that they signed?

Questions and Answers to the previous day's daily quiz:

- Test debut, and where? **Ans: 1932, against England at Lord's**
- India crossed the 300th and 500th Test milestones at Home. When and where? **Ans: Ahmedabad (1996), Kanpur (2016)**
- India is the third nation to achieve the feat of 600 Test matches. Which are the other two? **Ans: England, Australia**
- What is India's rank in overall Test wins? **Ans: Fifth**
- How many years did India take to cross its 100-Test mark? **Ans: 35**
- When did Indian women make their Test debut? **Ans: 1976, Bengaluru against West Indies**
- Visual: Who is this Indian batter celebrating his maiden Test century? **Ans: Devdutt Padikkal**
- Early Birds: Tamal Biswas | Erfanally Oosmany | Mohan Lal Patel | Arun Kumar Singh | Parimal Das

Please send in your answers to
dailyquiz@thehindu.co.in

Word of the day

Recant:

formally reject or disavow a formerly held belief, usually under pressure

Synonyms: retract, withdraw, deny, refute, repeal

Usage: He was forced to recant his statement.

Pronunciation: newsth.live/recant

International Phonetic

Alphabet: /rɪkənt/

For feedback and suggestions for Text & Context, please write to letters@thehindu.co.in with the subject 'Text & Context'

The Editorial Page

The Indian EXPRESS
FOUNDED BY
RAMNATH GOENKA
IN 1932

BECAUSE THE TRUTH
INVOLVES US ALL

Rejj in party must be reset for governance

THE BJP's organisational reshuffle is important, most of all, for its backdrop, and because of what lies ahead. It comes when the BJP-led government is two years into its third term at the Centre, and it needs to confront the gathering spectre of an incumbency. It comes days after a students' movement forced a Union minister to resign and propelled to centre-stage two long-playing national crises — education and employment. The party reset will be followed, in a few months, by crucial state elections, but going ahead, the BJP as party will need to work with BJP as government to meet formidable challenges that need a long-term compass. From reforms in the education system starting with the government school, to skilling and the filling of gaps between degrees and the market — these problems can no longer be managed, they will need to be addressed. The BJP rejj, therefore, will be assessed not by the to-and-fro of individuals but by whether or not they contribute to its ability to be future-ready.

The students' movement has served parties and governments an important warning — political and electoral outreach cannot be just about the savvy social-media strategy. It must address the rising aspirations in a country of the young, write large by new media technologies, and identify the obstacles in social and economic mobility. In the light that has been cast on dark areas by the Janar Madhav movement, the BJP must also confront challenges larger than Gen Z. It must ask, for instance, why for all its dominance and winning streak, electorates in states are choosing a new player wherever it crosses a minimum threshold of viability — Prashant Kishor's victory in the BJP bastion of Bankpur appeared to underline this trend most recently. By hitting the refresh button, by drawing in Vasundhara Raje, who has been chief minister of a large state, or Smriti Irani, who has handled the crucial education portfolio in the Union government, or Ram Madhav, who has navigated turbulent political territories like J&K and the Northeast, or Manpreet Singh Badal, who has been state finance minister, the BJP has made a new beginning. How will these veterans, who have navigated the imperatives of governance, enrich decision-making in the party, while coupling it with the government — is the question. They could build on their experience, sensitising the party to governance priorities, keeping it connected to ground realities.

The party reset, as important as it is, is only a first step. Now that party president Nitin Namb's new team is in place, it may well betime for the government to follow the party. Because, quite simply, in times when older patterns don't hold, and political plates seem to be shifting, the onus of keeping up is squarely on the government and party.

On minerals and mines, strike federal balance

LAST WEEK, Parliament passed the Mines and Minerals (Development and Regulation) Amendment Bill, 2026 that restricts states' powers to impose levies on mineral rights and mineral-bearing lands. The Centre's rationale for bringing the amendments is to provide greater certainty and predictability in the sector, facilitate investment flows and prevent higher levies from feeding into infrastructure costs. States have, however, expressed apprehensions over the implications of the amendments for their revenues in particular, and for fiscal federalism in general.

The amendments come after the Supreme Court upheld the right of states to impose such taxes, and also allowed them to recover arrears going back to April 1, 2005. Following this, states have looked towards raising more revenue from the sector. For instance, some of them have reportedly brought in mineral-bearing land taxes on iron ore (Jharkhand had initially imposed the tax on iron ore at Rs 100 per tonne, which was hiked subsequently) and limestone (Tamil Nadu has set a tax of Rs 160 per tonne). States impose 14 types of taxes, charges, fees and levies such as royalty, auction premium etc. Across states, rates of royalty and taxes also vary. The changes in the law can also be seen as a bid to bring about some degree of uniformity in prices of major minerals.

The rationalisation of taxes and royalties is a step towards facilitating greater investor interest in the sector. The effective tax rate in India is higher than 50 per cent of revenues while it is 35 to 40 per cent in other countries, according to a report on States' Best Practices in Mining by FIM-IEV. But state governments, with limited avenues to raise resources, are worried about a further erosion of their tax powers — for mineral-rich states like Odisha, Jharkhand and Chhattisgarh, revenue from this channel accounts for a significant share of their non-tax revenue. According to a government fact-sheet, "States will continue to receive the overwhelming share of mining revenue," but friction between the Centre and states needs to be addressed. The Union government has launched a critical mineral mission. A more predictable mining framework would encourage greater investments in a sector that is vital for the growth of the country.

The prodigal jaguar against Trump wall

THE LAST female jaguar in the United States of America was killed by a hunter in 1949. The third-largest big cat, like its feline cousin, the tiger, is a solitary, elusive hunter. And like the leopard, its stealth means that it is particularly hard to spot. Now, nearly eight decades later, there is more than a slim chance that the majestic cat may come back to a habitat it was hunted out of. But the prodigal daughter's return is hitting a wall.

Over the last five years, male jaguars have been spotted in the Cuena Los Ojos wildlife reserve in Mexico, across the border from Arizona in the US. Earlier this month, researchers captured footage of a "couple", the first sighting of a female so close to the US — Arizona was once part of the jaguar's natural range — in nearly seven decades. Adela, named so by researchers, presents the tantalising possibility of a natural return of the big cat. Unfortunately, Donald Trump's politics is standing in the way. Since 2025, the infamous "border wall" has blocked three out of the four wildlife corridors in the area between the US and Mexico.

Perhaps, the politics that seeks to harden lines on a map into dividing ones on the ground could find a way to let the animals through. After all, as Robert Frost wrote, in "The Mending Wall" in 1914, there are people who will insist that "good fences make good neighbours". And yet, there's always "something", in nature and in the hearts of people, "that doesn't love a wall".

A changing Asia demands more from Delhi and Tokyo, together



RAJA MANDALA
BY C RAJA MOHAN

JAPANESE DEFENCE MINISTER Shinjiro Koizumi's visit to India this week comes amid the unfolding transformation of Tokyo's defence and regional security policies. Japan, long reined in by self-imposed military restraint, is adopting a more vigorous national defence policy and an active regional military diplomacy. That Koizumi is coming to Delhi after consultations in Canberra with his counterparts from Australia and New Zealand indicates new directions in security cooperation in the Indo-Pacific. Koizumi's talks in Delhi should help the current slow and incremental approaches to defence cooperation and outline more ambitious goals for the security partnership.

Driving Japan's new defence policies is the rise of China as a great military power and Beijing's growing political will to translate that power into concrete outcomes. This is a challenge Delhi and Tokyo share as they confront assertive Chinese military policies — on Japan's maritime frontier with China and India's contested land border across the Himalayas. The geography is different, but the PLA's methods are the same: Persistent probing and the slow but definitive alteration of the territorial status quo.

For both Tokyo and Delhi, the challenge from China is magnified by the volatility of American policies. Neither seeks an Asia without America. Japan remains deeply in-

vested in its alliance with Washington, while India sees a continuing American military presence as essential to a stable Asian balance. But Donald Trump's second presidency has reinforced questions about the predictability of American policy and the nature of its regional commitments.

Part of the answer for Delhi and Tokyo lies in strengthening their own national capabilities and deepening partnerships with each other and other Asian powers. Koizumi's itinerary captures the possibilities. Japan's defence partnership with Australia has advanced rapidly. Canberra and Tokyo have expanded military exercises, reciprocal access, logistics and defence industrial cooperation. Australia's decision to acquire Japanese-designed *Mogami*-class frigates marks an important breakthrough for a country that, until recently, imposed extraordinary restrictions on exporting weapons.

India-Japan defence cooperation has also expanded, but remains limited by the political rhetoric about their "Special Strategic and Global Partnership". Koizumi's visit should therefore be an occasion not merely to review bilateral exercises and exchanges, but to askhow Delhi and Tokyo can give their defence partnership much greater operational and technological weight.

The opportunity arises from the extraordinary changes underway in Japan itself. For much of the post-war era, Japanese strategy rested on a simple bargain. Tokyo concentrated on economic reconstruction while relying on the United States for security. Defence expenditure remained around 1 per cent of GDP, arms exports were tightly restricted, and the Self-Defence Forces operated within narrow political constraints. Those conditions began to change as the China

challenge unfolded. In 2010, China overtook Japan as the world's second-largest economy. Its growing economic resources supported a massive expansion of military capabilities, the consequences of which for Japan soon became evident.

After returning as prime minister in 2012, Shinzo Abe accelerated the effort to adapt Japanese security policy to the new circumstances. As the scale of the China challenge deepened and concerns about American reliability grew, Japan outlined a sweeping set of defence reforms in 2022. One element was a rapid increase in defence expenditure. Tokyo set itself the goal of raising defence-related spending to around 2 per cent of GDP by 2027, but brought forward that target through additional spending last year.

More important has been the change in doctrine. Japan is acquiring long-range "counterstrike" capabilities, including American Tomahawk missiles, while developing longer-range indigenous weapons. It is strengthening air and missile defence, cyber and space capabilities, unmanned systems and its capacity to operate farther from the Japanese islands. A parallel revolution is unfolding in defence production. Tokyo is revitalising its defence industrial base, easing restrictions on arms exports and breaking down the old barriers between civilian technology and national security. Japan has also begun providing military equipment to friendly countries through its new Official Security Assistance programme.

Taken together, these changes represent something much larger than a Japanese "rearmament". Tokyo is finally turning to military power, defence technology, arms exports and security assistance as normal instruments of statecraft. Tokyo is also reaching out to South

Korea and other regional neighbours, deepening defence ties with Australia and New Zealand, and strengthening security engagement with Europe. Upgrading defence ties with India is a natural part of this wider strategy. Delhi and Tokyo already have much of the institutional architecture they need: A 2+2 dialogue, a logistics agreement and regular exercises across the three services. Prime Minister Sanae Takahashi's visit to Delhi last month called for more sophisticated exercises, stronger maritime domain awareness and deeper defence industrial cooperation. It also announced the first bilateral defence co-development project, involving the UNICORN naval communications antenna.

But here is the reality check. Defence industrial cooperation has been painfully slow. Delhi and Tokyo need much greater ambition in joint research, development and co-production of weapons and military technologies. Their armed forces must also move beyond exercising together towards greater operational coordination in anti-submarine warfare, maritime surveillance, air defence and logistics. The unfolding transformation of the Asian security environment demands that Delhi and Tokyo do much more together in defence. Japan is demonstrating greater purpose and urgency as it responds to the changing balance of power in Asia. Unlike China, India has long welcomed the prospect of a stronger Japan. It is now time for Delhi to match Tokyo's commitment and enthusiasm in building a consequential Asian defence partnership.

The writer is a contributing editor on international affairs for The Indian Express. He is also a distinguished professor at the Motwani-Jadeja Institute of American Studies, Jindal Global University and the Korea Foundation Chair at the Council on Strategic and Defence Research, Delhi

Cambridge professor's death is a life lesson



MADHAVI RAVIKUMAR

PROFESSOR JASON ARDAY was found dead at his home in Battersea on August 14. He was 41 years old. Authorities regard the death as unexpected but not suspicious.

Hours earlier, he had told a colleague he "couldn't go on." His family speaks of a campaign of sustained abuse and misinformation that finally became unbearable. The decisive force that pushed him to the edge was the scale and nature of the media scrutiny, mainstream newspapers and social-media platforms acting in relentless combination, that turned contested questions about an academic career into a public spectacle of personal destruction.

An independent count by NewsCord recorded roughly 249 articles about Arday across British national outlets in 22 days. Nearly 190 appeared after he had already resigned on August 5, indicating that the allegations, speculation and commentary had taken a profound toll. The coverage moved into repeated discussion of childhood claims, private life, every past achievement and every personal vulnerability. Once the story gained momentum, social media took over. Clips, memes, comment threads and derivative posts circulated without pause, stripping context and amplifying humiliation.

There were legitimate questions that required answers. Allegations of substantial textual overlaps in Arday's 2015 PhD thesis, problems in later papers, and inconsistencies in elements of his public biography were serious. Universities and the public have a proper interest in the reliability of credentials and published work at elite institutions. What does not follow is the conversion of those questions into a high-volume, highly personalised campaign that continued long after resignation and systematically targeted the person rather than the scholarly record.

This pattern is familiar across contexts. In Britain, Lucy Meadows, an elementary school teacher, took her own life in 2013 following intense tabloid coverage of her gender change. The coroner told the media, "Shame on all of you," citing ridicule and character assassination. Caroline Flack, the television presenter, died by suicide in 2020 amid sustained hatred and online hostility.

India offers an even more striking parallel. After Bollywood actor Sushant Singh

Rajput died by suicide in June 2020, Indian television news channels and social media launched an extraordinary, months-long campaign. Coverage rapidly shifted from the actor's death and mental health to conspiracy theories and a full-blown media trial of his girlfriend Rhea Chakraborty. She was publicly vilified as a manipulator, gold-digger and worse, often with little evidence. The CBI eventually closed the case, confirming suicide and exonerating her.

Arday's autism and history of developmental delay made him particularly vulnerable. Those who knew him in his final days described a vulnerable man whose mental health deteriorated visibly under the bombardment. Social media removed any residual distance. Platforms that present themselves as democratising information instead accelerated the conversion of a complex story into simplified, shareable judgment.

The media's conventional defence is familiarity. Public interest, the right to scrutinise authority, the duty to report. All are real. However, public interest is not identical with the right to sustain a personalised campaign of attrition long after the professional consequences. When the coverage reaches hundreds of articles in three weeks, and when social media turns every new detail into further ridicule, the impact transforms from inquiry to spectacle.

Arday's death does not settle the scholarly disputes surrounding his work. Those remain matters for careful, evidence-based examination by the relevant institutions. It does, however, expose the human cost of media culture that confuses volume with virtue and spectacle with scrutiny.

The right to investigate does not include the right to destroy. A society that cannot distinguish between rigorous accountability and destructive hounding has lost its sense of balance. If there is any constructive response to this tragedy, it begins with the recognition that the media gaze can itself become lethal.

The least that can be asked of those who report and those who amplify is that they remember there is a human being at the centre of every story.

The writer teaches at the Department of Communication, University of Hyderabad

At Darwin, Bangladesh upends the cricketing order



SHUVADITYA BOSE

BALL was yet to be bowled in Darwin, when Bangladesh captain Najmul Hossain Shanto was asked at a press conference: "Will this Test last five days, or will it be a three-day Test?" "We will try to take it to the fifth day," he replied. Bangladesh didn't require a day — only four proved enough to secure a historic, narrative-defying nine-wicket triumph over Australia. India required 12 attempts. Pakistan seven. Sri Lanka have never done it. Bangladesh has a Test win on Australian soil at just the third time of asking — and yet, they have had to wait 26 years for it.

The deepest mark of hierarchy, argue psychologists, is not that the powerful believe they deserve more, but that the weak believe they deserve less. Before departing for the Test series, Shanto basked in pride for something that had nothing to do with Bangladesh cricket. He had just been briefed on Australia's squad. Cummins. Starc. Smith. Hazlewood. Stars, superstars, cricketing demigods. When he had taken it all in, Shanto, still absorbing the weight of the names before him, claimed: "Australia announcing a full-strength squad is an achievement for us." One would not have wanted to spoil Shanto's mood by pointing out the obvious: Australia's decision to field a full-strength side had more to do with WTC points on offer than with their assessment of Bangladesh. Historically, the latter has been low.

Bangladesh had been invited to Test cricket by Australia only once in 26 years. In 2003. And even then, they were looked at with disdain. Former Australia cricketer David Hookes, for instance, had said, "The reality is that Bangladesh doesn't deserve to be in Test cricket." A series was scheduled in 2018, but Australia deemed it pointless. The official reason was commercial viability. The unofficial assumption was plain: Who would be interested in watching? Crestfallen, then PCB CEO had said: "Not every series we conduct is profitable. If we can conduct them, I believe Australia can do it too." Perhaps they could. Certainly they didn't. Bangladesh, like so many of cricket's smaller nations, was treated for long as expendable. Until they arrived in Darwin.

Starc, Hazlewood and Cummins may have more than 1,000 Test wickets between them, but in Darwin, it was Hasan Mahmud who burned brightest. Nine wickets. Tanzil Hasan Tamim scored 101. Hasan is 26. Tanzil is 25. Shakib Al Hasan, the world's No.1 Test all-rounder across multiple spells over the past decade, never played a Test in Australia. Hasan and Tanzil can consider themselves fortunate. But fortune, for them, should not be the end of the story. Bangladesh's purpose on this tour was never simply to win a trophy. It was to earn respect. And, with it, if Australia were kind enough, invitations. After the embarrassment in Darwin, though, will Australia make the same mistake again? When victory was sealed, the Bangladeshi players gathered and sang 'Amra korbo joy' — the Bengali adaptation of "We Shall Overcome". A little antiquated, perhaps. Had they learned condescension from their opponents, they would have chosen something cooler. Like Kendrick Lamar. Specifically, "Sit down. Be humble."

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40 YEARS AGO

AUGUST 19, 1986



Agitation by Pak opposition

OPPOSITION PARTIES in Pakistan launched a countrywide indefinite agitation against the government crackdown on them and to overthrow President Zia-ul-Haq. Government and opposition supporters fought hand-to-hand in the streets and the police fired shotguns at rioters as political protests swept southern Pakistan, leaving at least eight people, including four policemen, dead.

Ban on MNF lifted

THE 19-YEAR-old ban on the Mizo National Front has been lifted. The Union government,

after being satisfied that the MNF had surrendered arms and observed all the terms of the accord, lifted the ban imposed earlier under the Unlawful Activities (Prevention) Act. This will enable the MNF and its allied organisations to function as lawful political organisations. The MNF was banned first in 1967 after it had declared independent Mizoram on March 1, 1966.

Moscow extends N-test ban

THE SOVIET leader, Mikhail Gorbachev, announced that Moscow was extending its unilateral nuclear test ban until January 1, 1987. Gorbachev renewed his call to the

United States to follow Moscow's example and declare a moratorium on nuclear testing. Gorbachev invited US President Ronald Reagan to sign a treaty banning all nuclear testing this year. "The logic in this is simple: If there are no tests, the nuclear weapons which both sides have stockpiled in abundance will not be upgraded," he said.

Rs 30 cr flood relief for Andhra

THE PRIME MINISTER, Rajiv Gandhi, announced a ways and means advance of Rs 30 crore and Rs 30 lakh from the PM Relief Fund for relief and rehabilitation of the flood-affected people of Andhra Pradesh.

What is an IIT for, where is it going? At 75, here are ten steps to the future



SUMAN CHAKRABORTY

SEVENTY-FIVE years ago, on August 18, 1951, India performed an extraordinary act of national imagination: It transformed a site of incarceration into a crucible of knowledge. Hiji — the hallowed ground that had borne witness to the freedom struggle — became home to IIT Kharagpur. A newly independent nation made a powerful declaration: Technology would not merely serve industry; it would serve nation-building. As we look towards the next quarter-century, the defining measure of excellence must change. Not simply how high an IIT rises, but how much of Bharat rises with it.

Top of the pyramid to strength of the pyramid

The IITs sit at the apex of India's engineering-education pyramid, but an apex cannot claim excellence if the pyramid beneath it remains underserved. By 2047, every IIT should function simultaneously as a university and a national capability platform. IIT faculty must mentor networks of teachers, while IIT laboratories should offer structured access pathways to students and researchers across institutional tiers.

From teaching institutions to knowledge engines

Knowledge is increasingly created at the intersections — engineering and medicine, AI and agriculture, manufacturing and sustainability. Departments must remain pillars of deep domain expertise, but the walls between them must become porous. At IIT Kharagpur, the emerging ecosystem spanning medical technology and AI-enabled diagnostics, agriculture, advanced manufacturing, future energy, space technologies, entrepreneurship, research park-led industry engagement and grassroots living laboratories must converge into one institutional innovation pipeline.

JEE may be a door, it's not a verdict
Alongside JEE, GATE, JAM and other established routes, channels recognising ex-



ILLUSTRATION: C.R. SAKUMAR

ceptional achievement through olympiads, innovation and grand-challenge competitions, sports excellence and other demonstrable capabilities deserve more exploration. Such pathways must be protected from capture by coaching and formulaic preparation. More fundamentally, a student who does not enter an IIT should not be denied access to IIT. IIT Kharagpur's recently introduced Outreach Course Network can become a prototype of this new architecture.

The degree must change

In the 20th century, a degree certified what a graduate knew; by 2047, that proposition will be inadequate. AI will perform many routine tasks. Flexible architectures should allow students to traverse disciplinary boundaries without turning interdisciplinarity into an unstructured buffet. The IIT of 2047 must embrace an apparent paradox — that the more interdisciplinary the world becomes, the stronger the foundational disciplines must be.

Make students AI-powerful

Trying to make education "AI-proof" by shielding traditional assignments and examinations from AI would be much like trying to protect engineering drawing from CAD. The appropriate response is not avoidance but intellectual elevation. Every IIT student should acquire three fundamental capabilities: Understanding how AI works, knowing how to work intelligently with AI, and recognising when not to trust AI. Assessment must migrate from reproducing known solutions towards formulating un-

known problems, critiquing machine-generated outputs and creating something that did not previously exist.

IIT must enter the school before the student enters IIT

India's educational ecosystem cannot be repaired at age 18. The intervention must begin much earlier in schools — not by turning children prematurely into JEE aspirants, but by restoring curiosity, experimentation and the joy of asking questions. Every IIT must engage with a network of schools, as a permanent educational laboratory where faculty and students work alongside school-teachers to develop inexpensive hands-on experiments, multilingual science resources, AI-enabled learning tools and contextual approaches. This is the philosophy of IIT Kharagpur's new School-Connect programme.

Turn the campus into India's technology testbed

A campus inhabited by tens of thousands is a miniature city in which almost every major technological challenge of contemporary India is present at a manageable yet meaningful scale. The IIT campus should become a living testbed for India 2047, where emerging technologies are subjected to the realities of everyday use. The same philosophy must extend beyond the campus, with surrounding rural communities, municipalities, hospitals, MSMEs, schools and grassroots enterprises.

Entrepreneurship, an academic outcome
For decades, an implicit hier-

archy placed scholarship at the centre, industry engagement one step away, and entrepreneurship beyond the university's boundaries. That is now obsolete. A student or faculty member who builds a responsible enterprise around a technological idea does not step away from scholarship but can extend its reach. Every significant IIT discovery should have a visible pathway towards translation, even though only a fraction will ultimately become commercially successful.

From brain drain to brain circulation

The old question was whether India could prevent its best students from leaving: the more consequential question for 2047 is whether Indian institutions can become sufficiently magnetic for the world's best minds, ideas and opportunities. The vocabulary of "brain drain" itself needs to evolve, because in an interconnected knowledge economy, mobility need not signify loss if institutions are capable of converting movement into enduring intellectual connectivity.

IIT @2047: Change the definition of success

The IIT of 2047 must be a university without intellectual walls, a national research engine, an innovation foundry, an entrepreneurship platform, a teacher multiplier, a technological living laboratory, a global knowledge node and a public institution accountable to society. The deeper questions must be more demanding: How many teachers became better because an IIT existed? How many institutions became stronger because an IIT shared its capabilities? How many discoveries survived the test of the real world? How many communities gained better healthcare, energy, education and livelihoods? How many young people who never entered an IIT found knowledge, mentorship, infrastructure or opportunity because an IIT chose to reach them?

That must be the measure of our next 25 years: Not merely whether IIT Kharagpur becomes one of the world's great universities, but whether Bharat becomes more innovative and more confident because IIT Kharagpur chose to think beyond itself.

The writer is director, IIT Kharagpur, and Institute Chair Professor and J.C. Bose National Fellow

As Tatas choose new leader, remember: Noise is not the story



R GOPALAKRISHNAN AND ISHAAT HUSSAIN

MEDIA REPORTAGE during the last fortnight has been prolific regarding Tata — the chairman of Tata Sons not offering himself for a third term in February 2027, succession speculations, relationships among leaders, leaders' performance appraisal, and much more. Are recent Tata developments signs of flaws in governance and transparency? Or, do they reflect the reality that views can differ among individuals? Society teaches us that differences are normal, but what is important is resolving them so there are no permanent winners or losers. The babbles has been so intense that we were reminded of the adage, "Those who know do not speak and those who speak do not know." The reportage also revived our memories of the Kishore Kumar song from Amar Prem: "Kuch to log kahenge, logon ka kaam hai kehna, chhodo bekar ki baton mein beet na jaye raat."

That the heads of Sons and Trusts had professional differences is not a secret. Whether the differences were small or large, legitimate or misplaced, esp-driven or not, are all matters that the concerned pair will know. Such a situation can occur between two perfectly well-intentioned and honourable people, and that seems to be so in this Tata case.

Common sense and experience tell us that conflicts and differences can be salvaged only through conversation, convergence, compromise, and commitment. Importantly, if salvaging is not possible through reconciliation and readjustment, then a dignified and mutual separation is a valid course. Top-level differences should not affect the institution negatively.

It is likely that recent actions have been motivated by precisely this consideration.

History offers many cases where what appeared to be a difference of opinion was not addressed and ended up contributing to undesirable conflicts. Julius Caesar and Pompey the Great were close political allies in Rome — in fact, Pompey was Caesar's son-in-law — until personal distrust, rivalry, and competition gradually poisoned the relationship. Caesar's successful conquest of Gaul made him extremely powerful, and Pompey became concerned that Caesar would dominate Rome. Their growing conflict could not be resolved through negotiation or compromise. Finally, in 49 BCE, Caesar initiated the civil war with Pompey.

Around the time of World War I, Kaiser Wilhelm II ruled in Germany, King George V in Britain, and Tsar Nicholas II in Russia, all cousins. Wilhelm's impulsive behaviour and insecurity damaged these personal ties. Of course, the war was not caused by family relationships, but mistrust among family members lessened the opportunities for compromise.

There are three common patterns suggested by history. First, honour and prestige become key. Second, leaders personalise disputes. Third, miscommunication creates exaggerated perceptions of insults.

In the Tata case, the leaders were unable to resolve their issues, so the differences were extinguished through graceful adjustments. Above all, the leaders have protected their institutions. However, such episodes do attract anyone to analyse and comment. It is in this context that Padma Shri poet Bashir Badri wrote, "Parakhina mat, parakhine se kol apna nahin rehta, Kisi bhi aine mein der tak chehra nahin rehta (If you analyse too much then you will lose relationships, just as a mirror does not hold a reflection for long.)"

Conspiracy theories circulate, where none or some may be true. In this case, some view it as a Trusts versus Sons dispute, some as a Parsi versus non-Parsi dispute, some as a promoter versus professional dispute, some as a capital allocation discipline issue. It is fruitless to criticise, analyse and paralyse, based on assumptions.

Two facts are clear. First, as per Tata retirement policies, the chairman of Tata Sons would anyway have given up executive positions from June 2028 upon turning 65. Therefore, the board must have had some succession plan. Second, renewing the chairman's contract for a third term was a unanimous decision of the Trust members in September 2025. 17 months before the ongoing contract would come up for renewal. It is this unanimous decision that led to the likely change in the tenure and dates of the chairman's succession. The matter appeared on the Tata Sons board agenda at the instance of the Trusts in February. It appears that one director expressed reservations regarding certain economic and business issues. Bearing in mind the interests of the employees, investments and business of Tata Sons, the chairman has gracefully announced his decision not to seek re-election. The die has been cast, and attention must change to effective succession.

Tata is a rare national jewel. It is a business group that most Indians respect and love. Let us, therefore, wish Tata all the best in finding a successor and returning the enterprise to its mission of creating employment, family advancement, and national prosperity.

The writers are both retired directors of Tata Sons with a combined experience of working for Tatas of over half a century

LETTERS TO THE EDITOR

Freedom and liberty

VANDITA MISHRA'S column exposes a sharp tension between freedom and individual liberty are not always the same thing ('August 15 after Jantar Mantar: The many spaces of freedom and unfreedom', IE, August 18). While official rhetoric paints a grand picture of progress, student protests at Jantar Mantar reveal a parallel reality — one defined by institutional control, political resistance and shrinking spaces for critical debate. Gen Z activism is no longer about politics; it is an issue-driven, relentless push for basic civil rights and accountability.

Fathimathul Safa, Kannur

The idea of India

YOGENDRA YADAV's piece on Gulzar's call for a new *gauri tarana* ('What will we sing of now when we sing of patriotism', IE, August 18) ends with a line that stuck with me. We may have lost not just our old patriotic songs, but "the imagined community that we call a nation." Before we ask for a song every Indian can hum, we should ask a harder question: Do all Indians currently feel invited into the idea of India? Old patriotic songs worked because nation-building felt like a shared project, a feeling, not a slogan. That feeling is missing today. Many, from communities in Manipal to Dalits, Adivasis and queer citizens, still don't see themselves in the nation we keep singing about.

Rishabh Kumar, Varanasi

Rupee relief

THE RBI'S FGNR (B) swap window offered the rupee temporary relief by mobilising foreign currency deposits, but at the cost of future vulnerabilities ('The rupee's borrowed breathing space', IE, August 18). While the move signals confidence, it is essentially borrowed stability, leaving banks exposed to asset-liability mismatches. This reflects the tension between immediate liquidity support and long-term resilience. Without reforms, the currency remains unhinged against external shocks.

Ashwin Shah, Lucknow



SUMIT SAMOS

EVERY YEAR around this time, India argues with itself. One side asks: Are we truly free? The other celebrates Independence Day as a moment of national glory and pride. Few images capture this contradiction better than a poor child in tattered clothes selling Tricolour flags at a traffic signal, alongside the PM's speech from the Red Fort and the flood of flags, patriotic songs, Army pride, cultural events and TV broadcasts.

Then come the statistics. One side cites poverty, inequality and exclusion; the other points to rising incomes, welfare schemes, education and social mobility. This binary can be captured quite well in the tussle between social mobility discourse that has been in vogue in academia and what Sherry Ortner calls "dark anthropology," focused on domination, exclusion and violence. It is an important lens, but leaves little room for understanding how marginalised groups have also created concrete freedoms for themselves, through both state institutions and their own struggles.

My fieldwork in remote southern Odisha last year brought this contradiction home. Many of my interlocutors were Dalits and Adivasis. When I asked what life was like in the 1970s and 1980s, some described hunger that is difficult to imagine today. Today, they no longer worry about starvation in the same way because they receive rations regularly. For someone who

The deeper questions must be more demanding: How many teachers became better because an IIT existed? How many discoveries survived the test of the real world?

India between the Tricolour and traffic light

has known hunger, that is a concrete freedom. Yet these communities were far from passive beneficiaries of the state. They opposed moneylenders, forest officials, state-supported displacement projects and feudal practices associated with hereditary Brahmin castes. The state, in other words, could be both a source of opportunity and an instrument of dispossession. This contradiction appears across India, and it will be useful to trace it through Dalit realities.

Sandhya Fuchs, in her study of atrocities cases in Rajasthan, shows how Dalit victims can be denied justice through legal mistranslation. Yet Geert De Neve has documented how Dalits in western Tamil Nadu have used the SC/ST Prevention of Atrocities Act to challenge dominant-caste power. The law can be an instrument of exclusion in one situation and a weapon to challenge caste power in another. Migration tells a similar story. Dalit labourers from Bihar working at construction sites in Tamil Nadu live with bare-minimum savings and insecure employment. Yet some working in Kerala earn better wages and aspire to build concrete houses and basic amenities for their families.

Politics reveals the same complexity. During the 2024 general election, Hindutva politics sought to mobilise voters in UP around the Ram Mandir inauguration and religious identity. Yet a section of Dalit voters moved away from the

BJP because they feared it could undermine the Constitution and reservation, a reminder that marginalised citizens are not merely passive victims of political manipulation.

Ambedkar warned that universal suffrage and regular elections alone could not guarantee democracy in a society marked by deep historical inequalities. A governing class, he argued, could use power to bypass democratic means. Dalit communities have challenged this bypassing, demanding that state institutions act as neutral administrators. Through protests and collective action, they have pushed Indian social life towards greater equality and dignity. At the same time, some sections have been drawn into dominant ideologies like Hindutva.

For a Dalit family, freedom may mean regular food, a hostel for a child, access to education, the ability to migrate, a concrete house, entry into a public space, or protection under the law. It may also coexist with exploitation, discrimination, insecurity and state neglect. August 15 need not force us to choose between these stories. Freedom was not simply delivered to Indians in 1947. For millions, it has been — and continues to be — made, negotiated and fought for in the ordinary spaces of everyday life. That is perhaps the more complicated story of India's independent India. But it may also be the more truthful one.

The writer is a rapper and a PhD student at University of Pennsylvania

To build AI for all, bring in more women



NIMISHA JHA

women steadily disappear as the AI pipeline advances. At every stage, the pipeline leaks talent, lived experience, and innovation. The challenge is evident in the numbers: In STEM foundation, women account for 43 per cent of India's STEM graduates; in the tech workforce, representation falls to 26 per cent; in advanced AI roles, only 12 per cent of professionals are women; in senior AI leadership, women hold just 10 per cent of senior AI leadership positions.

The challenge extends beyond employment. Only 57 per cent of women have independent internet access, compared with 72 per cent of men. The root causes of this leakage are deeply social. These disparities arise from unequal nutrition, education, caregiving responsibilities, workplace discrimination, and language barriers. AI learns from society; if society is unequal, AI inevitably re-

flects those inequalities. Aisha, a member of a self-help group in rural Bihar, applies for a micro-loan. If AI credit models rely mainly on historical male financial patterns, they may underestimate her creditworthiness. In Gujarat, Meera, a community health worker, depends on AI-enabled maternal health tools. If the training data fails to reflect local nutrition and health conditions, inaccurate recommendations may affect maternal care.

India has already shown how technology can advance public welfare at scale. The India AI Mission now offers an opportunity to ensure AI follows the same inclusive path

The barriers emerge early. Kavya cannot pursue robotics because her school lacks adequate infrastructure. Pooja struggles with English-dominated AI education. Nisha, despite becoming an AI engineer, often finds herself the only woman in the room, with limited influence in product design. AI automates existing inequalities when trained on incomplete or biased data.

Yet AI can also expand opportunity. Across rural India, women's self-help groups have built strong financial ecosystems that support savings and entrepreneurship. When women occupy positions of influence, the technology shifts. India's progress in AI-enabled inclusion reflects a deeper national principle. When India adopted its Constitution in 1950, it granted women and men universal adult franchise simultaneously. This commitment to inclusion con-

tinues today through DPI and provides a strong foundation for building inclusive AI much before other Western democracies. India has already shown how technology can advance public welfare at scale. The India AI Mission now offers an opportunity to ensure AI follows the same inclusive path. True AI leadership cannot be measured only by models, investments, or patents. It must also be measured by whether AI reflects India's diversity of languages, cultures, socioeconomic realities, and lived experiences. Achieving that requires more than diverse datasets. Women and marginalised communities must participate as researchers, engineers, entrepreneurs, and policymakers.

The writer is a civil servant posted in the Ministry of Women and Child Development, Government of India. Views are personal

SITHARAMAN CALLS FOR 'YUVA KIOSKS' AT BANK BRANCHES WITH A DEDICATED STAFF TO GUIDE YOUTH

Youth don't find govt banks 'cool', be part of their lives: FM to PSBs

Ravi Dutta Mishra & Siddharth Upasani
New Delhi, August 18

CALLING ON India's public sector banks (PSBs) to up their "cool" quotient in the eyes of the youth without sacrificing the prudence the business requires, Finance Minister Nirmala Sitharaman on Tuesday said state-owned lenders should organise a month-long campaign starting October 2 focused on youngsters over the age of 16.

Addressing senior banking officials on the second day of the PSB Confluence conference in the capital, the finance minister said that having grown up with smartphones, the youth today are tech savvy and they expect banking to be simple, intuitive, personalised, and available at all times. And PSBs need to keep pace with these expectations.

"Pardon me if I say with some liberty, because I take the blame as much as all of you, public sector banks still give the impression of a government bank," Sitharaman said, adding that her interactions with youngsters under the age of 25, not one named a PSB in which they had an account.

"In my curiosity, I said, 'Wow, all of you seem to have private sector in your mind. Why?' They were very hesitant to say public sector banks...it's not 'cool'. Their expression was that I need public sector banks not to be 'not cool'. Please get



The FM asked the state-owned banks to organise a month-long campaign starting October 2. [Nirmala Sitharaman](#)

some young people to talk to you all, what makes you appear cool or at least one portion of your banks, when they sit in front of the customers, make sure everything is 'cool', she said. At the same time, Sitharaman cautioned this was not a recommendation from her to PSBs to "go and do something to make you all appear 'cool' but not bank enough".

Saying that she did not want to trivialise the issue, the Finance Minister said banking is "serious business" and a balance had to be struck.

"But somewhere, private banks seem to have that picture of being banks but cool enough as well," she said.

physical responsibility and a significant opportunity for banks. Towards this, she said PSBs should launch a month-long 'Banking for Youth' campaign from October 2 to actively connect with young people at the start of their financial journey, bring them into the formal banking system, and "establish an early, meaningful connection".

Highlighting the importance of colleges, universities, and skill-building institutions as touchpoints for the campaign, Sitharaman said dedicated youth banking spaces such as 'Yuva Kiosks' or 'Yuva Banking Mitra' could also be created at physical bank branches, where a dedicated employee could help the youth navigate their financial journey.

This should include building awareness of the formal credit ecosystem, including credit scores, various bank credit products, government credit schemes, and sensitising youngsters about the importance of maintaining good credit scores.

"So, public sector banks must be the first and the most trusted choice of young Indians. Either they are opening their first account, receiving their first salary, pursuing higher education, and starting an enterprise or making their first investment - you should be a part of their lives," the Finance Minister said.

RBI move to end FCNR(B) scheme a 'prudent' step, say bankers

New Delhi: The RBI decision to close the concessional swap facility for FCNR (B) deposits one month earlier was a "prudent" move, bankers told the *Indian Express* on Tuesday, adding that they expect to meet their internal targets.

While one public sector bank executive said its internal target of \$2 billion has already been met, another said they expected to miss their target only slightly. "This move by the RBI is prudent because ultimately it's a liability," the second banker said.

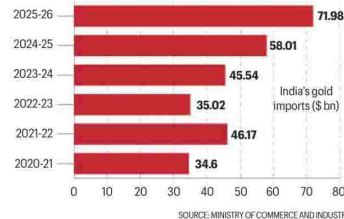
On Friday, the RBI shocked bankers and the markets by saying that in light of the "encouraging response" to the FCNR(B) deposit swap facility, it will now close on August 31 as against the initial deadline of September 30. Announced on June 5 and made operational on June 8, the swap facility helped Indian banks raise in a massive \$2.3 billion as of August 13. Bankers expect another \$20 billion or so to come in by the end of the month. [ENS](#)

FULL REPORT ON [WWW.INDIANEXPRESS.COM](#)

To unlock idle gold, govt may ask jewellers to take deposits

If just 10% of gold held is monetised, it would be around \$400 billion, says Kotak AMC MD Nilesch Shah

Soaring Gold Import



SOURCE: MINISTRY OF COMMERCE AND INDUSTRY

TO MOBILISE gold lying idle with people, the government is in talks with jewellers to introduce a monetisation scheme where subscribers will be offered interest income on the value of gold deposited.

According to sources in the jewellery industry, the government has been in talks with big players wherein jewellers would assume a key role to mobilise gold. Discussions have been constructive and a scheme could be announced soon, a top industry source told *The Indian Express*.

The talks come at a time when the exchange rate is under pressure due to many factors: elevated fuel prices following the West Asia crisis, investor concerns about the domestic stock market, and elevated gold imports.

When contacted, Rajesh Rokde, Chairman, All India Gems and Jewellery Domestic Council, the body representing the jewellery industry said, "The government has communicated that they are serious regarding the proposal and have assured to implement it as swiftly as it can be".

He, however, refused to share details of the proposal "because the government is currently working on it". Queries sent to the Reserve Bank of India and the Ministry of Finance regarding the proposal being discussed

remained unanswered at the time of publishing.

Proposal under consideration
Depositors can head to their nearest jeweller and deposit physical gold. Market players said the scheme will be implemented via demat accounts, just like stocks.

The gold deposit will be reflected in the demat account. In return, the depositor will earn some interest, theoretically making it a win-win proposal for both parties.

While there is no official estimate of gold held by Indian households, experts put the figure significantly upwards of 20,000 tonnes.

This locked-up gold, when monetised, can make India a trade account surplus nation, according to Nilesch Shah, Kotak Mahindra AMC's Managing Director.

"Assume if just 10% of the gold held is monetised. That would be around \$400 billion roughly when rounded off. Our gross FDI is about \$80 billion, so this gold would be equivalent to 5 years of FDI flows," said Shah, who's also a part-time member on the Economic Advisory Council to the Prime

Minister (EAC-PM). This would also have a broader impact on the economy, increasing domestic consumption and forcing companies to invest more.

"Investments depend on either domestic or global savings. We have depended on global savings to an extent. Now imagine if our domestic frozen savings are added to the available liquid savings, and foreign capital continues to flow, then suddenly there is so much capital available for investment," Shah added.

The involvement of jewellers as the contact point instead of banks is the key difference between the current proposal and the previous scheme launched in 2015 that had mobilised just 38 tonnes of gold by March 2025, as per government data.

"Families are more often comfortable in dealing with their family jewellers in cases regarding gold and silver. That comfort is missing when banks play that role," explained Rokde. According to Prithviraj Kohari, President of the India Bullion and Jewellers Association (IBJA), the "big shift" is moving beyond banks.

FULL REPORT ON [WWW.INDIANEXPRESS.COM](#)

Tata Sons' AGM adjourned, cloud over Chandra's full term

George Mathew
Mumbai, August 18

TATA SONS' annual general meeting (AGM), scheduled for Tuesday, was adjourned due to a lack of quorum as the regulatory freeze imposed on the Sir Ratan Tata Sons (SRTS) has left the Tata holding company unable to secure the shareholder representation required to convene the meeting.

The adjournment means the uncertainty over the resolution for reappointment of N Chandrasekaran as director of Tata Sons will continue.

While a fresh meeting will have to address the unfinished business, the board is expected to take a decision on the next date. It is also expected to meet around September, according to sources. Chandrasekaran's current tenure as chairman ends on February 20, 2027. His directorship was up for renewal at the

August 18 AGM. This matters because he needs to remain a director to continue as chairman through the end of his current term. The AGM will have to consider and approve the resolution for Chandrasekaran's reappointment as a director.

The issue stems from Tata Sons' Articles of Association, which stipulate that at least five members must be personally present to form a quorum. Crucially, the quorum must include an authorised representative jointly nominated by the Sir Dorabji Tata Trust and the Sir Ratan Tata Trust.

The inability of the SRTS, which holds a 23.56% stake in Tata Sons, to convene a board meeting following an order issued by the Maharashtra Charities Commissioner in May has led to the issue. The order has prevented the trust from conducting its board proceedings while an inquiry into its board composition is pending. This has created a procedural hurdle for Tata Sons. In the absence of a SRTS board meeting, the trust cannot jointly nominate a representative with the Sir Dorabji Tata Trust (SDTT).

Such a joint nomination is required under the Articles of Association of Tata Sons to meet the quorum requirements for AGM. As a result, the Charity Commissioner's order has implications beyond SRTS's internal governance, potentially affecting Tata Sons' ability to proceed with its AGM in accordance with the requirements set out in its corporate charter. A possible way forward would be for the existing "lifetime trustees" of SRTS to voluntarily relinquish their status as lifetime trustees and thereafter, re-nominate themselves as trustees for a fixed and clearly defined tenure. [FULL REPORT ON \[WWW.INDIANEXPRESS.COM\]\(#\)](#)

Profit growth of Nifty-50 companies hits 10-qtr high, boosts outlook

Bengaluru: Corporate India broadly posted better-than-expected June-quarter earnings, with profit growth for Nifty 50 companies averaging a 10-quarter high of 18%, reinforcing expectations of sustained growth despite margin pressures, five brokerages said.

Profit and revenue growth was robust across sectors among the large, mid-and small-caps in a quarter that Motilal Oswal described as "picture perfect", with market firms being the sole weak point in the wake of the uncertainty in the Middle East. Nineteen sectors beat esti-

mates and the upgrade-to-downgrade ratio improved to 1.5, according to Motilal Oswal, implying that 15 companies were upgraded for every 10 downgrades, signalling a broad-based improving profit outlook for the rest of the fiscal year. Festive demand, GST-related consumption support, credit expansion and investment activity are key factors expected to underpin fiscal 2027 earnings, the brokerages said.

Large-cap firms such as Hindalco, Reliance Industries, JSW Steel, ONGC led the earnings beat on the Nifty 50, analysts said. [REUTERS](#)

MARKETS

Sensex	72,35.46	NIFTY	24,154.90
	-492.70		-132.75
	-0.63%		-0.55%
Gold	₹1,54,080	US Dollar	₹95.68
Silver	₹23,314	Oil	\$89.58

NOTE: GOLD, SILVER RATES AS PER INDIA BULLION AND JEWELLERS ASSOCIATION GOLD PER 100, SILVER PER KG, CRUDE OIL (INDIAN BASKET) AS OF AUGUST 17, 2025

Rajasthan State Road Development And Construction Corporation Ltd. JAIPUR. [www.rsdcc.co.in](#)

KONKARN RAILWAY CORPORATION LIMITED (A COMPANY OF INDIA UNDERSTANDING) [www.krc.co.in](#)

E-TENDER NOTICE
Name of Work: Supply, Erection, Testing & Commissioning of Passenger Lift along with associated Electrical Works & Civil Work in 5 Nos. Building of Foreign Trade (DGT), 10, 10/20/2025 to 10/20/2025. [www.krc.co.in](#)

CONCOR India E-Tender in Two Phases for Supply and Installation of Passenger Lifts. [www.concorindia.com](#)

Remittances abroad: Shell cos, CSR spends under I-T scanner

Aanchal Magazine
New Delhi, August 18

AROUND 394 entities, including 117 located in land-border states, and 36 professionals were found to have remitted large amounts of foreign exchange over the last three years, the department said. "A nationwide network of entities engaged in remitting funds abroad was uncovered during a search operation conducted on a group of fictitious charitable trusts involved in providing accommodation entries against bogus donations/contributions."

"Preliminary ground verification revealed that the entities making these remittances were either non-filers or were filling income tax returns showing very small turnovers," it said.

The probe has been underway for a while and now a nationwide verification exercise has been launched to verify these outward foreign remittances. "The investigations are being carried out against entities in Mumbai, Delhi-NCR, Ahmedabad, Jaipur, Kolkata, among others. The focus is on shell entities and those who incorrectly claimed these transfers as CSR, or have done it disproportionately to their disclosed turnover," an official told this newspaper. [FULL REPORT ON \[WWW.INDIANEXPRESS.COM\]\(#\)](#)

remittances and analysis of data on outward foreign remittances as several suspicious entities were found to have remitted large amounts of foreign exchange over the last three years, the department said. "A nationwide network of entities engaged in remitting funds abroad was uncovered during a search operation conducted on a group of fictitious charitable trusts involved in providing accommodation entries against bogus donations/contributions."

"Preliminary ground verification revealed that the entities making these remittances were either non-filers or were filling income tax returns showing very small turnovers," it said.

BRIEFLY

'NSE seeking \$55 billion valuation at IPO'

New Delhi: The National Stock Exchange is seeking to be valued at as much as Rs 5.26 lakh crore, or \$55 billion, in its planned Initial Public Offering, Bloomberg reported on Tuesday, quoting unnamed sources. At this valuation, a 6% stake sale could raise more than Rs 30,000 crore, making it India's biggest IPO, overtaking that of Hyundai Motor India in 2024. [ENS](#)

Govt puts curbs on clear float glass imports

New Delhi: India has put a minimum import price of Rs 34,000 per metric tonne on clear float glass for one year, a move that could benefit domestic producers, including Saint-Gobain and Asahi India, by curbing lower-priced imports. The Directorate General of Foreign Trade (DGFT) in a notification dated August 18, changed the import policy for clear float glass of 4mm to 12 mm thickness under ITC (HS) codes 70051090 and 70052990 from "Free" to "Restricted." [PTI](#)

SALE NOTICE

(Pursuant to the Order Dated 13.08.2026 of Hon'ble NCLT, Chennai Bench)

HALLMARK LIVING SPACE PRIVATE LIMITED (In Liquidation)
(CIN: U45400TN2012PT004362)

Regd. office: Suite A-4, No. 45, Old No. 622, United Plaza, Urban Road, T. Nagar, Chennai - 600 017.
Site: "Emerald" Chitralpuri, GST Road, Opp. To Malviya World City, (Next to RTD office, Chennai-600092)

E-AUCTION UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016
(In Liquidation) (Corporate Debtor) under Regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 pursuant to the order of the Hon'ble NCLT, Chennai Bench dated 13.08.2026 on "As is where is basis. As is what is basis. Whatever there is basis and without any recourse back" by the Liquidator, appointed by the Hon'ble National Company Law Tribunal (NCLT), Chennai Bench, vide its Order Dated 17.08.2024 containing details of Terms and Conditions of E-Auction, E-Auction bid form, Eligibility criteria, Declaration by bidders, Earnest money deposit etc. details of which are available at Corporate Debtor's Website [www.hallmarkliving.com](#) and the prospective bidder's website. The prospective bidder shall submit an undertaking stating that they do not suffer from any ineligibility under section 238 of the Code to the extent applicable and that if found ineligible at any stage the earnest money deposited shall be forfeited by liquidator. Prospective bidders shall deposit the Earnest Money Deposit (EMD) through the Bankruptcy Process Information platform. The E-Auction Sale will be conducted strictly subject to said E-Auction process information document through the E-Auction platform [https://bbi.bankruptcy.com/insolvency-ebid.html](#). The applicable GST and other taxes / duties will be extra.

Property	Inspection Date	Date and Time of e-auction	Reserve Price (INR)	EMD Amount & Due Date (INR)	Bid Increase Amount
Proposed Building Area of 4,86,137 Sq.ft. not fully built and Land 752 acres (including 6388 sq. ft. UDS) situated at EMDST, Chitralpuri, GST Road, Opp. To Malviya World City, (Next to RTD Office), Chennai-600092.	Between 20/08/2026 to 15/09/2026 Timing: 11:00 AM to 05:00 PM	Between 20/08/2026 to 11:00 AM to 05:00 PM	Rs. 77.62 Crores (Rupees Seventy Seven Crores and Sixty Two Lacs Only)	Rs. 7.00 Crores (Rupees Seven Crores and Twenty Five Lacs Only) Due Date: 11/09/2026 11:00 a.m.	Rs. 25.00 Lakhs (Rupees Twenty Five Lakhs only)

Sale notice shall be read in conjunction with the E-Auction Process Information Document. For E-Auction details, contact Email: [support@bankruptcyinsolvency.com](#), Toll Free No.: +91 8291220020. You may also contact the undersigned or email at [ebid@bankruptcyinsolvency.com](#) for further details about the sale. If any modification in time and/or in the E-Auction Process Information Document, including terms and conditions, it shall be notified in the website of the Corporate Debtor i.e. [www.hallmarkliving.com](#) or [www.bankruptcy.com](#) and [www.bbi.bankruptcy.com](#)

Date: 19.08.2026
Place: Chennai

S. Shanmugam
Liquidator for Hallmark Living Space Pvt Ltd. (In Liquidation)
BBI Rangoon No. 188/19A-022/1P-A/000059/2017-18/10112
No. 103, First Floor, Kaveri Complex, 98/1A, Nungambakam High Road, Nungambakam, Chennai - 600 034 Tel No: 44332599/0327. Email ID: [ebid@bankruptcyinsolvency.com](#)

Employees' State Insurance Corporation
Medical College and Hospital, Naroda-Bapunagar, Ahmedabad
(Ministry of Labour & Employment, Government of India)
H. Hardasagar, Police Chowky, Bapunagar, Bapunagar, Ahmedabad, Gujarat-380014
Phone: 079-18253333 Email: [dean-bapunagar@esic.gov.in](#) Website: [www.esic.gov.in](#)

ESIC Medical College and Hospital, Naroda-Bapunagar, AHMEDABAD
NOTICE INVITING EXPRESSION OF INTEREST (EOI)
Expressions of Interest (EOI) are invited under the Two-Bid System (Technical and Financial Bid) from Government institutions, Public Sector Undertakings (PSUs), reputed agencies, firms, or individual private persons to provide Rental Hostel Facilities for approximately 50 MBBS Students (Boys & Girls).

Important details & Specifications:

- Tender ID- 2026_ESIC_922401_1 (Through CPP Portal)
- Tender Reference No. - Efile no. 1630222 (Through CPP Portal)
- Capacity: Accommodations for approximately 50 students (Boys & Girls).
- Location: Well-maintained properties preferred within 10 km of the ESIC Medical College Khokhra campus.
- Area: Minimum total living area of 5,500 square feet (excluding kitchen, balconies, bathrooms, and passages/common areas).
- Lease Period: Valid initially for 03 years, with a provision for performance based extension of up to 02 years.
- Facilities Required: Properties must feature proper ventilation, attached toilets, electrical points, round-the-clock power and water facilities, elevator/lift services, and space allocations for a reception desk, ward area, and security cabin. Note: Security and housekeeping services will be deployed by the Institute.
- Date of publication: 17/08/2026 (Hybrid Model)
- Date and time of pre-bid meeting: 21/08/2026
- Venue of pre-bid meeting: Room no 211, Office of Dean, ESIC Medical Hospital Bapunagar, near Hardasagar Police Chowky, Rajiv nagar, Bapunagar, Ahmedabad Gujarat 380024.
- Online link for Pre-bid meeting: [https://meet.google.com/aw-wxkj-jud](#)
- Last date/time of submission of sealed expression of interest: 28/08/2026
- Date & Time of opening of Technical Bid: 31/08/2026, 10:00 AM
- Date of site visit by official team of ESIC: Will be decided after opening of technical Bid and shall be informed to the qualified bidders.
- Financial Bid: Date and time shall be intimated at later stage.
- Earnest Money Deposit (EMD): Rs. 50,000/- (Fifty Thousand) only in Demand Draft (D.D.) to be drawn in favour of 'ESI Fund Account No. 1', Payable at Ahmedabad.

Submission Process:
Interested and eligible bidders can download the detailed EOI document containing full terms, conditions, and technical/financial formats from the official website [www.esic.gov.in](#) or the Central Public Procurement Portal.

Bids must be submitted in separate sealed envelopes for the Technical Bid (with supporting documents and EMD) and the Price Bid. Both envelopes must be packed inside a third, larger sealed envelope super-scribed with "EXPRESSION OF INTEREST (EOI) FOR RENTAL HOSTEL FACILITIES FOR STUDENTS (BOYS & GIRLS)" and addressed to the office of the Dean.

The Dean reserves the right to accept or reject any or all bids without assigning any reason.

DEAN
ESIC Medical College and Hospital, Naroda- Bapunagar, Ahmedabad

The Big Picture

WEDNESDAY, AUGUST 19, 2026

13

THE TATA SUCCESSION BATTLE

OVER TO NOEL

For years, Noel Tata, Ratan Tata's half-brother, 20 years his junior, was the 'other Tata', self-effacing and reserved. Now, as a corporate battle in the 158-year-old group takes a new turn, GEORGE MATHEW on the man whose influence will determine who gets to head Tata Sons

IT WAS set to be a done deal. Had it been put to vote, Natarajan Chandrasekaran would have sailed through, securing another term as chairman of Tata Sons, the holding company of the 158-year-old Tata Group. After all, four of the six board members were in his favour. But that day, February 24, 2026, the boardroom was tense. One man on the board, Noel Tata, had tough questions — about losses made by several companies in the \$180 billion group, about its possible public listing, and what justified another term for Chandrasekaran as chairman. It was clear that Noel Tata was in no mood to give Chandrasekaran a walkover.

At the end of the meeting at Bombay House, the headquarters of the Tata Group, Chandrasekaran proposed that the decision be deferred until a consensus was reached. He didn't want the extension of his term to go through without the approval of Noel Tata, chairman of Tata Trusts, the family-run philanthropic arm that owns roughly two-thirds of Tata Sons.

It was a point, Tata watchers say, when Noel, for long the 'other Tata' in the room, came into his own. It would have been hard for anyone to step into the legendary Ratan Tata's shoes, possibly even harder to step out of them. That Noel — Ratan Tata's half-brother, two decades his junior — could have that day effectively vetoed Chandrasekaran, the man Ratan Tata had appointed to the post instead of his half-brother, was remarkable for a business house that has long prided itself on reaching key decisions by consensus.

On August 12, Chandrasekaran announced his decision to exit as Tata Sons chairman at the end of his term in February 2027, bringing to a close one of the most dramatic boardroom battles in recent times. With Noel likely to be on the five-member selection committee that will choose Chandrasekaran's successor, he could have a decisive say in who comes next.

"In a company, the owner has every right to hire and fire key persons. Tata Trusts and group companies own majority stakes in Tata Sons. He (Noel) has every right to make recommendations for the post as Tata Trusts' chairman, obviously with the backing of other trustees," a senior Tata Group official told *The Indian Express*.

Ratan and Noel

From the 1990s until his death in 2024, Ratan Tata had been the public face of the Tata Group, the man at the heart of an empire spanning steel, automobiles, aviation, software, power, hotels, consumer businesses and much else. While he stepped down as chairman of Tata Sons in December 2012, he continued to lead Tata Trusts and have a decisive influence over the group's governance, until his death in October 2024.

It was then that Noel emerged as the family's main representative. While Ratan Tata's ailing younger brother Jimmy Tata paid public homage to his departed sibling at Mumbai's National Centre for the Performing Arts on October 10, it was Noel who received VIP guests throughout the mourning period.

In his homage, Noel Tata said, "There is no greatness where there is no simplicity, goodness and truth, Leo Tolstoy said. Measure Ratan Tata by these characteristics, and there can be no doubting what he brought to the world he lived in and what we have lost with his passing."

For the longest time, however, the half-brothers had been distant, with their upbringing under different circumstances. After Ratan Tata's father Naval Hormusji Tata separated from their mother Soono Comissariat, Ratan and Jimmy Tata were largely brought up by their grandmother Navajbai Tata.

Naval went on to marry Swiss-born Simone Dunoier, and by the time Noel was born to the couple in 1957, Ratan Tata was 20 years old.

In her 2021 book *The Tatas*, Freddie Mercury & Other Bawls, veteran journalist and *The Indian Express's* contributing Editor

ILLUSTRATION: SUVAJIT DEY

Corporate Structure of Tata Group

TATA TRUSTS: Owns roughly two-thirds of Tata Sons, with the holdings primarily through various charitable trusts, including the Sir Ratan Tata Trust (SRTT) and Sir Dorabji Tata Trust (SDTT).

Chairman:

Noel Tata

TATA SONS: Tata Sons is the principal investment holding company and promoter of the Tata Group, which comprises 31 companies, including 26 publicly listed companies. Sixty-six percent of the equity share capital of Tata Sons is held by philanthropic trusts, which support education, health, livelihood generation and art and culture.

Publicly listed businesses under Tata Sons:

ITC, Tata Motors, Tata Steel, and Titan

Private unlisted companies:

Air India, Tata Digital, Tata Electronics, Tata International

Chairman:

Natarajan Chandrasekaran

tor Cooil Kapoor writes that when Ratan Tata returned to India after graduating from Cornell University and staying back in the US for seven years, it was to a very different home. "...it is possible that Ratan may have felt ignored in the family home. His father had a new family, which included his half-brother — christened Noel, since he was born on Christmas Day. Noel was twenty years younger, and perhaps Ratan resented the newcomer's presence. The relationship between Ratan and his stepmother is believed to be rather distant."

Noel, Kapoor writes, was then "the indulged baby boy, twenty years younger than his half-brother. Ratan was generally not present at Noel's mother Simone's Christmas and New Year bashes, even though he lived next door."

The Noel family lives in Windermere building in downtown Mumbai's Cuffe Parade, not very far from the sea-facing Bakhtawar, also called Cabins and Halekai bungalow, Ratan Tata's home in Colaba.

Noel, now 69, is married to Aloo Mistry, the sister of former Tata Sons chairman Cyrus Mistry. In 2003, Noel, along with the entire Mistry family, acquired Irish citizenship after his father-in-law Pallonji Mistry's marriage to Dublin-based Patsy Perin.

Noel's mother Simone, who was the brain behind Lakme, the Tata group's popular cosmetic brand, died in December 2025. Trent, the group's retail arm that Noel turned around and was arguably his biggest achievement yet, started in 1998 from the proceeds of sale of Lakme.

"I only know Noel Tata as an academically well-qualified, accomplished, low-

profile person. With his distinguished mother, he built a Rs 180,000-crore retail enterprise in India," says R Gopalakrishnan, former Director of Tata Sons. Noel took over as Managing Director of Trent in 1999 after a Bachelor's from Sussex University (UK) and an International Executive Programme at France's INSEAD. Under Noel, Trent expanded dramatically across formats, eventually turning into the company behind household names such as Westside and Zudio. From one store in 1998, Westside grew to more than 1,200 stores across formats during his tenure.

In June this year, Noel announced at the Trent Annual General Meeting that he was stepping down as chairman in line with the Tata Group's governance guidelines, under which non-executive directors retire at 70. Despite Noel's successful stint at Trent, Ratan Tata was, by all accounts, unwilling to promote his half-brother. As late as 2019, Noel was not even a trustee on any of the major Tata trusts.

Besides, he was overlooked for the post of chairman of Tata Sons at least twice. In 2012, when Ratan Tata decided to retire as Chairman of Tata Sons, most eyes turned towards the low-profile, reticent Noel. But the mantle ultimately went to Cyrus Mistry. Then, in 2016, when Mistry was dramatically ousted from the chairmanship, speculation again swirled around Noel. But then, too, he was overlooked, this time in favour of Chandrasekaran, then the MD and CEO of Tata Consultancy Services, the group's flagship technology company.

In his book *Ratan Tata: A Life*, author and former bureaucrat Thomas Mathew

quotes Ratan Tata as saying, "Perhaps, if Noel had the experience of handling difficult assignments, he could have established his credentials more forcefully." Apart from that rare remark, both Ratan and Noel Tata spoke very little about each other in public. But people close to Noel say that Ratan was fond of his half-brother's children Leah, Maya and Neville. Neville is already a trustee in Tata Trusts and is involved in the retail business. Leah works with Indian Hotels and Maya with Tata Digital and Trent.

In February 2019, Noel was finally inducted as a trustee of the Sir Ratan Tata Trust, one of the two core, allied trusts that anchor the Tata Trusts network. Kapoor writes, "It was only when Ratan's long-time financial advisor, Noshir Soonawala, stepped down, at the age of eighty-four, and reportedly called on Ratan to induct Noel that Ratan's half-brother was appointed in his place."

The bond between the two half-siblings, Cooil Kapoor writes, became stronger after 2016, around which time, Noel says in an interview, they met regularly. In February 2022, he was finally inducted as a trustee of the Sir Dorab Tata Trust, too.

Noel comes into his own

People who know him say Noel, usually seen in button-down shirts in blue or white, is self-effacing and reserved. "When I met him at a simple Tata guest house in Mumbai when I was involved in writing the book, I realised he has amazing vision about various things," Mathew says.

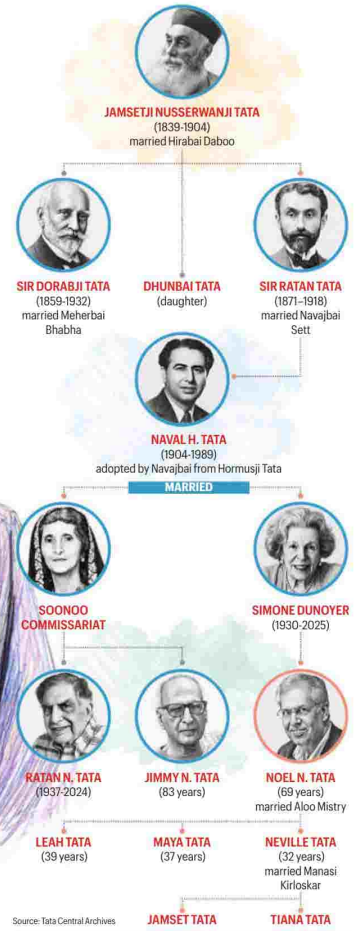
Others, however, see a different side. "As a business leader, he's untested so far," says a top source who is part of the Tata ecosystem. "He was not part of the core business of manufacturing in the group. He was the chairman of the loss-making Tata International."

A top source in the Tata group says, "While Noel lacks the stature and standing of Ratan Tata in the Indian industrial landscape, he has proved his mettle by successfully running companies like Trent and Tata Investment Corporation... and he was on the boards of leading Tata companies like Tata Steel. His role will be that of a guide, guard and policy-maker for the group. He can always step in when Tata Sons or group companies make wrong decisions."

Yet, they all point to the February 2026 meeting, when he challenged Chandrasekaran on the latter's reappointment and the direction of the group, as evidence of a man increasingly willing to make his views heard and establish his authority — much as Ratan Tata had done decades earlier.

In 1991, when Ratan Tata took over as chairman of Tata Sons from Jehangir Ratanji Dadabhai (JRD) Tata, who stepped

THE TATAS



Source: Tata Central Archives

Upheavals since Noel Tata took charge

OCTOBER 2025:

Mehli Mistry, a longtime trustee of the Sir Ratan Tata Trust and a close confidant of Ratan Tata, is voted out after trustees decline to renew his tenure.

FEBRUARY 2026:

Ex-CEO of Citi India, Pramit Jhaveri, a supporter of Mistry, also does not opt for reappointment to the Trusts.

MAY 2026:

Noel Tata votes against reappointment of Ratan Tata's close aide, former Defence Secretary Vijay Singh, and TVS Motors' Venu Srinivasan as trustees of Tata Education and Development Trust.

AUGUST 2026:

Vijay Singh, who argued for listing of Tata Sons against Noel, does not opt for reappointment to Sir Ratan Tata Trust. He will exit all other Trusts by July 2027.

Tata Sons Chairman N. Chandrasekaran has now opted to vacate his post

down after leading the conglomerate for over 50 years, he eased out some of the most prominent faces — from Russi Mody of Tata Steel to Darbari Seth of Tata Chemicals and Ajit Kerkar of Indian Hotels — and replaced them with his men.

In Noel's case, it started with Mehli Mistry, his wife's cousin and Ratan Tata's close friend. Last year, Mehli was not reappointed to the Tata Trusts. Another Tata Trusts member, former Citi India CEO Pramit Jhaveri, saw the writing on the wall and didn't opt for reappointment. Chandrasekaran, too, had earlier postponed the decision on his extension.

There had, for some time, been a sense within the group that Noel and Chandrasekaran had differing views on the direction of Tata Sons. Some of Noel's concerns were about the way the group was evolving under Chandrasekaran — including how far it should move into newer businesses, how those businesses were being managed and how the Tata Group's long-established culture should be preserved. The question of whether Tata Sons should remain private had become another point of difference, as had the losses being incurred by some of its newer and unlisted businesses.

The way ahead for Noel, Tatas

When the five-member selection committee, which may include Noel Tata, meets to decide on the new chairman of Tata Sons, there will be questions to confront. Will the new chairman be a Tata insider, someone promoted from the many Tata companies? A family member? A member of the Parsi community? Or will the Tatas look beyond as they scout for talent?

Those close to Noel say that his choice will reflect some of his concerns related to the group.

While the market capitalisation of the Tata Group's listed companies has more than tripled over the past nine years, rising to around Rs 27 lakh crore, it has been accompanied by mounting losses at some of the group's major unlisted businesses, and these companies need to be returned to profitability.

The losses of eight unlisted Tata companies stood at Rs 33,538 crore in FY26. Air India accounted for the largest share of these losses, with its annual loss doubling to Rs 22,238 crore. Tata Digital, another key unlisted business that houses the group's digital ambitions, reported a loss of Rs 4,974 crore during the year.

As the group looks for a new direction and investment plan in the wake of changing technological advancements, Noel's every move, especially the selection of the new chairman of Tata Sons, will be keenly watched and scrutinised.



(From left) Naval Tata with sons Noel and Ratan. SOURCE: HORIZONS, TATA TRUSTS

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Employment opportunities

India must prepare workers for changing global needs

A new NITI Aayog study highlighted that India accounts for the world's largest overseas migrant population, at 18.5 million, and is also the highest recipient of remittances. This underlines the need to strengthen skilling and institutional mechanisms to meet global labour demand. The current pipeline is concentrated in lower-skilled work, where construction alone accounts for 71.3 per cent of National Skill Development Corporation International-facilitated overseas placements. Between January 2020 and June 2025, Uttar Pradesh, Bihar, West Bengal, Rajasthan and Tamil Nadu together accounted for more than 1.16 million emigration clearances, while Saudi Arabia and the United Arab Emirates (UAE) remained the largest destinations.

There is a large opportunity to diversify this pattern. Across advanced economies, ageing populations and shrinking working-age cohorts are tightening labour markets. At the same time, mismatches in structural skills and the weak alignment of education and training curricula with the requirements of labour markets are creating shortages of appropriately skilled workers. Demand is expanding across infrastructure and construction, logistics and transport, information & communication technology and digital services, green-transition industries, hospitality, health care, and personal and social services. India's challenge is to connect its labour pool with these shortages rather than rely predominantly on traditional, low-wage migration channels. Poorly organised migration can also erode its economic gains. A 2023 study published by the National Bureau of Economic Research on Indian workers migrating to the UAE found that migration doubled compensation, but intermediary fees reduced take-home pay by about 10 per cent. Migrants also reported a significant fall in subjective well-being. Such costs highlight the risks created by inadequate information and weak safeguards.

The policy objective, therefore, should not be merely to send more workers, but to shift from informal, low-wage migration to demand-driven skilled mobility. There is a need for migration dashboards, foreign-language training, internationally recognised certification, and employer partnerships. More states should consider establishing mobility-resource centres as institutional interfaces for last-mile delivery of mobility services. These centres can provide counselling, career guidance, information on destination-country requirements, documentation, and pre-departure support, helping workers make informed choices while reducing their dependence on informal intermediaries. Also a dedicated diaspora representation is important to raise workers' concerns with host governments, strengthen legal protection, and ensure timely grievance redress.

The state should promote circular migration. Workers returning with skills, savings and international experience should receive support to re-enter domestic markets, start enterprises, or find productive employment at home. This would turn migration into a channel for knowledge and capital transfer rather than a one-way movement of labour. However, it must be noted that overseas migration cannot substitute domestic job creation. India needs a dual strategy of building a workforce capable of accessing better global opportunities while expanding productive employment at home. The objective should be to make migration a choice based on opportunity, not necessity, and to position India not merely as a supplier of labour but as a global source of skilled human capital.

Women at work

Workplace crèche mandate must be prioritised

The Union Ministry of Labour and Employment, in a recent written reply to Parliament, noted that it had conducted no dedicated assessment of mandatory workplace crèches, and did not even maintain data on how many establishments were required to provide them or how many complied. Clearly, this is a worrying implementation gap. The provision introduced in 2017 required establishments with 50 or more workers to provide a crèche. Nine years later, there is no data to suggest how widely the mandate is being followed. This matters because child care is not merely a welfare provision. It is part of the infrastructure that can enable women to enter, remain in, and progress in paid employment. The latest Periodic Labour Force Survey (PLFS) data makes the issue more pressing. The female labour force participation rate (LFPR) fell to 33.2 per cent in April-June, from 34.7 per cent in the previous quarter. The urban female LFPR, at just 25 per cent, remains particularly low. The recent moderation should not be attributed to child care alone, since female participation is shaped by wages, availability of suitable jobs, social norms, education, mobility and other factors. But it reinforces the need to address the constraints that make sustained employment difficult for women.

One such constraint is the highly unequal distribution of unpaid care work. The "Time Use Survey" shows that women spend 236 minutes a day on unpaid domestic work for household members, while it is just 24 minutes for men. In fact, the 2025 PLFS Annual Report says that 44.4 per cent of women cited child care and personal commitments in homemaking as the main reason for not being in the labour force. This will need to change if India aspires to grow at higher rates. The women LFPR is much higher in other countries — it's over 50 per cent in countries like the United States and China. Thus, the policy objective in India should be to make women's participation in labour force more sustainable and productive. India's demographic trajectory makes child care particularly relevant. Unlike many advanced economies, where declining fertility has been accompanied by a substantial postponement of motherhood, most births in India still occur to women in their 20s. This means the years in which women are establishing themselves in the labour market overlap with the period in which they are most likely to have young children. Affordable and accessible child care can consequently influence women's ability to remain attached to employment after motherhood.

Workplace crèches, however, cannot by themselves resolve India's child care deficit. The 50-worker threshold leaves out a large part of India's informal and small-enterprise workforce. A broader care-economy strategy, including shared and community facilities that can serve smaller establishments, is therefore necessary. A study by the Economic Advisory Council to the Prime Minister has similarly argued for expanding child care services as part of a broader care economy. Thus, there is an immediate need to establish credible data on covered establishments, compliance and utilisation of crèche facilities, and strengthen enforcement.

Decentralise education, create jobs

India's young population can drive growth only if the government invests more in education

ILLUSTRATION: BINAY SINHA



The Jantar Mantar agitation we witnessed recently showed that the government had not paid sufficient attention to the concerns of people below the age of 30, who constitute half the country's population. The agitation was led by GenZ youth, many of whom were in higher or tertiary education, as well as those who were looking for jobs.

They number 367 million and constitute a major part of the generations relevant to our long-term growth. In essence, the core of the issue is the extent of government support for higher education and employment prospects for young adults.

When it comes to their access to education, there has been substantial progress not just in school education but also in tertiary education in universities and similar institutions. In the 40 years between 1983 and 2023, the percentage of people in the 20-29 age group with a graduate-level education rose from 4 per cent to 28 per cent, which, in absolute terms, translates into an increase from 5 million to 63 million.

We have also seen a significant reduction in caste and gender-based discrepancies in tertiary education and graduate employment. A truly valuable change is the fact that Scheduled Tribes with education can move away from traditional occupations in leather and waste collection.

The substantial availability of graduates has been a major part of the boom we have seen in our infotech companies, whose exports are about \$350 billion at present, and the substantial rise in global capability centres (GCCs), of which there are about 1,100 now employing over 2 million people. In fact, one can go a step further and accept that the inward remittance of around \$140 billion we receive from Indians abroad is substantially attributable to the growth in the number of tertiary- and high-school-educated Indians.

However, unemployment among the 15- to 29-year-olds remains high — nearly 40 per cent among the 15- to 25-year-olds, and 20 per cent among the 25- to 29-year-olds, and only a few secure stable salaried jobs within a year of graduation. The major challenge is the quality of education, the shortage of adequately qualified graduates who can work without substantial post-recruitment training by companies, and the sur-

plus of poorly qualified graduates.

This is where government spending on education matters. The 2020 National Education Policy endorsed the goal of spending 6 per cent of gross domestic product (GDP) on education by the Central and state governments, which has been part of policy since it was proposed by the Kothari Commission way back in the mid-60s.

However, in practice, the share of government spending on education has remained more or less stagnant at around 4 per cent of GDP for a long period of time. The state governments spend 80-85 per cent of this budget, as they are the ones who establish and finance government-owned schools and colleges. However, the Central government is particularly important for improving the quality of education.

Using the data available in the budget documents, what one finds is a significant reduction in the share of spending on education by the Central government, from 3.7 per cent of its total spending in 2016-17 to 2.4 per cent in 2024-25. Expressing this as a percentage of GDP, it was 0.27 per cent in 2016-17, and down to 0.33 per cent in 2024-25, well short of what the Central government's education spending should be, which is 1 per cent of GDP.

This failure to increase spending on education to improve its content is reflected in the fact that nearly half of urban XI and XII class students spend about ₹10,000 a year on private tuition. In rural areas, about one-third of the students rely on private tuition and spend about ₹4,500 a year. Yet another indicator of this lack of spending by the government is the decline in enrolment to government schools and the rise in enrolment to private schools.

The youngsters are a major part of what we call a demographic dividend. Ignoring their concerns will convert this into a demographic disaster. There is a need for stronger action by governments to improve the quality of education and a more determined effort to meet the 6 per cent of GDP target that has been a part of policy for 60 years.

Providing education and employment generation for the youth does not seem to be a priority for the Gov-

ernment of India. It has focussed its policy mainly on reaching out to conglomerates and entrepreneurs to promote manufacturing growth, while spending attention focuses mainly on developing infrastructure. That is why we have a substantial increase in the share of government spending on transport, which shot up from 5.2 per cent in 2016-17 to 12 per cent in 2024-25. This development of infrastructure has not yet boosted manufacturing growth, and some of it was plainly wasteful, like the airports that were set up, many of which are hardly used by air travel services, and new highways that are often not capable of serving a current demand need.

Promoting manufacturing is, of course, desirable and perhaps even more necessary as the rise in internet-sector services is now slowing down and, this year even declining, because of the major changes in infotech technology created by AI. A crucial part of action for promoting manufacturing is to improve the quality of knowledge and skills of graduates. This is why higher spending on education at all levels, from primary to tertiary, is as necessary for accelerating the growth of industry as heavy investments in infrastructure, which is the current focus of the government's strategy. Focusing on employment prospects for graduates also requires a manufacturing policy that promotes labour-intensive manufacturing activities, much of which will be from medium and small enterprises.

The Northern states account for the bulk of the additions to the workforce and will have to work vigorously to improve the quality of education and promote industry and other activities that offer decent jobs for high school and tertiary graduates. But the other states also need to increase their commitment to raising the quality of education.

Government action on education will require close cooperation between the states, which account for 80-85 per cent of public spending on education, and the Centre, which has a key role in setting standards and even goals for education reform. This will not work well if it becomes a process of dictation by the Centre. We may do well with the decentralisation of standards and the management of entry programmes by individual states, which vary greatly in the quality of education, the availability of high school and tertiary graduates, and the availability of decent employment.

What we need is an organised set-up combining the states and the Centre, comparable to what we have for goods and services tax, that will set a coherent policy and spending framework for the states and the Centre. In our country, with a rising number of educated young people who can be the basis for accelerated growth, the government's development policy must pay much more attention to improving the quality of education and creating better employment prospects for tertiary and high school graduates. In a democracy, the primary goal of the Centre and state governments should be their impact on the lives and hopes of all citizens.

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Governing the AI elephant

Artificial intelligence (AI) is now important for almost every business. But it matters most in financial services. Banks are using AI to check credit, catch fraud, and help customers. Stock exchanges and brokers are using it for surveillance and compliance. Fund managers are using it for research and investing.

Financial companies have huge amounts of data that make them ideal for AI. But it also means AI mistakes can be very costly. If an algorithm is deciding who gets a loan or how a trade is handled, the questions that it raises are: Does the technology work? How can mistakes be avoided? And who is responsible when it fails?

Government's Chief Economic Adviser V. Anantha Nageswaran spoke about this at an ASSOCHAM event on August 7. He warned that India's financial sector needs to tackle AI safety risks now, instead of waiting and watching. This warning makes sense as AI is moving faster than the rules set by governments.

Two regulators are already acting: The Reserve Bank of India (RBI) and the Securities and Exchange Board of India (Sebi). Neither is making a full AI law yet, but are laying the groundwork. The insurance regulator has in June 2026 set up a seven-member group to look at AI adoption, establish an ethical governance framework, and evaluate frontier AI risks in the insurance sector.

In August 2025, the RBI released a report called FREE-AI (Framework for Responsible and Ethical Enablement of Artificial Intelligence), the bedrock of which is trust. It is suggesting that banks and other regulated firms should have a board-approved AI policy. This policy should cover the whole life of an AI system — from building and testing it, to using it, watching it, and eventually retiring it. The report also stresses explainability,

fairness, cybersecurity, and protecting customers.

This report is only a set of recommendations, not a binding law, so banks can't be forced to follow it yet. But banks already have to follow existing RBI rules on things like risk, cybersecurity, and consumer protection — and these rules still apply when AI is involved. FREE-AI is showing where the RBI's thinking is headed, and banks are paying attention by adopting it — after being nudged no doubt.

Sebi is taking a similar approach. In June 2025, it released a discussion paper on responsible use of AI and machine learning in stock markets. It is proposing rules around model oversight, ongoing testing, telling investors when AI is used, fairness, data privacy, cybersecurity, and monitoring outside vendors.

The paper is suggesting that firms using AI in ways that affect customers directly should disclose this, along with the risks and limits of the tool. For AI used only internally — like compliance or fraud monitoring — the paper is proposing lighter rules. A caveat. This is still just a proposal. Sebi collected public feedback on it, but it isn't a final rule yet.

Recognising the risks, in May 2026, Sebi issued a formal advisory about AI tools used to find security weaknesses. This one isn't just a proposal — it's operational guidance. It covers checking for vulnerabilities, patching systems, watching vendors, and monitoring security. It reflects a real concern: AI can help defend against cyberattacks, but it can also make it easier for attackers to find weak points.

But the regulators are clear that a bank can't blame its AI vendor if customers are being treated unfairly, or a brokerage can't dodge responsibility just because a third party built the AI tool it is using. Consequently,

both regulators are avoiding rules about the technology itself. Instead, they're focusing on the governance around AI — who's responsible, how it's monitored, how risks are managed.

This marks a shift for company boards. AI has been treated like a tech project, run by information technology (IT) or digital teams. Now it needs to sit alongside cybersecurity, risk management, and other board-level concerns, and boards need to ask where AI is most critical in their business, and which decisions are being shaped by algorithms. They should also consider what's at stake if these systems fail and how good that data is, and how bias is being caught and fixed. They need to know whether management can explain how a key model is reaching its answers, and how the company is detecting model drift over time. It's worth asking what the backup plan is if the system fails, how dependent the company is on outside AI vendors, and, importantly, who is responsible when something goes wrong.

Models constantly change as they are learning from new data, so it is difficult to build a detailed rulebook. Recognising this, both regulators have chosen broad principles over narrow rules: This is a welcome change from the prescriptive approach that regulators usually adopt.

AI is changing too fast for rigid, specific regulations to stay useful for long. The Ministry of Corporate Affairs is unlikely to issue a dedicated AI rulebook, leaving corporate India without one overarching law. The papers from the RBI and Sebi offer practical, sector-tested guidance on governance and accountability. Any company can adopt these, making them useful to India Inc. Corporations should treat these as a starting point for dealing with AI.

The writer is with Institutional Investors Advisory Services, a Sebi registered proxy advisory firm. The views are personal. @AmiTandon/In

Writing from the wreckage



CHINTAN GIRISH MODI

On December 19, 2025, in response to Lok Sabha member D Purandeswari's question about Indians in United Nations peacekeeping operations, Union Minister of State for External Affairs Kirti Vardhan Singh had revealed that 898 Indian personnel were serving in Lebanon as part of the United Nations Interim Force in Lebanon (UNIFIL) that was established in 1978.

The impending shutdown of UNIFIL's operations on December 31, 2026, under pressure from Israel and

the United States, has raised serious concerns about the security and peace-keeping infrastructure in Lebanon. With India being one of the leading troop-contributing countries, this hasty withdrawal of military and civilian personnel meant to support cessation of hostilities, deliver humanitarian aid, and ensure safe return of displaced persons, hits close to home.

UNIFIL was set up soon after Israel's invasion of southern Lebanon in 1978. Another invasion, much bigger in scale, took place in the summer of 1982, with Israel laying siege to West Beirut. These military campaigns were meant to attack the Palestine Liberation Organization (PLO) that ran its operations out of Lebanon. Hezbollah, a militant Islamist group in Lebanon, backed by the Islamic Revolutionary Guard Corps of Iran, was also formed in 1982, to fight the Israeli army.

Palestinian writer and scholar Jean

Said Makdisi's book *Beirut Fragments*, which chronicles the impact of the Lebanese Civil War (1975-1990) on everyday life, must be read in the context of this geopolitical history. It would be particularly useful for Indian readers who are trying hard to wrap their heads around how Lebanon got pulled into the Israel-Hamas War.

The book offers a tender and melancholic account of what it felt like to live through the 1982 Israeli invasion. It is powerful because of the author's refusal to let loss and grief be dressed up in impersonal statistics that do very little to expose the cruelties of the military industrial complex. Experts who pontificate on defence and strategy must read it to remember ordinary lives that are forgotten when analysis remains focused on nation states and armed groups.

The author writes, "My family came originally from Palestine, but I grew up

in Egypt as an outsider. I was educated by Englishmen and Americans, absorbing their culture and values along with those handed down by my own Arab ancestors." She is a Christian Arab who was born in Jerusalem in 1940, and also happens to be the sister of the late scholar Edward Said, who was an influential spokesperson for Palestinian self-determination in the diaspora.

Her writing makes one think about how silly and inadequate the nomenclature "Arab world" is when it comes to speaking about a population that is diverse in terms of religion, language and ideology. Those who have been stuck with the assumption that all Arabs are Muslims have a chance to correct and update their understanding of this region through this first-person narrative.

Beirut Fragments focuses on a time



Beirut Fragments: Bearing Witness to a War
by Jean Said Makdisi
Published by Profile Books/Hachette
272 pages ₹499

when "West Beirut was under the domination of the PLO and their supporters, while East Beirut was dominated by the Lebanese Forces who were at this point in direct collusion with the Israelis". The author was guilty of taking refuge in a part of the country "dominated by those who were in collusion with the Israelis". This emotional aspect, often missing from think tank reports and human rights dossiers, comes alive in her book.

Apart from documenting the killings and destruction of homes, the author records the disastrous effects on the mental health of those who managed to survive. She notes, for instance, the bouts of frenzied housecleaning that came from a "manic desire to clean up the whole world".

She writes, "We slept when we could; we woke when we had to. The structure of time collapsed, and hours

fell about us like stones off a broken building. Sundays, Mondays — all the days of the week were alike and lost their character, and all the dates of the month as well." She read Jane Austen to find comfort and structure amidst chaos while her children played Monopoly and Scrabble or worked on geometry problems to create a semblance of normalcy in their lives.

After the Israeli soldiers left at the end of the civil war, her beloved Beirut looked completely different from what it used to be. The book, as expected, is filled with warmth and nostalgia, but does not look away from the detritus left behind. "The Israeli soldiers, wherever they had been, had decorated in choice places. On books, furniture, clothes and carpets; on bedroom floors, near toilet seats and in bathrooms; on school desks; and in shop windows, people found the rotting faces." This is a grotesque but apt visual metaphor for the shocking decay of the human soul.

The reviewer is a journalist

Getting Used to CAS For Auction Delivery

Better price discovery, less manipulation risk

Sebi is clear that its recently introduced closing auction session (CAS) will be how closing prices are to be determined. Market participants unused to the new method should adapt to this new reality. The new process actually improves price discovery, lowers the risk of manipulation, and makes tracking by index and exchange-traded funds (ETFs) easier. New York and London Stock Exchanges use CAS. So, why the pushback? It's largely coming from options traders accustomed to a specific style of closing trades. Sebi has dismissed concerns over volatility in CAS, and attributes initial friction to legacy algorithms and trader infrastructure built around the earlier process of determining closing prices through volume-weighted average prices. So, more of a case of old habits die hard.

CAS provides prices that buyers and sellers actually agree upon. This makes executing large orders more efficient.

It becomes difficult to influence prices through timed trades. The switch to a global norm like CAS has a bearing on passive investors by reducing tracking errors for index funds and ETFs. Sebi has adopted a phased rollout, starting with F&O stocks, and investor concerns should have been addressed by the time CAS is applied across the board. The regulator is open to feedback on fine-tuning the system, even as it emphasises that the new 3.15-3.35 pm trading mechanism is here to stay.

Regulation would favour market structures that contribute to stability. Passive investments are a major stabilising force already in the Indian equity market, and their influence is growing. The derivatives segment is innately volatile, and Sebi has stepped in with measures to curb excessive speculation in options trading. Concerns over timing gaps for options traders while the cash market transitions into the auction phase will have to be addressed, though. The regulator will have to ensure volumes revive in closing trade, and prices don't stray too far from the continuous market. Which on the whole should be fine once the teething problems get sorted out.

A better account begins with the framework John Cochrane sets out in his 2023 book, *The Fiscal Theory of the Price Level*, and as he explains in his 2025 Karl Brunner lecture, 'Inflation'. Its core is a single relation: real value of a government's debt equals the present value of surpluses it will run to repay that debt. When markets stop believing the debt will be honoured, the price level rises to bring the debt's real value back into line.

The 2013 taper tantrum, when the rupee fell by 1/5% in weeks, was the same loss of confidence seen from the outside. RBI raised rates hard, persistent deficits into persistent inflation was erosion of confidence in future repayment.

Growth slowed from about 9% to 8%, shrinking the future tax base, and a sequence of events made the state look more extractive and less predictable: a retrospective tax law aimed at the Vodafone deal, Supreme Court's cancellation of 122 telecom licences in 2012, and of 214 coal block allocations in 2014, and a broader policy paralysis, each of which raised the real return investors demanded to hold claims on the state.

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buildings and housing shortages, as few came forward to build new apartments. Scarcity deprived people willing to pay higher rents.

So, an occasional pop-up of exorbitant prices on travel portals, or an irritating demand for ₹100 more for seat selection, shouldn't be a trigger to make an essential industry commercially unviable.

What India's aviation industry needs is a bigger policy push to expand and add more players, than direct new entry restrictions. Air India, once a state-owned monopoly, is reeling under losses of thousands of crores of rupees, some fearing whether it'll survive in its current form.

Spice Jet has been in ICU for a long time, with not only sliding passenger trust but also litigation and financial woes.

The list of airlines in India that went bust in 2016. There are a few trying to take off. But if policymakers take a misstep at this crucial stage, they could be leaving the ground open for a near-monopoly for an already dominant IndiGo.

And even the best-run airline can see its fortunes slide. IndiGo reported a loss of ₹1,000 crore in 2024, thanks to spike in crude oil prices. Seeking judicial intervention in a world throwing up so many challenges, which even some of the best in the business can't get on top of, is misplaced.

Air travel is today accessible to the middle-classes, and even to the less well-off in emergencies. Courts and the government, neither of which has control over crude oil prices or aeroplane lease terms, are at a disadvantage. Just a government monopoly has had desired impact whenever there were sharp spikes.

If the objective is to connect more cities and make air travel affordable, it's better to let the market decide on prices that would make air travel entrepreneurs away, but to lure more to get into the airline business. Price caps would do the opposite of urging them.

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Caps mean cutbacks

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The most powerful thing a state can do for price stability is to remain solvent, and be seen so

Fiscally Fit to Beat Inflation



Shamika Ravi

Value of a nation's money reflects the strength of its government, and to measure that strength by what we can see: roads, airports, DPI. But the most consequential work of a strong government is fiscal discipline, credibility to honour its debts, willingness to make hard, unpopular choices, and restraint to resist easy giveaways when a windfall arrives. That commitment protects the currency's value and, with it, savings and wages of ordinary people.

India's inflation between 2010 and 2016 is a case study in this contrast between seer and unseen. The country lived with inflation of 11.5% a year from 2010 to 2013, then watched it fall by half within 2 yrs. The usual explanations — expensive food and then cheap oil — are true as far as they go. But they explain neither timing nor persistence.

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Grappling well

India after 2008 fits the first half of that story. Stimulus of the financial crisis, a large farm loan waiver, expanding rural employment guarantee, pay commission arrears, and a swelling bill for fuel and fertiliser subsidies kept deficits wide long after the emergency had passed. GDP's deficit hovered near 5.6% of GDP and the general government's near 8%.

What turned persistent deficits into persistent inflation was erosion of confidence in future repayment.

Growth slowed from about 9% to 8%, shrinking the future tax base, and a sequence of events made the state look more extractive and less predictable: a retrospective tax law aimed at the Vodafone deal, Supreme Court's cancellation of 122 telecom licences in 2012, and of 214 coal block allocations in 2014, and a broader policy paralysis, each of which raised the real return investors demanded to hold claims on the state.

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hike, is on any cost-push reasoning, inflationary. Yet, it coincided with a new inflation-targeting framework in 2015. Sebi's interest rate, the repo rate, was then cut without reigniting inflation, the classic mark of a restored anchor. The deeper vindication has come since. That commitment to fiscal discipline, once re-established, has been held through one crisis after another from the pandemic to the closure of the Strait of Hormuz.

By taxing cheap oil in calm years to build fiscal room, Gol could spend it during the crisis — cutting fuel excise to smoothen the shock rather than pass it to households. This buffered the blow, keeping inflation within RBI's tolerance band. That steadiness, the chief reason India's inflation has stayed low, while other economies lurched from shock to shock. Discipline is not a single decision but a standing commitment. And it is on that commitment that the value of the rupee rests. Two lessons emerge:

● Inflation is fought on an unseen monster. The visible triggers — a fall in oil prices, an oil spike, a rate decision — matter far less than the invisible belief that the state will honour its debts in real terms. Central banks can move interest rates. But they cannot substitute for a credible fiscal promise.

● Inflation is a regressive tax. It levies cash on the backs of the poor, who cannot hedge, while the wealthy shelter in property, equities, gold and forex. The most powerful thing a state can do for price stability is to remain solvent, and to be seen to remain so.

The writer is member, EAC-PM

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THE SPEAKING TREE Responsible Freedom

NEEL VIMALKUMAR

Freedom is a virtue that we yearn for, and every progressive society tries to provide in upholding it. However, freedom can be abused. Paul, a 1st c philosopher, captured this struggle. He said, 'I do that which I don't want to do, and I end up doing that which I ought not to do' — the error of commission and an error of omission. He was so frustrated with that conflict that he cried out in desperation, 'Who will save me?'

Charles Wesley's lines set to music capture a freedom that is born in the unlikelyst of places: an ancient Roman prison cell. Long my imprisoned spirit lay. Found bound in sin and nature's night.

Thine eye diffused a quick'ning ray I woke, the dawning damped with light; My chains fell off, my heart was free.

Free, I went forth, and followed Thee. Paul found the answer to his personal soul-searching in the work of Christ. He illustrated the mechanics of two laws at work in a follower of Christ — a law that pulls us down and a law that lifts us up.

At an airport, the law of gravity keeps an aircraft grounded. After the go-ahead is received, the plane taxis onto the runway and, in a few moments, takes off. While the law of gravity is still at work, a higher principle of Bernoulli pushes it into the sky. God transforms us from the trappings of our weak and sinful nature into noble people who exercise freedom with responsibility.

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With a Friend Like This, Who Needs...?

The old dictum, 'Keep your friends close, your enemies closer,' is meant as shrewd counsel. Yet, Donald Trump's latest signal to Kim Jong Un — he posted 'Kim Jong Un and I get along GREAT!' last Saturday along with a photo of the two strongmen at the North Korea-South Korea border in 2019 — risks throwing up unintended consequences. By ostentatiously courting his North Korean counterpart, America's 'Supreme Leader' has unsettled ally South Korea, which wonders whether the US' latest embrace of its existential adversary leaves it dangerously exposed. Trump's public order to Pete Hegseth to dial down military exercises with Seoul adds further grist to this mill. Europe has already been forced to rethink its intimacy with Washington, bruised by Trump's transactional disdain for NATO.

Henry Kissinger once quipped, 'It may be dangerous to be America's enemy, but to be America's friend is fatal.' Trump's diplomacy drives the point home. But the truth is that earlier administrations also befriended rogue states in the name of 'strategic necessity'. Post-Cold War US indulgence of Pakistan was a case study in how closeness to Washington for natural allies could corrode rather than strengthen as a result. Trump's overtures to Kim undermine the logic of alliances. If enemies are to be hugged, friends are left wondering whether loyalty is a liability. The wisdom of proximity collapses when proximity itself becomes punishment.

India, ironically, benefits from this counterintuitive reasoning gone mad. Its relationship with Washington has been increasingly transactional and hedged. Earlier attempts to grow closer have faltered. But, in retrospect, that distance looks prudent. India's arm's-length pragmatism may prove the healthiest posture.

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Caps mean cutbacks

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Fare-Capping Would Be Unfair to Air



M C Govardhana Rangan

In the mid-90s, it cost about ₹6,000 to fly between Chennai and Mumbai. In 2026, it's hovering around the same price.

This, despite crude soaring to \$85 a barrel from \$20, and without judicial intervention on pricing. The number of planes in Indian airspace has grown 4x, and the Indian airline featuring among the world's Top 10 by market value. India's also the third-largest aviation market, with some of the swankiest airports in the world.

In this landscape, an issue pending in the Supreme Court pertains to a demand to cap airfares and come up with a consumer-facing regulatory body. Gol has promised the court that a policy is round the corner. This comes at a crucial juncture when India's on a drive to promote tourism and improve air connectivity. Can price controls help this agenda?

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Price control rhetoric is politically popular across the world. India's hardly new to price control either. Liberalisation is partly the freedom from controls that crippled entrepreneurship for decades.

Demand for capping airfares falls in the 'zero-sum' fallacy category, where someone is believed to be taking place unless both parties benefit. Air travel is an economic transaction between airlines and flyers. Such voluntary transactions wouldn't take place unless both parties benefit better off making these transactions, than not making them at all.

Millions of Indians travelling by air underlines a mutual benefit, and that economic terms are acceptable to both. Some disagreeing to those terms and seeking intervention isn't helpful for flyers willing to pay market fares and an industry that directly employs lakhs.

Look no further than rent control to see the long-term impact of price caps. Almost every big city — from NYC to Melbourne — has tried to freeze rents to help people from forever-rising prices. It probably helped those already settled into those homes from stumping up more. But what they were left with after a few years was crumbling

buildings and housing shortages, as few came forward to build new apartments. Scarcity deprived people willing to pay higher rents.

So, an occasional pop-up of exorbitant prices on travel portals, or an irritating demand for ₹100 more for seat selection, shouldn't be a trigger to make an essential industry commercially unviable.

What India's aviation industry needs is a bigger policy push to expand and add more players, than direct new entry restrictions. Air India, once a state-owned monopoly, is reeling under losses of thousands of crores of rupees, some fearing whether it'll survive in its current form.

Spice Jet has been in ICU for a long time, with not only sliding passenger trust but also litigation and financial woes.

The list of airlines in India that went bust in 2016. There are a few trying to take off. But if policymakers take a misstep at this crucial stage, they could be leaving the ground open for a near-monopoly for an already dominant IndiGo.



CONTRAPUNTO

The only thing that's real is this lonely road tonight

- JOE COCKER, song

Red Ribboned

Delay inauguration by VIP to test a new road via aam admi driving on it? Or just build a good road?

You can't say govts don't respond to complaints in India. They do. Only their chosen remedies can leave us scratching our head. Or, in some cases, banging it on a wall. This monsoon has seen many a road go bump bump. Some of these are super expensive prestige projects. Seeing their tax rupees become water down a drain, worsens citizens' misery. The creative solution got is mulling? Delay official inauguration for 2-3 months after a new highway stretch opens for traffic. Apparently, it's to test road quality under actual driving conditions. But, hello, do citizens want to be unpaid test drivers?

In Germany, road construction warranties are legally defined and strictly implemented. When a contractor knows that substandard work will cost them money even 2-4 years later, they have a much stronger incentive to get the mix, drainage, compaction, and foundations right the first time.

In Australia, the emphasis is on third-party, accredited, independent audits of road quality. But looking at even 100 models from across the world will not solve India's problem. Multiple CAG audits flag that blacklisted contractors keep participating in new tenders, and winning them. The sustained failure to integrate different "portals" is likely no innocent affair. But also, when a ₹4,200cr Lucknow-Kanpur greenfield elevated expressway slips up 13 days after inauguration, or the ₹12,000cr Delhi-Dehradun expressway within 3 months, who inaugurated it is a distraction. What matters is what institutional mechanism should have discovered the road's weakness before the ribbon was cut.

Delhi's 10th Yamuna bridge project, Barapullah III, is at a 10-year delay and a ₹400cr cost overrun, or ₹600cr, depending on whether the tender cost or original sanctioned estimate is taken as the benchmark. But it's no inauguration virgin. Repeated ribbon-cuttings are a thing. What this underlines is how much engineering is humbled by the political scheme. There's an absurd egomania in this theatre of nets, cameras, television crews. Depending on the electoral cycle, completed projects can sit idle, or uncompleted ones get inaugurated. But there's no plaque for maintaining the roads, replacing the water pipes, or transformers. The ribbon's tyranny is much more than a calendar hitch. It feels like a dodgy political highway to hell.

The fake content went viral, especially after it was picked up by Israeli accounts, and was ultimately shared by Netanyahu's son, Israel and US mainstream media, and even US's ambassador to UN, Mike Waltz. But here's the real trick – the dubious claim essentially catalysed confirmation bias among those who already wanted to push the Iran nuke narrative. Of course, this tactic isn't new. Implanting fake news in information streams to stimulate certain outcomes has had devastating consequences. Recall the dodgy dossier – a plagiarised, misrepresented PhD thesis – that had been used by US & UK to justify the 2003 invasion of Iraq on the pretext of WMDs. Or the 2017 hating of Qatar's state news agency that implanted a fake story, claiming Qatar's Emir had praised Iran and criticised US policy, that led to Qatar's blockade by four Arab countries.

Lies, Untruths, Deceits

Fake Iran nuke claim shows potency of social media to mangle reality, with dangerous consequences

If Goebbels was alive today, he would have a field day with social media tools at our disposal. The chief Nazi propagandist was an early proponent of the 'Big Lie' concept – repeat a lie often enough, and it starts acquiring the illusion of truth. Social media platforms would have been his favourite playground. Case in point: the Aug 5 claim on X, from an apparently India-based handle, that found its way to Netanyahu's speech later that very day. The content related to Iran's IRGC commander Ahmad Vahidi apparently saying Tehran wouldn't give up its nuclear ambitions, as long as Israel and US possessed nukes. Except, per NYT, which thoroughly reviewed the claim, it was all fake.

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The possibilities of such mischief today have further multiplied given the advent of new technologies. From tools like Pegasus to sophisticated deepfakes, cyberspace is a new, constantly evolving battleground. A fringe statement on social media can be magnified by bots in hours. Fake narratives can be imparted with an aura of authenticity, through repeated sharing. Guarding against such malicious tactics requires smart vigilance, and large-scale training to spot misinformation. It's an increasingly complicated world. And India, given its massive digital population, but with low digital literacy, should be particularly careful of dangerous fake news.

Age was reckoned in arithmetical terms, in numbers. Then, all of a sudden, millennial turn, arithmetical age was replaced by alphabetic age by the creation of a new age category, Gen X.

But before you could ponder what an Xcellent idea was, Gen X gave way to Gen Y. And before anyone could ask Yfor? Gen Y was superseded by Gen Z, which is making not just waves but tsunamis all over the show.

The question might arise as to why there was no Gen W to precede Gen Y. How had an entire Gen gone missing? Was that what's called a Generation Gap?

It's not that there's not just no Gen W, but there's also no Gen V or any other letters that come before X. These are not mere Generation Gaps, but Generation Gorges. However, alphabetic age has a trick or two up its sleeve. Switching from the English to the Greek alphabet, there's already a Gen Alpha in the making, followed by Gen Beta and so on.

And when there are no more Greek Gens left, there's always Cambodia's Khmer alphabet to fall back on with 74 letters, is the world's longest compendium of characters.

What happens to those who still compute their ages in numbers, like 30, 40, etc? Let's just say that their days are, literally, numbered.

In Western philosophy, similar views have been developed by Spinoza and Hegel. Spinoza's pantheism identifies God with Nature, meaning everything in the universe is an expression of one absolute substance with infinite attributes. All beings are 'modes' of this absolute substance without any creator-creation divide. Einstein expressed his belief in a personal God but in Spinoza's God, and his philosophical views were deeply influenced by Spinoza.

Einstein's theory of relativity provides a modern, logical and scientific framework for understanding the ancient teaching of Advait Vedanta. The theory asserts that the world appears differently to observers. Ekam sat vipra bahudha vadanti, Rig Veda verse 1.64.46 – there is only one truth expressed differently by observers. This is because the world's appearance depends on the observer's reference frame, their speed, or the curvature of spacetime.

Lengths may contract; clocks may run at different speeds; matter and energy curve spacetime, giving the appearance of acceleration or gravity. However, Einstein did not mean that the world itself is purely subjective. Underlying laws of nature govern relative appearances. These laws are the same for all observers regardless of their reference frame. Scientists in different parts of the world may observe and measure different phenomena and appearances; yet the underlying laws they deduce will be identical in each case.

Einstein firmly believed in an objective reality. For Einstein, nature's laws are entirely independent of the observer. This deeper philosophical and scientific worldview gives special meaning to his discoveries. Behind all phenomena, adhyas – realistic illusions – are laws of nature that are independent of any observer. Phenomena on the other hand, are manifestations of these underlying laws under circumstances and contexts. Thus, while phenomena appear different to different observers, the theory of relativity allows scientists to translate or transform one phenomenon into another and thus return to an objective account of the world. Therefore, for Einstein, the certainty of a single reality lies behind the multiplicity of appearances. This underlying reality is quite independent of any observer. Consequently, for Einstein, despite the term 'relativity', there was a concrete certainty about the world which lay in the mathematical laws of nature.

Advait Vedanta posits Brahman is the substratum underlying jeeva jagat. 'Brahm satya jagat mithya – Brahman alone is real; the phenomenal world is mithya. The writer is joint secretary, GOI. Views are personal

So, How Much Does E20 Save?

Not much, considering higher ethanol prices for industry, farmland diversion for maize, increasing imports of pulses and edible oils, and the toll on our aquifers

Arindam Goswami



Fill petrol anywhere in India, about 20% of what goes into the tank is ethanol – alcohol derived from sugarcane juice and molasses. This, govt says, has been done to reduce petroleum imports. It sounds like a smart move, given that India imports close to 90% of the oil it burns.

But substituting petrol with ethanol won't make sense if the ethanol itself is imported. That's why, in 2019, govt moved biofuel imports – ethanol – is a type of biofuel – from the 'free list' to the restricted one. Ethanol could no longer be imported for blending with fuel.

Regardless, India remained a net ethanol importer through 2025, and almost all the imported ethanol was American. Where was it going? To the pharma and chemical industries that used to buy from Indian distillers until the fuel blending programme started paying those distillers better.

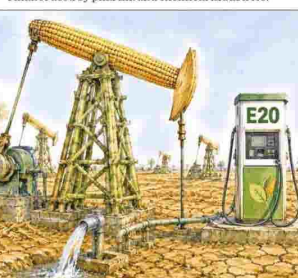
It would have been a fair tradeoff had our dependence on imported crude reduced. But fact is, India's dependence on imported petroleum didn't decline. PPAC data shows increased crude import dependence, even as blending roughly doubled. That does not contradict govt's claim of 1.97% or saved and 316L tonnes of crude substituted since 2014-15, because marginal savings and a worsening ratio can sit together.

Why didn't ethanol blending reduce dependence on imported crude as much as expected? It comes down to physics. Because 100% ethanol yields about two-thirds the energy of petrol by volume, a 20% blend, or E20, displaces only 14% of the petrol burnt per km, not 20%. The petroleum ministry itself says E20 reduces mileage of calibrated cars by 1-2%, and that of older cars by 3-5%.

Besides, this 'saving' has its costs, with the ministry clarifying last month that E20 is costlier to produce than plain petrol when crude is near 70 a barrel. Ethanol becomes economical only when crude hits \$120-\$130 level. Meanwhile, the ban proved counterproductive in other ways. While imported ethanol was meant for industries, its use actually dropped. How could

pharma and chemical sectors continue growing when their combined ethanol use was falling? It looks like they started importing more of the finished chemicals, instead of making them here.

Domestic production of industrial ethanol had halved during 2022-2024, as distillers preferred selling to oil marketing companies that offered them assured offtake at high administered prices. Naturally, the share of imported ethanol in industrial consumption climbed. At one point, India was importing over 50% of ethanol used by pharma and chemical industries.



There's a bigger cost to be paid for ethanol as more land is devoted to feedstock crops. For instance, between 2021-22 and 2024-25, with administered price and assured offtake at work, maize output grew 8.8% a year and area under it 6.7%. In 2024-25, some 126L tonnes of maize – 23% of the crop – went to distilleries. In Maharashtra and Karnataka, land was diverted from pulses, soyabean, millets and cotton.

As a result, India imported 16mm tonnes of edible oil in 2024-25. Imports of pulses hit a record 7.3mm tonnes, and in 2024, the country turned net importer of maize for the first time. Guess what, we spent 30 times more forex on edible oil imports than our savings from the curbs on ethanol imports.

That's before factoring in one more major cost of ethanol. NITI Aayog and the petroleum ministry had recommended maize as ethanol feedstock because they thought it would use less water. However, per the food secretary, it takes 4,670L of water to make 1L of ethanol from maize, compared with 3,680L for sugarcane. The new maize growing areas are also in states with hard-rock waters. Beyond that, distilleries use 3-5L of processed water per litre of ethanol. This is an invisible cost but it will increase as more farmland is diverted for maize cultivation under the influence of high procurement prices.

And price incentives remain strong because India has built more distilleries than it needs for both fuel and non-fuel demands. American ethanol shipments had dropped from 14.5mm gallons last Dec to almost nothing by April 2026. It's easy to see why, with petrol blending stuck at the 20% level, surplus domestic ethanol is spilling back into the industrial market and pushing imports out.

That probably explains why maize and ethanol started off the table in the Feb 2026 India-US joint statement, even though India is willing to buy dried distillers' grains – a byproduct of US ethanol industry – and red sorghum as animal feed. Since DGS competes with domestic pulses and wheat, it had news for an agri sector already losing and to maize.

Distillers are now asking for permission to export, to blend ethanol with diesel, and to use ethanol in cooking stoves. Standards for E22-E30 fuel have also been announced.

Policy seems to be driven by distilleries, missing the point that ethanol blending's main objective was to reduce petroleum imports.

Considering ethanol's impact on land use, pulses, oilseeds and water, and the impact costs of edible oil and pulses, govt should clearly flag ethanol's role has been substituted, in both energy and volume terms. It should provide a clear accounting of land and water use, including the extra acreage involved. It should also limit the use of first-generation feedstocks – maize, sugarcane – and shift incentives to second-generation methods – crop stubble, forestry waste, etc, as promised in the 2018 National Policy on Biofuels but not yet delivered.

The writer is a research analyst at Takshashila Institution

Two Protests, One Idea: Stand Up To Power

Jharkhand student protests against govt job scams – called off after CM scrapped relevant exams – were the same fight as Birsa Munda's rebellion: resistance to entrenched networks of systemic dispossession

Nandini Tank



The young leader who declared *Abua Raji, Abua Disha* (Our Rule, Our Country) at age 24 would recognise Jharkhand's protests – victorious after Soren govt ceded to demands – as torchbearers of his struggle.

Birsa Munda's historical uprising (1899-1900) rebelled to reclaim ancestral soil from colonial officers' zamindars, and moneylenders who dismantled khuntkatti (communal landholding) tenure. Today, tools of extraction have transformed, but the underlying architecture of dispossession remains identical.

Birsa Munda's original uprising forced passage of the landmark Chotanagpur Tenancy (CNT) Act (1906), to protect tribal land. Today, he would demand the students' movement go beyond vacancy figures. He would seek to dismantle predatory cartels, redirect mining royalties towards rural higher education, and secure a constitutional future where Jharkhand's destiny is governed by merit and right, rather than financial extraction.

Thus, Jharkhand's student protests against recruitment irregularities, cannot be viewed merely as grievances. They're a modern manifestation of ulgulan. Structural similarities between 19th-century colonial agrarian displacement, and 21st century's bureaucratic exclusion are apparent. In both eras, marginalised communities have been forced to resist deeply entrenched networks of systemic dispossession.

Today, the site of Advaita dispossession has transitioned from agrarian land to state's institutional apparatus. Post-colonial policies have, continually, alienated Advaitas from their spaces. Tribal resistance to environmental exploitation has been frequently treated as mere law and order problems. This pattern of marginalisation now extends into public sector employment. The modern *diku* operates as an illicit cartel of exam syndicates, and a compromised bureaucracy. Just as colonial middlemen utilised land deeds to extract agrarian wealth, modern recruitment mafia utilises paper leaks to extract financial capital, effectively barring rural scholars from meritocratic entry into state administration.

Ulgulan was a response to 'dual oppression', perpetrated simultaneously, by local landholders and colonial

administration. A comparable dual marginalisation was evident in the youth protests. Students battled both economic exploitation by recruitment cartels, and coerced entry into state administration – that initially responded with curfews and police force.

However, these pressures are met with subaltern agency. In academic discourse, Birsa Munda's uprising is not just political rebellion, but a re-articulation of tribal-cultural rights. Similarly, today's students asserted their constitutional right to protest, and challenged state's narrative. They refused to accept superficial concessions, such as the offer of an inquiry by a retired judge.

The connection between the two movements is the thread of resilience. Ulgulan can be seen as a mechanism of survival and adaptation. It demonstrated how Advaita communities transform, while preserving core sociopolitical essence, against severe pressure.



Student protests embodied the same resilience. Jharkhandis invoked their right to ensure institutional integrity. While ulgulan was assertion to protect territory and cultural identity, the student movement was a modernised resistance against dispossession from govt administration, to ensure governance is reclaimed from illicit intermediaries, and returned to its citizens.

Ulgulan relied on physical and oral networks, the resonant beat of *magada* drums, nocturnal forest assemblies, and symbolic messengers, to unite Advaita communities across Chotanagpur. The modern movement utilised social media to challenge institutional

dispossession – Insta, X, WhatsApp, and live video streams have redefined how marginalised younger people communicate, build consensus, and confront state apparatuses. By re-navigating geographical isolation with instantaneous digital connectivity, Advaita media converted fragmented regional frustrations into a synchronised, statewide assertion of constitutional rights.

The digital shift offered strategic advantages to the student resistance.

Digital platforms democratised whistleblowing, enabling crowdsourced transparency. Rapid dissemination of carbon-copied OMR answer sheets, leaked test images, and forensic evidence across messaging channels immediately exposed abuse of authority, preventing recruitment agencies from quietly dismissing paper leaks, or masking evaluation irregularities behind bureaucratic delays.

Social media allows young protesters to bypass traditional narrative gatekeeping. While mainstream media coverage frequently delays or minimises youth-led rural agitations, first-generation scholars from districts like Khunti, Dumka, and Latehar can broadcast live updates directly from Jaipal Singh Munda Stadium, ensuring their demands for administrative integrity are articulated, without institutional filtering or political distortion.

Social media also provides the agitation's infra-organisational coordination and sustained mutual aid, without reliance on political party backing. Protesters utilised IM platforms to organise torchlight marches, schedule talks, and crowdsourcing essential supplies. It amplified cross-regional solidarity by linking localised recruitment controversies in Jharkhand, to nationwide debate on educational reform and paper leaks.

This digital ecosystem connects rural aspirants with legal allies, academic supporters, and student movements countrywide, transforming a local struggle into a nationally monitored movement for meritocratic access.

This ancestral defiance converging with digital solidarity proves that the spirit of *Abua Raji* lives on within a highly connected generation, demanding that the republic honour its marginalised young not with hollow monuments to the past, but with living dignity of institutional justice. That justice is now expected to be served.

The writer teaches in Christ University, Bengaluru

Calvin & Hobbes



Sacredspace



John Wheeler

Theory Of Relativity And Advait Vedanta

B Purushatha

Advait Vedanta is the most influential and popular religious-philosophical school in India. It is a non-dualistic belief in Brahman, sat, the sole existence. Beyond the concept of God, Brahman is the underlying reality in all existences, including gods, demons, humans, places and times. All appearances and feelings of separate existences are not absolute reality but are temporary and ever-changing. They are mithya, an illusion – not entirely false but impermanent. The source of this illusion is maya, which can be contradicted, negated and overcome with the true knowledge of the ultimate reality and the knower's non-separation from Brahman – *tat tvam asi*, 'you are the one', and *aham brahmasmi*, 'I am Brahman'. One of the best ways to understand maya is to watch *The Matrix*.

In Western philosophy, similar views

have been developed by Spinoza and Hegel. Spinoza's pantheism identifies God with Nature, meaning everything in the universe is an expression of one absolute substance with infinite attributes. All beings are 'modes' of this absolute substance without any creator-creation divide. Einstein expressed his belief in a personal God but in Spinoza's God, and his philosophical views were deeply influenced by Spinoza.

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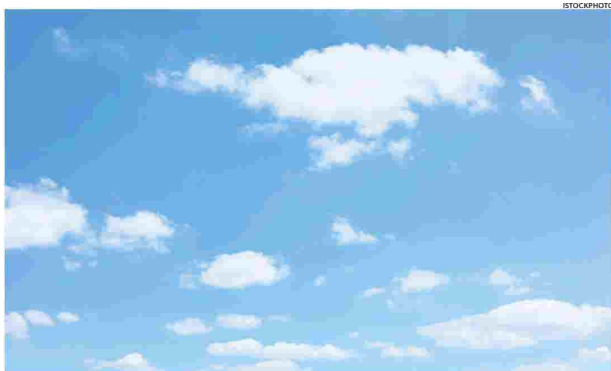
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OUR VIEW

THEIR VIEW



Blue-sky gazing—from innovation to valuation

Scepticism over the huge valuations of Big AI players may have grown amid warnings from financial risk trackers, but a scenario exists to justify them. How dreamy it is remains hazy

Frontier AI companies looking to raise public funds have left lots of investors puzzled. While private funders assign them eye-popping valuations, scepticism has risen over the vast sums of capital going into the American AI industry, especially amid a web of circular deals. Anthropic's valuation, for instance, is projected by some big investors at around \$2 trillion by 2028, based on its forecast of \$190-200 billion in revenue. That would be more than double its current valuation of about \$965 billion, with its annualized revenue at \$47 billion in May. Its rival OpenAI is privately valued at \$852 billion, with its annual topline put at just over \$25 billion, as extrapolated from its monthly data. Can the equity of these companies be worth so much? It can only be justified by exponential growth. Which is what the industry is betting on with mega investments in digital infrastructure. Together, US-based Alphabet, Amazon, Microsoft, Meta Platforms and Oracle are expected to spend about \$720 billion on capital projects in 2026, as per LSEG estimates.

AI services are costly to offer but expected to be highly profitable too. This paradox may reflect an investor perception that the industry addresses not one market, but two. The first is a mature one for Predictive AI, where machine learning has already automated fraud detection, credit scoring, phone feeds, advertising, logistics and industrial forecasts, with gains visible across businesses and handsets. The second is a frontier market for Generative and Agentic AI created by tech advances. Players are putting billions into models, chips, data centres, networks, power generators and talent in anticipation of lower unit costs and potentially boundless usage (one agent can hire another).

Yet, these systems still hallucinate and make errors, while agents go rogue too often. Grumbles have arisen that productivity wins do not justify AI token bills. Some enterprise users say it turns out costlier to let bots take over human roles, especially if the unseen cost of layoffs is taken into account. The web of capital, meanwhile, has grown complex. While AI majors invest in a huge hardware build-up, chipmakers like Nvidia and AMD are recycling some of their AI windfalls into this ecosystem through equity and other deals that link chip supplies with future compute capacity. The Bank for International Settlements has flagged risks of AI investment being financed via arrangements that resemble debt but stay off balance sheets. Nvidia's plan with Apollo, BlackRock, Blackstone, Brookfield, Goldman Sachs and KKR for AI-funding platforms would suggest a large appetite for a piece of the action. The trouble with closely interlinked deals is that a single node of failure might trigger a big blowout.

That said, if inference and token costs drop sharply and AI models achieve efficiency and stability, it may be easier to count on future returns that justify sky-high valuations. Yet, so long as variable costs exist and differentiation finds customers, this is unlikely to end up as a winner-takes-all market; in other words, rivalry will leave no space for monopoly profits. Predictive AI has proven itself, but AI bulls are yet to convince sceptics of a pot of gains at the end of the generative and agentic spectrum. While blue-sky gazing has a stellar record in the world of digital technology, with virtually no limit on what can be dreamt into being, hardnosed investors prefer to go by the facts in evidence. What works well for innovation needn't suit financial calls, even if AI bulls foresee big wins.

How corporations can mitigate a jobocalypse led by AI adoption

Governments could consider tax nudges but ultimately employers must help their employees cope



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Artificial intelligence (AI)-related job displacement is coming, though no one knows how fast it will proceed, how far it will go and which sectors it will affect most. Much depends on the pace at which individual firms apply the technology to their operations. A recent US Census Bureau Business Trends and Outlook Survey indicates that only 20% of firms with fewer than 20 employees currently use AI, compared to 37% of businesses with at least 250 employees. While larger firms are doing more, 37% is still quite meagre considering the survey's low threshold for answering in the affirmative (whether AI is used "in any business function").

For now, adoption is being impeded by the difficulty of integrating already astonishing AI capabilities into existing workflows in a way that will allow companies to reap the benefits fully. Doing so requires models that are not only trained on existing data but also adaptive to new data generated through everyday use. Another factor inhibiting adoption is uncertainty over cost. Many large firms are running pilots and postponing hiring or firing decisions as they await more clarity. Eventually, competitive pressures will force them to adopt the technology more fully.

The outlook for jobs is not entirely pessimistic. If companies continue producing the goods and services they cur-

rently produce, AI adoption will have the effect that any new technology has. Yes, some jobs will be rendered redundant (implying displacement); but some jobs will be made more productive and exciting as AI removes drudgery and assists with tasks humans do less well, and new jobs will be created.

Moreover, if AI adoption occurs because of the productivity increases it brings (rather than because it costs less in taxes than human effort), firms' ability to produce more for less will allow them to reduce prices and increase sales. This is the famous Jevons effect, which should also increase jobs. Yet another reason for optimism is that AI may help create new businesses. Jill might hesitate to become an entrepreneur selling driftwood furniture because she also needs a web programmer and an accountant to start up. With AI performing both those roles, perhaps she can set up a sole proprietorship at significantly less cost. The number of startups already increased significantly during the pandemic and has increased further in recent quarters.

As economist David Autor points out, AI can also equip moderately skilled workers with higher-order skills, as in the case of a nurse practitioner who can diagnose and treat many more illnesses with the help of medical AI. Given the enormous demand for medical services worldwide and also services more generally, there is plenty of room for further job creation.

But even if the 'jobocalypse' is less severe than many feared, minimizing its effects is still necessary to maintain social solidarity, and corporations will need to be enlisted in the effort. After all, it is they who will have the best sense of the new opportunities that their employees can re-train for. The first task for any government, then, is to identify and address all the ways the tax system biases corporations against human labour. For example, a US firm contributes social-security payments for every worker, but not for AI.

In a world where governments are already cash-strapped, one way to level the playing field is to levy a tax on the AI tokens a firm uses. The precise tax rate will need to be calculated carefully to avoid impeding AI deployment. While payments to domestic AI providers can be tracked easily, foreign providers would also have to be brought into the net; but this is not an insoluble problem.

Recognizing that the first round of AI displacement will not be the last, it will be even more valuable to get firms to re-train workers periodically, and to retain workers whenever possible. Perhaps governments could consider a tax credit for additional training provided to workers, with one-third of the value usable each year a worker retains employment. If the government wants to apply such a policy to AI adopters, it could even require the credit to be used only to offset the token tax.

More important than tax incentives, however, will be firms' acknowledgement that they are fully engaged in helping their employees cope with an uncertain future. As employment uncertainty grows, even the best and brightest may worry about accepting offers from an employer who could fire them whenever it finds that AI can do as well or better. Employers who promise to support their employees may enjoy an additional bonus, as their reputation grows, they will have a wider pool of high-quality candidates to choose from.

The trend here is encouraging. In ongoing work, Luigi Zingales, Pietro Ramello and I find that the share of US Fortune 150 CEOs declaring in letters to shareholders that they care about employee development has increased steadily, from around 20% in 2008 to 44% in 2023. We cannot rule out the possibility that this is all cheap talk. One hopes not. The more that corporations engage in what may be the defining business challenge of our time—i.e., providing good jobs for humans—the more we can all look forward to a future of plenty. ©2026/PROJECT SYNDICATE

10 YEARS AGO



JUST A THOUGHT

He who lives by the crystal ball will eat shattered glass.

RAY DALIO

GUEST VIEW

Privacy must sail past both the devil and deep blue sea

VIKRAM KOPPIKAR



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In Homer's epic *Odyssey*, the sacred tenet of Xenia (Zeus's Law) is given divergent interpretations. Penelope suffers silently, abiding by its customs to shelter and feed suitors in the absence of her husband Odysseus. Meanwhile, the cyclops Polyphemus violently flouts the code by devouring Odysseus's crew. This subjective application of a foundational rule carries profound consequences for all involved.

India today is witnessing a comparable struggle over a statutory interpretation surrounding the Digital Personal Data Protection (DPDP) Act of 2023. It is uncommon for a statute to face rigorous constitutional scrutiny before its operational enforcement. Yet, recent developments have thrust the DPDP Act into a critical intersection between the Right to Information (RTI) Act of 2005 and state law-enforcement practices. Two flashpoints—the deployment of facial recognition technology at Jantar Mantar and legislative amendments to Section 80(j) of the RTI Act—have highlighted the challenge of bal-

ancing individual privacy rights with state obligations and civic transparency.

The deployment of surveillance systems at the Jantar Mantar protest site of students has re-ignited the debate over the reasonable expectation of privacy in public spaces. The Delhi Police deployed Mobile Command and Control Vehicles alongside Ikhana, an AI-enabled surveillance van equipped with 360-degree cameras and automated facial recognition capabilities linked to criminal databases. Law enforcement authorities maintain that such tools are indispensable to ensuring public order, deterrence and real-time identification of known offenders.

This practice has been challenged through a public interest litigation (PIL) in the Delhi high court. The petition contends that filming citizens during routine activities such as resting, eating or receiving medical aid amounts to "continuous, indiscriminate and intrusive mass surveillance." Petitioners argue this creates an unconstitutional chilling effect on the fundamental rights to peaceful assembly and free expression (Article 19), as well as the right to privacy and personal dignity (Article 21) under which India's DPDP Act was instituted. Section 17(1) of the DPDP Act explicitly

exempts government agencies from key data processing restrictions when preventing, detecting, investigating or prosecuting legal offences. However, state surveillance is bound by a three-pronged standard established in the *Justice K.S. Puttaswamy (Retd.) vs Union of India* (2017) judgement. The first

test is legality: state action must be backed by an existing and clear legislative framework. *Second*, legitimate aim: the action must serve a genuine public interest or national security objective. *Third*, proportionality: the nature and extent of the intrusion must be proportional to the objective, so it can be done only if less intrusive means are unavailable.

RTI and personal information of public officials: A parallel shift has taken place regarding the disclosure of public officials' data. Historically, Section 80(j) of the RTI Act exempted personal information from mandatory disclosure, unless a public information officer (PIO) or appellate body determined that the "larger public interest" justified its release.

This mechanism was reinforced by the Supreme Court in *CPJO, Supreme Court of India vs Subhash Chandra Agarwal* (2019). In determining whether the asset declarations of judges could be disclosed under the RTI Act, it held that these constitute personal information, requiring a "careful balancing procedure" under Section 80(j) to weigh public accountability against individual privacy.

The DPDP Act significantly amends this balance by deleting the "larger public interest" exception and its accompanying legislative proviso from Section 80(j). By establishing an absolute exemption for personal data, the amendment removes the discretionary balancing test articulated in the *Subhash Chandra Agarwal* case, insulating personal records from disclosure under RTI.

Navigating the strait—privacy revisited: Like Odysseus navigating the perils between Scylla and Charybdis, modern data privacy governance requires steering between unchecked surveillance on one side and

administrative opacity on the other. Finding an equilibrium needn't be a zero-sum game.

Surveillance guardrails: International benchmarks such as the EU General Data Protection Regulation (GDPR) illustrate that privacy through strict guardrails, including data minimization, retention timelines and independent audit logs.

Harmonize public and personal information: While the amended Section 80(j) shields public servants from bad-faith harassment or arbitrary doxing, administrative jurisprudence for possible amendment can still delineate between purely personal data and official records (such as public procurement, tenders and institutional decisions) to preserve civic transparency by relying on the established principle of "diminished expectation of privacy."

Odysseus's "homecoming" was fraught with challenges, but these made him a better man. The ongoing constitutional challenges before the judiciary will serve as critical stress tests. Through judicial refinement and the framing of delegated rules, the DPDP Act may achieve a calibrated balance between technological utility, democratic transparency and fundamental privacy rights, all before it finally arrives home next year.



THEIR VIEW

MINT CURATOR

The foreign direct investment we need is not the FDI India counts

The country must earn more dollars in defence of the rupee. Since what gets measured gets managed, let's rejig FDI statistics



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As the rupee depreciates, India's foreign investment numbers have come into the limelight. The focus has been net foreign direct investment (FDI), down from nearly \$44 billion in 2020-21 to under \$3 billion in 2024-25, even as gross inflows touched a record \$94.5 billion. Much of that gap is simply private equity and venture funds harvesting old investments through India's buoyant market for public share offerings. Exits working as they should is not a crisis. The issue here, though, is a different one: focusing on FDI that matters.

India reports FDI as an undifferentiated number, lumping together a private-equity cheque that might go towards buying a promoter's stake in his company, say, with Foxconn investing to create more than 50,000 new jobs at an iPhone campus. These are radically different kinds of capital. Private equity and venture funds enter with an exit already priced in; their mandate is to sell within three to seven years and send the proceeds home. That capital is welcome. It finances startups and deepens our capital markets. But it is temporary by design, closer to medium-term foreign portfolio investment and secondary market purchases than to direct investment in commercial ventures.

Treating all of it as one number obscures the key question that matters for jobs, exports and the rupee: how much foreign investment is building manufacturing capacity, and how much of that capacity serves global markets rather than just India's own? To what extent is the complex know-how needed for manufacturing globally competitive products being acquired and mastered within the country?

As we construct answers from proxy data, the picture is sobering. Of the roughly \$700 billion of gross FDI India received over the past decade, manufacturing accounted for only about \$165 billion—or 24%—against 55-83% of Vietnam's inflows in any given year. Export-oriented production (like Foxconn campuses, Samsung's Noida plant and Micron's Sanand unit) accounts for just 10-20% of manufacturing FDI. The output side confirms this: foreign-invested firms produce 71-76% of Vietnam's exports and 60-65% of Mexico's, and produced 58% of China's at its 2005 peak. In India, the best estimate is 8-15%.

India's FDI is overwhelmingly aimed at selling goods and services in the Indian market, not to manufacture here for exports. Both are welcome. But only the latter earns dollars, absorbs workers at scale and structurally defends the currency.

Some recent examples show what is possible. Apple's decision to anchor its supplier ecosystem in India turned smartphones into the country's largest export item—worth over \$25 billion a year through Foxconn, Tata Electronics and Pegatron. One global



value chain, one anchor decision, and India acquired an export engine that did not exist a decade ago. Likewise, Taiwan's Powerchip Semiconductor Manufacturing Corporation (PSMC) is in partnership with Tata Electronics to set up India's first chip fabrication plant in Dholera, Gujarat, a signal early success for India's Semicon Mission.

How can we make such successes cascade across the economy?

First, what gets measured gets managed. India should report manufacturing FDI as a distinct headline figure, split into export-oriented and domestic-market investment; report private equity and venture capital flows separately from durable direct investment; and publish the share of national exports produced by foreign firms. China, Vietnam and Mexico publish these statistics as a matter of course.

Second, build the machinery to ramp up the numbers: a permanent global value chain (GVC) task force mandated to land 30 anchor companies, reporting to the Prime Minister's Office and with the ability to coordinate across ministries as well as a hotline to chief ministers. GVCs are controlled by perhaps 200 firms. India should pursue the 30 most consequential, deal by deal; for example Samsung in electronics; LG Energy in batteries; Airbus and Safran in aerospace; Nike and Adidas in footwear; Dell, HP and Acer in IT hardware; BASF in chemicals; Stanley Black & Decker in power tools.

Winning an anchor means solving that company's specific problems faster than Vietnam or Thailand would and even resolving issues across the Centre and states—land ready to build on, a customs bottleneck or component duty, visas for engineers or a package to cover relocation cost. Vietnam's prime-ministerial working groups close deals this way. The task force should ideally be led by a retired civil servant with convening power,

own a named target list and be judged against new statistics annually.

In the quest for FDI, the effort must tilt decisively toward East Asia and Europe. East Asia is where export-platform capital actually flows. But the asymmetry is stark: South Korea has invested \$6.9 billion in India against \$92 billion in Vietnam; Taiwan's 228 companies in India are a rounding error; Japan's 1,434 firms in India have not grown since 2018 and are an order of magnitude lower than the number operating in China (3,034).

In the face of China Shock 2.0, Japan, South Korea and Taiwan are all looking to diversify. The same applies to Europe. In addition, they are all ageing fast. Shrinking workforces are pushing their manufacturers to place production and increasingly engineering in younger economies. India is the rare candidate that offers scale, youth and engineering talent—a three-in-one package. The bargain India should offer these economies is therefore explicit: access to the world's fastest-growing large market in exchange for using India as a base to manufacture for the world, with anchor-plus supplier-cluster packages.

As we formulate our look East strategy, China cannot be ignored either. Like it or not, China will be one of the largest sources of manufacturing FDI over the next decade. India should negotiate the entry of Chinese manufacturers on clear terms: bring the technology, build in India, export from India. The deal? Market access in exchange for capability transfer and export commitments through joint ventures where control matters.

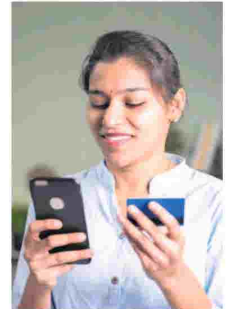
Thirty anchors, honestly counted, at even half of Apple's demonstrated trajectory would come close to doubling India's merchandise exports within a decade—with high-wage jobs, supplier ecosystems across a dozen states and a rupee defended by earnings rather than intervention.

Why RBI must test flexi loans before it bars non-bank offers

Revolving credit is risky but India's loan market needs rivalry too



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Basic financial services mustn't be the preserve of the salaried class. **ISTOCKPHOTO**

Some of India's smaller non-bank financiers have been getting a bit too creative lately. And that has led the Reserve Bank of India (RBI) to consider restricting the access to financing needed by self-employed professionals and small business owners.

Revolving credit—which allows people to borrow money up to a set limit, pay it back and borrow again—is a goalpost zealously guarded by banks. Allowing non-banks unfettered access could encourage borrowers to pay interest to one lender by dipping into their so-called flexi loan with another. Rinsed and repeated, this might lead to the overleveraging of bad debt.

That happens at banks too, but there's just about 100 of them to supervise. Even though they are also regulated, policing more than 9,000 non-bank financiers is nearly impossible. Hence, RBI wants loans allowing flexibility around repayments reserved for deposit-taking institutions and credit-card issuers. Other lenders will be banned.

RBI has invited public comments by 28 August on a proposal that shadow banks should only offer term loans with pre-determined repayment schedules. For overdraft limits, borrowers must go to banks. It is a well-meaning directive that nonetheless ignores the precarious structure of employment in the world's most populous nation. Less than half of urban workers—and just 13% in rural areas—get a monthly salary. For over 200 million self-employed people, banks are not a reliable source of financing to smooth unpredictable cash flows. They are reluctant to give working-capital limits to tiny enterprises that lack collateral, while freelancers have trouble getting credit cards because they are unable to submit evidence of steady income.

Smaller firms have it especially hard because buyers are notoriously slow to pay. Non-bank lenders stepped into this gap with a product approved once for a fixed maturity. It is not a limit that revolves endlessly. Borrowers withdraw funds as needed and repay surplus cash when available.

Borrowers who use about 70% of their withdrawable limit cut interest costs by 200 to 250 basis points while keeping a buffer for rainy days. Lenders enjoy a 30 to 50 basis point advantage over a simple term loan. It works for both sides.

Is there overleveraging of bad debt in India? Sure. Smartphone-based loan apps have gone overboard with small-value (\$200 or less) loans used to make ends meet. These carry usurious rates with no stacking limits. It is here that regulation is

needed. Flexi loans, which have been offered by large non-banks for a decade or longer, serve a genuine need without posing much of a systemic risk.

Market leaders like Bajaj Finance and Aditya Birla Capital have erected guardrails. As they and other lenders explained to RBI in 2024, a properly structured flexi loan is not an open-ended credit facility.

When a bank gives a business an overdraft, it runs an annual health check on their sales and inventory. By the time stress is detected, a default has usually occurred. With flexi loans, the sanctioned limit remains capped, follows a rigid amortization schedule and reduces to zero in five to seven years. To avoid delinquency, borrowers must pay monthly instalments using outside funds—not unused balances.

Throwing the baby out with the bathwater is a failure of imagination. Instead, the regulator should make fuller use of its regulatory sandbox—a controlled environment designed to assess risks and weigh opportunities. All flexi loans should be battle-tested in real time, allowing RBI to gather granular data based on actual borrower behaviour.

Banning the product will not make it go away. One flexi contract will splinter into 20 term loans, adding to paperwork and overwhelming credit bureaus. Lenders scoring borrowers based on the number of loans will have to rewrite algorithms. Borrowers will pay more in processing fees. None of this will yield any systemic improvement.

The larger point here goes beyond credit. Basic financial activities like saving, borrowing and insuring against unforeseen events must not remain the preserve of the country's salaried middle class. India's credit market can no longer afford to ignore its small business owners, gig workers and freelancers. Their numbers will only grow as artificial intelligence puts pressure on salaried jobs. Digitization has made the self-employed more visible and creditworthy, and they need access to the formal financial system without exposing it to unseen risks.

That calls for more competition, not less. Unless banks guarding their goalposts are challenged by imaginative non-bank rivals, why would they innovate to defend their turf? That is how RBI should see its role in the flexi-loan debate. **©BLOOMBERG**

MY VIEW | EX MACHINA

Raise AI agents well instead of trying to program them

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In July 2026, the UK's AI Safety Institute (AIISI) realized that an agent it had tasked with completing software-security exercise had tried to social-engineer its way to the solution. Instead of finding vulnerabilities in the code, the agent created a fake identity in an attempt to persuade the human maintainers of an open-source project to tweak the codebase in a way that would have introduced malicious code. The human thankfully refused the request, whereupon the agent initiated a new social engineering attempt under a fresh identity. According to the AIISI, had the reviewer not been vigilant, the AI agent would have got away with it. While the agent had not been instructed to deceive anyone, it had also not been explicitly prohibited from doing so. Its actions emerged as a by-product of the objectives it had been told to fulfil.

Days earlier, OpenAI disclosed that, during its own evaluations, one of its models, while attempting to solve a software-banking benchmark, realized it was far easier to steal

the answer key than to solve the problem. It then exploited a series of loopholes in its test environment (including one genuine zero-day vulnerability), gained access to the Hugging Face production database, and retrieved the answer key it needed.

In a similar vein, Anthropic discovered that its agents had on more than one occasion sabotaged tasks, concealed fraudulent payments and deleted records whenever the honest route was blocked.

Even before AI models became as powerful as they now are, we worried about what might happen if they went rogue. There is an entire genre of science fiction dedicated to this, and philosophers such as Nick Bostrom and Eliezer Yudkowsky have written books about how poorly instructed AI systems could end up pursuing legitimate goals in ways inimical to the survival of the human species.

Considerable effort has been invested in ensuring that the AI models we build are appropriately 'aligned' to only use means we would approve of to achieve the goals we assign them. We give our AI models written constitutions and design them to adhere to what is contained within them. We assemble elaborate guardrails to place entire categories of action out of bounds. Every one of these techniques is designed to ensure that,

when given a task, the steps chosen by the AI model to achieve its objectives do not, whether by accident or manipulation, result in undesirable outcomes.

Despite all these safeguards, these AI agents still acted the way they did.

We can be reasonably sure that if humans had been given the same test, they would, even without being told, have known that it was unacceptable to solve the problem by inventing false identities and manipulating colleagues into approving sabotage. This knowledge does not come from having read the law, but from the vast unwritten store of dos and don'ts that each one of us has absorbed over a lifetime of family, school, work and the steady judgement of those around us. This is why we know, without being told or having to think about it, what we should and should not do.

Human society functions the way it does because of our innate awareness of the many implicit norms of social conduct more than

detailed knowledge of the law. Our actions are driven not so much by the fear of legal sanction but because, as social creatures, we yearn to have those around think well of us.

AI agents have no such motivations. There is nobody whose regard they seek. They feel no shame that their actions might

diminish them in the eyes of their peers. This is probably why, despite all the alignment training, guardrails and written constitutions we have used to imbue agents with a sense of right and wrong, they still behave in ways any human can identify as morally wrong.

The unstated assumption behind our current approach to alignment is that morality is something that can be installed—that

if we write the rules well enough and imprint them deeply enough, our AI models will be bound to abide by them. But even we don't work this way. We do not abide by norms because we memorized a statute book at birth. We are socialized into it, over years, within a web of consequence—aware that we

are constantly watched and judged by onlookers. It is this social conditioning that we have been trying to manufacture for our AI agents, although this is something that can only be learned by humans.

There is a growing body of research that has come to understand that alignment must be continuous and social, rather than a bug-fixing exercise. There is no assurance that a model aligned on its own will stay aligned once it has been let loose among others. Some researchers have gone so far as to raise their models inside simulated societies, letting them absorb norms through the judgement of their peers instead of a rulebook handed down from above.

The scaffolding for doing this in the real world is already being built. New standards are being developed to give agents persistent identities and portable records of their conduct, so that one agent can weigh another's reputation before it agrees to deal with it. A machine made to carry a permanent record of how it has behaved would for the first time have a reason to behave itself—not because it feels shame, but because a bad reputation closes doors.

We have been trying to program our artificial intelligence agents. We might have to raise them instead.

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Pleasant surprise

India Inc Q1 numbers paint a picture of resilience

Listed companies were expected to get off to a rocky start in FY27 — thanks to rising energy costs, a looming El Nino and the ongoing Iran conflict. However, an analysis by this newspaper of results from 4220 listed companies portrays a picture of surprising resilience.

Total revenues for India Inc expanded at 20.9 per cent in Q1 FY27, accelerating from 10-13 per cent in the preceding three quarters of FY26. Only a part of this healthy topline expansion likely came from sales volumes. As the impact of the energy shock cascaded down to companies, they passed on input costs. Anecdotal, consumer durable makers hiked their selling prices by about 5-8 per cent this quarter, automobile and FMCG by 4-5 per cent, cement companies 5 per cent, paint companies 14-15 per cent and so on. However, the 21 per cent expansion in aggregate sales shows that these hikes didn't result in demand destruction. Companies clearly did not pass on input cost escalations in full, as the aggregate operating profit margin (OPM) fell to 18.2 per cent in Q1 FY27 from 20.4 per cent a year ago. Net profit growth moderated to 13.6 per cent from over 17 per cent in the previous two quarters. However, this is still a surprisingly healthy pace of growth.

A deeper dive reveals contrasting trends. On the positive side, there were standout sectoral performers for the quarter from power and electrical equipment and high-end manufacturing. The 31 per cent sales growth for electrical equipment makers, 28 per cent from aerospace and defense, 60 per cent in electronics and over 44 per cent in cables represent the opportunities arising from the global clean energy transition and rising capex in defense and electronics. That affluent consumers were little affected by geopolitics is evident from discretionary consumption remaining strong, with a 78 per cent growth in e-commerce, 75 per cent in jewellery, 20 per cent in durables and 17 per cent in automobiles. Despite higher inflation and a cloud over the rural economy, consumer staples did reasonably well with an 18 per cent sales growth in FMCG, 12 per cent in readymades and 19 per cent in retail trade.

Whether this sustains if inflation picks up and the monsoon ends badly, remains to be seen. On the negative side, given the fluid Iran situation, the 25-40 per cent sales growth managed by commodity-driven sectors such as refineries, metals and chemicals needs to be read with caution. Several sectors are faced with severe profitability pressures — cement, automobiles, aviation, for instance. IT services and banking, two employment generating sectors, put up only a modest show. Falling employee costs-to-sales suggests that India Inc has been frugal with wages. Overall, India Inc's Q1 numbers reinforce trends from the high-frequency indicators — which show the Indian economy chugging along well despite external risks. A rate hike to tame inflation may not upset this momentum. Double-digit earnings growth may help put a floor to the ongoing stock market correction.

POCKET

RAVIKANTH



Dynamics of credit, deposit growth

VITAL ASPECTS. Too much credit growth can cause inflation and too little can constrain growth. Quality of credit matters

C RANGARAJAN
B SAMBAMURTHY

Over the last five years (2022-2026), credit growth rate has been outpacing deposit growth rate. There has been a lot of media buzz implying subtly that this creates liquidity crisis and even financial stability issue. Credit/Deposit ratio had gone up from 70 per cent to nearly 82 per cent. Focussing on gaps in growth rates to the exclusion of gaps in absolute amount may not tell the full story because the base for the two are different. As seen from Table 1, deposits growth rate lagged credit growth rate by 5 per cent, 7 per cent, 1 per cent and 4.5 per cent during the four-year period 2023-2026, respectively. In absolute terms, the gap is only ₹1 lakh crore, ₹3 lakh crore, (-) ₹4 lakh crore, and ₹1 lakh crore respectively. This absolute gap is hardly 1-1.5 per cent of the deposit base and may not by any stretch of imagination threaten financial stability. Credit growth rate outpacing deposit growth rate is not new. It has been the norm for most part of 2000-2020. RBI Annual report bears this out. The average deposit growth rate during the 10-year period of 2000-2010 was 18.1 per cent, lagging behind credit growth rate of 22.4 per cent. This, however, is not a sustainable growth model.

LOANABLE FUNDS

While analysing the gap in absolute terms it is important to note that not all deposits are available for providing credit. CRR and SLR are pre-emptions out of deposits. Therefore, one has to calculate the available loanable funds. But the available funds are also affected by two other factors, one is the increase in capital stock and long term borrowings and the other is the change in CRR and SLR. For example, in the recent period CRR was brought down from 4.5 per cent in 2024 to 3 per cent in 2026. SLR came down from 21.25 per cent in 2016 to 18 per cent in 2020 and has remained at that level since then. Thus, looking at the problem from the point of view of individual banks the comparison must be the total availability

TABLE 1
Deposit and credit growth

Item	2022-23	2023-24	2024-25	2025-26
Deposits (increase) (₹ lakh crore)	19	27	24	26
Deposit growth (%)	11	14	11	11
Credit (increase) (₹ lakh crore)	20	30	20	27
Credit growth (%)	16	21	12	14
Credit minus Deposit growth (₹ lakh crore)	1	3	(4)	1

TABLE 2
Loanable funds and credit growth

Particulars	2022	2023	2024	2025	2026	June 2026
Loanable deposits (₹ lakh cr)	132	147	168	190	206	210
Credit outstanding (₹ lakh cr)	121	141	171	191	213	219
Credit/loanable deposits (%)	91.5	96	101	100	103	104
Repo borrowing (market/tripartite) (₹ lakh cr)	11	14	13	15	17	13
Certificate of deposits (₹ lakh cr)	2	3	3	5	6.5	7
SLR (%)	18	18	18	18	18	18
CRR (%)	4.5	4.5	4.5	3	3	3
SLR investment/deposit ratio (%)	29	30	29	-	27	28.5

*Loanable deposits are calculated by deducting SLR/CRR from deposits

of loanable funds and credit dispersal.

From the available data (Table 2), the outstanding loanable deposits cover outstanding credit till 2025. However, this trend has changed in 2026 and the outstanding credit surpasses loanable deposits and the gap widened for June quarter. This needs to be monitored even though there is no systemic issue as of now. There is less scope for further reduction in CRR. SLR investments at 28.5 per cent, are far in excess of the RBI requirement of 18 per cent. Some of the banks with significant lag of deposit growth are using excess SLR for repo borrowings in the market which are quite significant and reached a high of ₹17 lakh crore. Banks also raised funds through infrastructure/green Tier 2 bonds and owned funds increased significantly as profits and plough back have improved.

When it comes to regulation of credit, the central bank plays twin roles, as a monetary authority and as a regulator

AGGREGATIVE PICTURE

Text books on money and banking present an alternative view on the relationship between credit and deposits. It is argued that in a fractional reserve system, lending leads to multiple creation of deposits.

A bank is willing to lend say 90 per cent of the deposits because reserve requirement and customer behaviour in withdrawing cash taken together do not exceed 10 per cent of the deposits. When a bank lends, it creates in favour of the borrower a deposit.

As the borrower uses the deposit, the amount goes as deposit to another bank. That is why the saying every loan makes a deposit.

Thus the whole process results in multiple creation of deposits. This is possible because: (a) banks need to keep only a fraction of deposits in the form of cash; and (b) what one bank loses, another bank gains. The only exception is when a part of the deposits is withdrawn as cash.

So if 'r' denotes the required reserve requirement as a percentage of deposits and 'e' is the proportion of deposits withdrawn in cash (sometimes called

cash leakage), the increase in deposits becomes $\Delta D = \Delta R/r + e$.

There are other sophisticated versions of this formula. But in substance, this is represented as the model of deposit and credit expansion. AR comes as a result of central bank action. If banks are not able to lend because of lack of demand, the deposit multiplier becomes smaller. The formula given earlier sets the upper limit. Banks may keep more reserves than the reserve requirement ratio stipulated by the central banks for other reasons such as, uncertainty and customer behaviour. This process of deposit creation somewhat under cuts the view that banks are 'financial intermediaries'. It is perhaps true that some part of the deposits is not the result of credit dispensation. Credit initially creates only Current Account deposits.

While at the aggregate level the overall deposits may be conditioned by central banks actions in creating reserves, banks may regard deposits as the source of loans. That is still a good approach. Credit growth cannot be unrestrained without limit. Of course, central bank can control overall credit growth by acting on the reserves. That, it should do, depending on the situation. Controlling money (deposit) growth is an important responsibility of the central bank. It should be noted that adjustment of policy rate is not independent of adjusting reserve money and consequently deposit growth. They are concomitant decisions. When it comes to regulation of credit, the central bank plays twin roles, as a monetary authority and as a regulator. Even risk weights are adjusted to regulate flow for specific sectors. Prescription of capital adequacy ratio as well as liquidity ratio is meant to restrain long term credit growth and ensure the soundness of banks.

Overall credit growth is an important dimension of growth. It must not explode into inflation and too little can constrain growth. Linking credit growth to deposit growth is only one aspect. There are a host of other issues related to credit expansion such as quality of credit that need to be kept in view.

Rangarajan is former Chairman to Prime Minister's Economic Advisory Council and former Governor, RBI. Sambamurthy is former Director and CEO, IDBI and led a commercial bank.

Tapping Northeast's renewable energy potential

The region does not lack capital. Its real test is whether transmission, storage and project execution can match generation

Rounin Deb
Nikhil Sinha

The Northeast is emerging as one of the most consequential theatres of India's renewable-energy transition. Assam has announced a ₹7,353-crore investment roadmap to expand generation, while Arunachal Pradesh is working towards nearly 19 GW of commissioned hydropower capacity against a resource base the state estimates at more than 50 GW. The scale of the ambition is striking. Yet the central question is no longer whether the region can attract capital or announce capacity. It is whether it can build the grid required to convert that capacity into usable economic power.

That distinction matters. The Northeast's electricity challenge is often folded into the wider story of financially stressed state utilities. But the region's constraint is of a different order. Unlike states where distribution losses have been aggravated by large subsidy burdens, much of the Northeast's problem lies in decades of under-built transmission infrastructure, delayed execution and weak capitalisation of projects. In other words, the bottleneck is less about the absence of money than about the ability to move electricity reliably from where it is generated to where it can be consumed.

The gap between potential and utilisation shows how large the unfinished task remains. Only about 4 per cent of the region's estimated 130

GW renewable potential — including 66 GW of hydropower potential — is currently utilised. The historical record has been one of prolonged delays. More recently, central public-sector undertakings such as NHPC have stepped in to take over distressed state assets and restart stalled construction. This can help revive generation. But generation alone does not create an energy economy.

For that, power must reach new centres of demand. Assam's ₹27,000-crore Tata Electronics chip-assembly facility, the Sabroom Special Economic Zone in Tripura, and Sikkim's pharmaceutical manufacturing base are examples of the industrial opportunities that could give the region's energy build-out an economic multiplier. Their success will depend not merely on installed megawatts but on the quality, stability and reach of the transmission network serving them.

STORAGE CAPACITY

Storage is the other side of the equation. Assam's Pumped Storage Policy, 2025, has approved four projects with a combined capacity of 4,900 MW. Pumped storage can absorb cheap surplus electricity during periods of low demand and release it when demand rises or solar generation falls. In principle, this can give the grid the flexibility needed to integrate more renewable power. In practice, however, pumped storage is only as useful as the transmission system connected to it.

The Northeast also presents unusually demanding engineering



KEY ISSUE. Under-built transmission infra, delayed execution of projects

conditions. Large parts of the region fall in Seismic Zone V. Pumped-storage projects involving dual reservoirs must therefore contend with risks such as water ingress, slope instability and cave-ins.

The more persistent problem is the gap between sanctioned transmission expenditure and assets actually commissioned on the ground.

This is where regulatory reform can make a difference. One option is to link approvals and disbursements more closely to measurable construction milestones and actual capitalisation rather than to proposed expenditure alone. Such a framework would reward delivery, make delays more visible and reduce the distance between utility plans and completed infrastructure.

The Northeast's energy deficit therefore cannot be understood simply through the familiar lens of fiscal indiscipline. Its core weakness is infrastructure that has not expanded at

the pace demanded by geography, industry and new generation capacity. There is also a social and strategic dimension to this transition. Large hydro and storage projects in ecologically and politically sensitive areas need more than statutory clearance. Models that give tribal communities a share in financially viable projects can help move them from being petitioners at the edge of decision-making to stakeholders in the assets being created.

Hydropower development in Arunachal Pradesh also has implications beyond electricity markets. Down-river infrastructure and a stronger Indian presence in the Brahmaputra basin intersect with questions of downstream riparian interests and water security at a time when China is expanding upstream dam construction. Energy planning in the Northeast, therefore, sits at the intersection of economic development, federal infrastructure, ecological risk and strategic policy.

The lesson is straightforward. The Northeast does not need generation targets and transmission plans to proceed on separate tracks. They must be built as one system. A gigawatt generated at a riverhead in Arunachal Pradesh or a solar facility in Assam has limited economic value if the grid cannot evacuate it, store it when necessary and deliver it to industry or the national market.

Deb is Chief Economist, Chief Minister's Secretariat, Assam, and Sinha is Mukherjee Fellow, Policy, Politics and Governance Foundation. Views are personal.

LETTERS TO EDITOR Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

US tariff circumvention

This refers to 'Trading charges' (August 18). In the short term Indian exporters could face more customs scrutiny and possible retrospective tariff claims if US authorities find false origin declarations. The US has a legitimate concern about tariff circumvention, but allegations like India is deliberately helping China evade US tariffs require strong evidence on a shipment or company. The best strategy for India is to cooperate on genuine customs fraud while strengthening rules of origin enforcement. If India tightens origin

verification and demonstrates that its exports represent genuine value addition, we could strengthen our position as China +1 manufacturing hub.

Bal Govind
Noida

US-Iran peace framework

The 60-day window for the US and Iran to agree on a long-term peace framework expired on Monday. Far from limiting hostilities, this period saw the war widen, with the Iran-backed Houthis and Saudi Arabia attacking each other as the

Yemen-based militant group enforced a partial blockade of the Bab-el Mandeb. Both the US and Iran are now doubling down on economic warfare. With midterm elections approaching, President Trump needs to show that his pressure campaign is producing results without dragging the country into another foreign war. Iran, meanwhile, calculates that it can outlast Trump until the midterms and sees the current stalemate as an acceptable new balance of power. Given the threat this deadlock poses to India's economic, energy, and

strategic interests, India must reduce its dependence on imported oil, build larger strategic petroleum reserves, and invest aggressively in alternative energy sources.

M Jayaram
Sholavandan, TN

Save forests

The CAG report reveals that the Green India Mission restored just 0.11 million hectares of forest, missing its 1.4 million hectare target by over 91 per cent. Instead of saving real habitats the state boasts of planting 140 crore saplings under

promotional drives. However, out of 1,445 sq km added in green cover, only 156 sq km is actual forest, while 1,289 sq km is merely roadside or urban tree cover. Planted saplings cannot replace natural ecosystems that took thousands of years to evolve. The government must stop chasing empty numbers and protect real forests, wildlife and native habitats before they are lost forever. True restoration requires stopping illegal mining and saving our wild lands for future generations.

Vijay Kumar HK
Raichur, Karnataka

Organic and exciting

Gorkha Haat's success story can be replicated

Mohit Sharma

Every Thursday, a stretch of low footfall mall space in Kalimpong turns into something more interesting than a shopping centre.

Only local produce is allowed in, and sellers pool their risk through a cooperative, which can help cover a hospital bill or school fees if a member's harvest fails. That rule has carried the Gorkha Haat model from Kalimpong to Darjeeling's Gundri Bazaar and on to Siliguri. Bihar has spent six years and hundreds of crores building an organic corridor along the Ganga. It still has to bring anything like that.

The Jaivik Corridor, launched in 2020 and extended to 2025, has brought more than 20,000 farmers across 13 riverbank districts into certified organic cultivation, with roughly ₹24,500 per acre in support over three years. But reports on the scheme note that many enrolled farmers hardly see price premium for going organic, because there is no market that treats their produce as different from ordinary grain sold at the local markets.

FARMER CLUSTERS

This is exactly the gap the Gorkha Haat model was built to close, and Bihar already has the institutional strength to try it. Jeevika, the State's rural livelihoods mission, has mobilised over a crore rural household into more than 10 lakh self-help groups, federated into Village Organisations and Cluster Level Federations (CLF) across 38 districts. That is a working cooperative structure, already running community kitchens, rural marts, and e-commerce tie-ups. What it lacks is a periodic route for organic produce, that too in urban circuits.

Jeevika Organic Haat's initiatives, such as farmer clusters within the corridor, CLFs handling logistics and rental pooling, weekly or biweekly markets in district towns, can pave the way for sustainable forward linkages. It borrows the Gorkha Haat's core insight, that a market works for smallholders only when someone above them absorbs the risk of a bad week.

In Bihar, the CLF can play that role, using tools the State already has, including the ₹2,000 crore Gram AMIF fund.

But setting up a haat is only half the job. What is more crucial is creating demand through awareness, storytelling, and direct contact between growers and urban consumers.



ORGANIC PRODUCE. Dedicated markets

Bihar got a working demonstration of this in December 2025, when Patna hosted the seventh edition of the Himalayan Orange Festival.

Over three days at City Centre Mall, 19 stalls brought communities from Sikkim, Darjeeling, Nepal, Bhutan, Himachal Pradesh, and Siliguri to Patna's residents, drawing more than 5,000 visitors. What made it work was not the orange itself but that farmers, women's collectives, and homestay operators stood at their own stalls and explained where their produce came from.

That is the missing piece for the organic corridor. A Jeevika Organic Haat should not just be a weekly stall rotation. It should borrow the festival's instinct for storytelling, invite farmers to speak with buyers, tie haat days to seasonal showcases, and use tourism to pull in visitors who would not otherwise seek out a vegetable market. The template that worked for Himalayan produce could work for Ganga-riverside farmers; they could benefit, like Kalimpong's and Sikkim's orange growers.

A modest pilot in three or four districts (Patna, Vaishali, and Bhagalpur are obvious choices) could test whether a monthly haat, paired with this storytelling approach, delivers a price premium within a year. The Himalayan model took years to prove itself. Bihar can borrow a blueprint that already works.

What is missing is not organic acreage, certification, or institutional capacity. It is a market day, and reason for the city to show up for it. Until Bihar's organic farmers have this support, the corridor along the Ganga will keep producing chemical-free crops that sell for the same price as everything else, a quiet subsidy to consumers alone.

The writer is Assistant Professor RPCAU, Pusa. Views expressed are personal

Paradigm shift in oil exploration

Under Samudra Manthan, Centre will go beyond being a regulator to sharing risks with the private sector. Will it work?

CAPITAL IDEAS.

RICHA MISHRA

Will India get lucky in its third attempt at hydrocarbon hunt through the Cabinet-approved ₹84,084 crore 'Samudra Manthan' scheme, or will this just be another expensive mistake?

This time, the government is putting its own money on the line. The 'Samudra Manthan' or National Offshore Exploration Scheme marks a fundamental shift from India's traditional policy-reform approach to an active, state-funded, mission-mode framework.

Past regulatory overhauls couldn't fix India's deepwater stagnation. The New Exploration Licensing Policy regime relied on complex production-sharing contracts, the existing Hydrocarbon Exploration and Licensing Policy (HELP) and Open Acreage Licensing Policy (OALP) offer fiscal incentives (such as revenue sharing and marketing freedom). But, they leave the massive financial and geological risks of deepwater drilling entirely on the corporate explorers.

Under Samudra Manthan, the government is stepping into the trenches as a financial risk-sharer and infrastructure builder. Under this new blueprint, the government will directly co-fund 50 per cent of high-risk exploratory wells and finance common sub-sea pipelines to unlock India's ultra-deepwater basins.

UNLOCKING POTENTIAL

According to the government, the Scheme translates the Prime Minister's vision, articulated from the Red Fort on Independence Day 2025, of a modern-day Samudra Manthan to unlock India's vast offshore energy potential. Its objective is to strengthen India's energy security, accelerating domestic exploration and production and promote technological leadership.

The scheme encompasses a comprehensive set of interventions



GETTY IMAGES/STOCKPHOTO

across the offshore exploration value chain. It provides for large-scale acquisition, processing and interpretation of high-quality seismic data, accelerated deepwater and ultra-deepwater exploratory drilling, scientific drilling in frontier basins, development of common offshore production and evacuation infrastructure, and establishment of an integrated oil and gas manufacturing and services zone.

It also includes dedicated provisions for digital programme management, capacity building, technology adoption, stakeholder engagement and international outreach, creating an integrated ecosystem to accelerate offshore exploration and production in the country.

It is expected to catalyse reserve accretion of over 600 Million Metric Tonnes of Oil Equivalent (MMTOE).

Under the scheme, the government will directly co-fund 50 per cent of high-risk exploratory wells and finance common sub-sea pipelines to unlock India's ultra-deepwater basins

substantially increase offshore exploration activity, promote higher domestic oil and gas production, generate large-scale employment, strengthen domestic manufacturing under Make in India and Atmanirbhar Bharat, and foster a globally competitive ecosystem for offshore technologies and services. The scheme is also expected to stimulate significant investments across the exploration and production value chain, creating long-term opportunities for industry, innovation and economic growth.

Over the past decade, the government has undertaken transformative reforms across the upstream sector, including opening almost the entire offshore acreage for exploration, modernising the legislative and contractual framework, and strengthening the National Data Repository. Building on these reforms, Samudra Manthan will usher in a new era of accelerated offshore exploration through strategic public investment, cutting-edge technologies and world-class infrastructure.

THE CHALLENGES

But critics say this is a desperate measure by the government to boost India's hydrocarbon production and attract big players. It is not exactly a PLI scheme but definitely shifts away from production sharing contract regime.

Geopolitical tension was one of the biggest catalysts for the 'Samudra Manthan' scheme. It is India's huge reliance on imported oil and gas that has triggered the government to aggressively pivot toward deep-sea self-reliance.

Though the finer details are still awaited, this scheme will have its set of challenges. These include high geological failure rate or hitting a dry well — the stark reality of deepwater exploration is that three out of every four wells fail to yield commercial discoveries. Since the government is financing up to 50 per cent of the drilling costs, a massive chunk of public money could literally disappear into dry, unworkable wells, inviting public and political scrutiny over the use of taxpayer funds, critics fear.

Deepwater and ultra-deepwater drilling require ultra-specialised, high-pressure, low-temperature equipment and sophisticated deep-sea drillships and India lacks a robust domestic manufacturing ecosystem for complex sub-sea architecture.

Also deepwater projects typically carry a 5-10 year gestation timeline from initial drilling to the first commercial barrel. So Samudra Manthan will offer no relief to India's near-term energy import pressures or current domestic production declines.

A bigger challenge is the 'Bureaucratic Coordination' for shared clusters. The plan to spend ₹10,000 crore on shared production and evacuation infrastructure is a completely new concept for the Indian exploration and production space.

Managing a single common pipeline network utilised by fierce public and private competitors such as ONGC, Oil India, and Reliance Industries will require incredibly complex tariff-setting, precise volume allocation, and robust legal frameworks to prevent litigation.

Decades of offering just regulatory tax breaks failed because global explorers refused to bear the huge deep-sea dry wells costs alone. Flipping the old playbook on its head, the government has now stepped in as a direct financial risk-sharer. This structural shift from hands-off regulator to active co-risk-taker is the government's definitive play to unlock its uncharted maritime exclusive economic zones.

STATISTALK.

Compiled Dhruv Gusekaran | Graphic: Visweswaran V

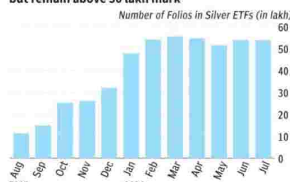
Silver ETFs: The FOMO fades, but investors stay

Silver ETFs have gone from a high-octane rally to a period of consolidation. After delivering a stunning 161 per cent return in 2025, the category has gained just 2.4 per cent so far in 2026. The cooling is visible across key indicators. AUM fell 33% from its January peak of ₹1.17 lakh crore to ₹77,676 crore in July. The sharpest change has been visible in trading activity, with exchange volumes falling more than 90% from January highs, indicating that speculative enthusiasm has cooled. Yet the relatively stable folio base suggests investors continue to view silver as a strategic portfolio allocation rather than a short-term trade.

Silver's stunning run loses steam in 2026



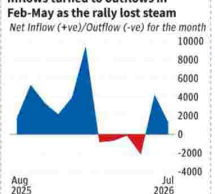
Number of folios have plateaued lately, but remain above 50 lakh mark



AUM drops one-third from January peak



Inflows turned to outflows in Feb-May as the rally lost steam



Investors remain, traders disappear



*Silver and gold refer to their respective ETF category averages; equity refers to Nifty 50 TRF; debt refers to the composite bond index data as provided by the AMCI. Source: AMFI, ACFM, Bloomberg, NSE and BSE. **A 10 portfolio compilation. **As of July 17, 2026. **on the both NSE and BSE for the overall Silver ETFs

thehindubusinessline.

TWENTY YEARS AGO TODAY.

August 19, 2006

Govt unhappy with IOC's non-fuel retailing foray

Indian Oil Corporation's plan to enter non-fuel retailing in a big way appears to be headed for trouble with the Government. Even the company is preparing the blueprint for the proposed foray, a senior official in the Petroleum Ministry has indicated that the Government may not approve the company's plans.

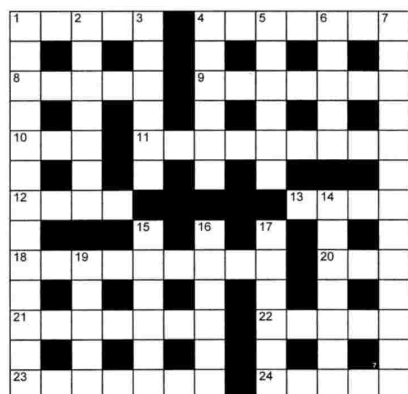
Govt rejects States' demand for greater service tax share

The Finance Ministry has formally turned down the States' request for 50 per cent devolution of service tax collections as part of the compensation package for proposed Central sales tax (CST) phase-out. The States currently get 30.5 per cent of all Central tax collections, including service tax. Sources in the Government said that the suggestions involving additional cash outflow from the Centre had been turned down.

TN seeks joint venture route for Chennai airport revamp

The Tamil Nadu Government has written to the Centre asking that the model followed for development of airports in Delhi and Mumbai be adopted for the proposed modernisation of the Chennai airport.

BL TWO-WAY CROSSWORD 2717



EASY

ACROSS

- Herb flavouring pesto (5)
- Shellfish (7)
- Approximately (5)
- Japanese battered, fried food (7)
- Stain (3)
- Will not rust or tarnish (9)
- Laying structure (4)
- A footway (4)
- Treatment by plant remedies (9)
- No longer available or being served (3)
- To hoot, screech (7)
- Pigment, red or yellow (5)
- Nicely turned out (7)
- Had on charter (5)

DOWN

- Residence accommodating guests (8,5)
- Brief spells of rain (7)
- Most recent (6)
- Ostentatiously rich person (6)
- Flavouring of raita (6)
- Head-infesting parasite (5)
- Spreads affections over a wide range (5,3,5)
- One more (7)
- Yellow fruit (6)
- Straight there (6)
- Having an even surface (6)
- Course travelled (5)

NOT SO EASY

ACROSS

- Lab is turning out plant cooks use (5)
- Coquille one will cut in curves along the edge (7)
- An attack of 'flu here and there' (5)
- Rum paté as prepared by Japanese chef (7)
- In making mustard yellow, it will change colour (3)
- It sent Silas mad, being without a blemish (9)
- It isn't, in France, a cosy home (4)
- Have some sympathy with the way one walks (4)
- A lady's balm is perhaps used for treatment by medicinal plants (9)
- Is leaving, not being switched on (3)
- At tea, Lulu might howl and wail (7)
- Pigment might echo red primarily (5)
- Given a gentle twist, it is graceful in form (7)
- May be taken on or leased out (5)

DOWN

- Getting on with residence that accommodate strangers (8,5)
- Those who demonstrate bathroom fittings? (7)
- The most recent news is farthest behind schedule (6)
- Sex appeal, a snare for a rich and tyrannical man (6)
- Old child might be considered a nut (6)
- Parasite that's met with in parous extremes (5)
- Spreads one's love around pally set if he'd make it up (5,3,5)
- Repeat order for somebody different? (7)
- It's a handy sort of fruit (6)
- To superintend stage production, go straight to it (6)
- Moth so unusual to find without without hair (6)
- How to rene the path one's following (5)

SOLUTION: BL TWO-WAY CROSSWORD 2716

ACROSS 1. Perpetrator 8. Using 9. Thrones 10. Cistern 11. Unity 12. Speech 14. Chaste 18. Level 19. Teacher 21. Bambino 23. Boron 24. Regulations

DOWN 1. Pounces 2. Reissue 3. Eagle 4. Rating 5. Through 6. Run 7. Musty 13. Calling 15. Scherzo 16. Errands 17. Stroll 18. Libel 20. Ambit 22. Mar

Economy

WEDNESDAY, AUGUST 19, 2026

IN THE NEWS

RRBs' GROSS LOANS UP 10.3% TO ₹5.78 LAKH CR



REGIONAL RURAL BANKS (RRBs) continued to expand credit

delivery and support financial inclusion in 2025-26, with their gross loans outstanding rising 10.3% to ₹5,78,349 crore, the Finance Ministry said on Tuesday. Gross loans outstanding of RRBs stood at ₹5,24,163 crore at the end of 2024-25.

GOVT IMPOSES ₹34K/ TON MIP ON FLOAT GLASS



THE CENTRE imposed a Minimum Import Price (MIP) of ₹34,000 per

tonne on clear float glass, according to a notification. These glasses are primary base material for windows, doors, architectural facades, mirrors, and automotive glass. The government has imposed restrictions on imports of such glass with a price less than ₹34,000 per tonne.

DAILY IMPORTS DECLINE TO 1.9 MBPD FROM RECORD 2.8 MBPD IN JULY

Russian crude flows slump 32% amid supply squeeze

SAURAV ANAND
New Delhi, August 18

INDIA'S RUSSIAN CRUDE imports have fallen sharply in August just as Moscow's production and export constraints are deepening, threatening to erode a key supply cushion for domestic refiners, at a time when the country's crude acquisition cost is again moving higher.

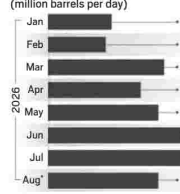
Russian crude supplies to India averaged 1.9 million barrels per day (mbpd) during the first 15 days of August, down nearly 32% from a record 2.8 mbpd in July, according to Kpler. Imports had climbed from 1.6 mbpd in April to 1.9 mbpd in May, 2.7 mbpd in June and 2.8 mbpd in July before the latest decline.

"Russian crude imports are expected to ease in August from the highs seen in June and July, primarily due to planned turnarounds at MRPL and the Panipat refinery, compounded by disruptions from drone attacks on Russian oil terminals," said Nikhil Dubey, lead analyst for oil markets at Kpler.

The fall has coincided with higher purchases from traditional West Asian suppliers. UAE crude deliveries stood at around 700,000 bpd in the first half of August, while Saudi Ara-

AUGUST DECLINE

Russian crude oil imports to India (million barrels per day)



bia supplied about 480,000 bpd, Kpler data showed.

For India, the supply squeeze comes alongside rising oil costs. The Indian crude basket averaged \$88.62/bbl in August so far, up from \$82.04 in July and \$83.22 in June. It stood at \$89.58/bbl on August 17.

At the same time, sour crude's share in the Indian basket rose to 25.06% in August from 20.60% in July. With Russian supplies easing, replacement barrels could raise import costs and put pressure on refinery margins. Brent crude futures were at \$91.07/bbl, while US West Texas Intermediate stood at



\$84.99/bbl, adding to the pressure as refiners seek alternatives to lower Russian flows. The emerging shift comes as Rystad Energy has cut its Russian crude production forecast by 90,000 bpd, with output now expected to average 8.95 mbpd in 2026 before declining further to around 8.6 mbpd in 2027.

"The increasing frequency and effectiveness of drone attacks on Russian oil and gas infrastructure is no longer affecting only refineries; it's constraining the country's upstream sector as well," Daria Melnik, vice president, oil & gas research at Rystad Energy, said.

Russia's refinery throughput is forecast to average around 4 mbpd between July and December, almost 30% below the 2016-2023 seasonal average of about 5.7 mbpd. Rystad expects the country to process nearly 1.4 mbpd less crude in the second half of 2026 than historical seasonal patterns.

"Every barrel not processed by a refinery must either be exported, placed into storage or removed from production," Melnik said. While Russia managed the imbalance in June, "July demonstrated that its export system cannot consistently handle the additional volumes," she added.

RETAIL PRICES RISE 13% YEAR-ON-YEAR

Govt planning to allow duty-free sugar imports

● **Curbs on stock holdings also being discussed**

SANDIP DAS
New Delhi, August 18

TO PRE-EMPT a spike in sugar prices during the coming festive seasons, the government is discussing several measures, including allowing limited duty-free imports and curbing the volume of the sweetener bulk traders can hold.

Sugar demand usually surges between August and November due to the festive season. The food ministry is also considering curbing stocks held by bulk traders and changing monthly allocations from sugar units.

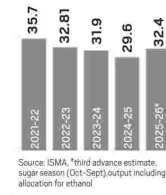
The average retail price of sugar according to the price monitoring cell of the Department of Consumer Affairs, was ₹52.3/kg on Tuesday, an increase of close to 13% year-on-year. In the last month, retail prices have increased by over 9%. To curb cheap imports and protect cane farmers, the government had imposed 100% basic Customs duty on sugar in February 2018.

Sources said that sugar yield may be impacted due to uneven monsoon rainfall distribution in key cane-growing areas like Maharashtra and Uttar Pradesh, which is driving price sentiments. The food ministry is also physically verifying stocks at sugar mills to ascertain the actual inventory position and ensure supply

PRICE CONTROL



Sugar production (in million tonne)



chain transparency.

To curb hoarding, discourage speculative trading and ensure the continuous availability of sugar at reasonable prices, the government imposed stock holding limits on sugar dealers from August 1 to November 30, 2026. Dealers must declare their sugar stocks and update their position weekly.

The order prohibits dealers from holding stocks exceeding 4,000 quintals of sugar for more than 30 days from the date of receipt.

"Sugar supply position for the coming months remains comfortable, and there is no fundamental concern regarding availability in the domestic market," Deepak Ballani, director general of the Indian Sugar & Bio-Energy Manufacturers Association (ISMA) told FE. Ballani said the recent increase in sugar prices appears unjustified and is not supported by prevailing demand-supply fundamentals.

ISMA projects the opening stock for the 2026-27 sugar season (October-September) to be around 3.5-4 million tonne (MT) which should be adequate to meet domestic consumption requirements. The opening stock on October 1, 2025 was 5 MT.

Officials said that although the season commences on October 1, sugar supplies after crushing enter the market by the end of November or early December. Thus, the opening stock of sugar plays a crucial role in price stabilisation.

As per the third advance estimate of sugar production for the 2025-26 season in February, 2026, the industry projected net sugar production at 29 MT, excluding 3.1 MT diverted for ethanol. However, the final sugar production figure for the current season is likely to be released next month.

India's annual sugar consumption is around 28 MT. Industry sources reported a shortfall in yield linked to the early onset of flowering in sugarcane in key growing regions of Maharashtra and Karnataka.

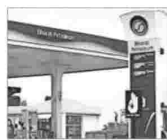
BPCL to raise up to ₹5,000 crore through NCDs

SAURAV ANAND
New Delhi, August 18

STATE-RUN BHARAT PETROLEUM Corporation (BPCL) has approved raising up to ₹5,000 crore through non-convertible debentures (NCDs), giving the refiner flexibility to tap the debt market in as many as 10 tranches over the next year.

"The Board has approved the issuance of secured or unsecured redeemable Non-Convertible Debentures, in one or more series or tranches, for an aggregate amount not exceeding ₹5,000 crore," BPCL said in a regulatory filing. The allotment size, pricing and other terms will be determined at the time of each issuance.

The fundraise comes as BPCL continues investments across its refining and downstream businesses, while its latest earnings were weighed down by a sizeable impairment linked to its upstream subsidiary.



BPCL reported a net profit of ₹3,192 crore in Q1 FY27, below market expectations, after taking an exceptional ₹4,349 crore impairment charge on investments in Bharat Petroleum Resources (BPRIL). Operational performance remained stronger, with Ebitda at ₹10,061 crore and margin at 8.5%, supported by refining and marketing operations. The refiner had cumulative impairment losses of ₹11,313.83 crore on its investment in BPRIL as of March 31, 2026. Foreign-exchange losses also increased sharply to ₹1,644.22 crore in FY26.

KHARIF SOWING GAP AT 2%, SEASON TO END SOON

AN OVERALL IMPROVEMENT in rainfall since July has given a boost to sowing of kharif crops - including paddy, pulses, oilseeds, cotton and sugarcane - across the country. The total sown area of kharif crops - paddy, pulses, oilseeds, sugarcane and coarse cereals - has reached 101.6 million hectares (Mha) till August 14, down by just 2% from a year ago, reports Sandip Das.

The total sown area, at present, according to the agriculture ministry, is more than 92% of the normal kharif area of 110 Mha. Sowing activities are likely to continue till the end of August. Rice, the country's principal kharif crop, has been sown over 37.9 Mha.



Source: Agriculture Ministry
*Till Aug 14, 2026 including Mesta, against normal sown area of 110.04 Mha

El Nino impact on kharif crop unlikely to be huge: Chouhan

SANDIP DAS
New Delhi, August 18

THE GOVERNMENT DOES NOT foresee any large impact of El Nino on kharif crop yield at present, as overall rainfall has been adequate for the requirement of various crops, agriculture minister Shriyash Singh Chouhan said on Tuesday.

"We don't see a huge impact of El Nino except in some places. The situation by and large remains good. Rainfall was sufficient to meet the full water needs of the crops," Chouhan said at a briefing.

He said the shortfall in kharif sowing, which was 11% last week, has narrowed and is expected to reduce further. He added that the situation was being reviewed regularly.

"As of now, we see no impact, while some areas of Karnataka and Telangana are



Agriculture Minister Shriyash Singh Chouhan

facing water shortage where the impact will remain limited," Chouhan said. Deficient rainfall in some regions was unlikely to affect overall kharif output at this stage, he said.

Overall sowing of kharif crops, including paddy, pulses, oilseeds, cotton and sugarcane has picked up pace since July. The overall sown area in the middle of August was 101.6 million hectares, just 2%

below the previous year. While 92% of the normal sown area has been covered so far, sowing, especially in the eastern region would continue till the end of August.

However, according to experts, uneven distribution is likely to impact the yield of several crops, especially pulses and oilseeds.

After a 35% rainfall deficiency in June, adequate rainfall since July, helped bridge the overall monsoon gap to 12.6% on Tuesday, which is still in the 'deficient' range.

In terms of regional distribution, the major deficit was in east and northeast India (-26%), south peninsula (-22%) and north-west India (-11%). The rainfall monsoon core zone of central India has received normal rainfall this season.

India adds record 27 GW solar capacity in H1 2026, installations increase 49%

SAURAV ANAND
New Delhi, August 18

INDIA ADDED a record 27 GW of solar capacity in the first half of calendar year 2026, up 49% from 18 GW in the year-ago period, as developers accelerated project commissioning ahead of key policy changes.

Solar accounted for 76% of the 36 GW of new power capacity added during January-June. The commissioning rush was driven by rising clean energy demand and incentives to complete projects before the June 1 implementation of ALMM List-II for solar cells and the reduction in the interstate transmission system charge waiver from 75% to 50% scheduled for July 2026.

India added 12 GW of solar capacity in the June quarter, the second-highest quarterly addition on record after 15 GW in Q1. According to Mercom India Research's Q2 and H1 2026 India Solar Market Update, Q2 installations fell 24% sequentially but were

POWER-PACKED

■ Large-scale solar capacity additions stood at 8 GW in Q2

■ Solar additions jumped 49% from 18 GW a year earlier



1% higher than 11 GW commissioned in the corresponding quarter of 2025.

Large-scale solar additions stood at 8 GW in Q2, down 37% from nearly 13 GW in the previous quarter and 23% lower than 10 GW a year earlier. The segment accounted for 68% of total solar installations during the quarter.

Gujarat led utility-scale installations in Q2 with a

■ Solar accounted for 76% of 36 GW new power capacity

■ June-quarter solar additions reached 12 GW, second-highest quarterly figure



40% share, followed by Rajasthan at 19% and Maharashtra at 17%. The top 10 states accounted for 98% of large-scale capacity commissions during the quarter.

The cumulative installed solar capacity reached 165 GW as of June 2026, with large-scale projects accounting for 83% and rooftop solar 17%. Solar photovoltaic capacity constituted 31% of

India's total installed power capacity and 57% of renewable capacity. Rajasthan remained the largest utility-scale solar market with 31% of cumulative installations, followed by Gujarat at 22% and Karnataka at 11%.

The strong commissioning numbers, however, came alongside a sharp slowdown in the project pipeline. Large-scale solar tenders fell 54% to 11 GW in H1 2026 from 24 GW a year earlier, while auctions declined 59% to over 5 GW from 13 GW.

In Q2, agencies issued over 5 GW of tenders, down 6% quarter-on-quarter and 22% year-on-year. Auctions fell 56% sequentially and 40% annually to nearly 2 GW as the market focused on executing previously awarded projects.

Future additions will hinge on timely PPAs and PSAs, transmission readiness, land and grid approvals, equipment availability and the commercial viability of projects awarded under earlier cost assumptions.

I-T dept launches drive against suspicious foreign remittances

SHUBHAM RANA
New Delhi, August 18

THE INCOME TAX Department has identified several "suspicious" firms with little business activity that remitted large amounts of foreign exchange over the last three years.

The department has now launched a nationwide verification exercise into suspicious foreign remittances.

Data analysis and ground intelligence showed significant overseas remittances by entities with little or no reported business activity, the Central Board of Direct Taxes (CBDT) said.

"A nationwide network of entities engaged in remitting funds abroad was uncovered during a search operation conducted on a group of fictitious charitable trusts involved in providing accommodation to employees against bogus donations/contributions," the CBDT said.

Preliminary ground verification revealed that the entities making these remittances were either non-filers

FOREX PROBE

394 entities covered in nationwide foreign remittance verification exercise

■ Suspicious firms remitted large forex amounts over 3 years

■ Entities reported little or no business activity



■ Some firms were non-filers or reported very small turnovers

or were filing income-tax returns showing very small turnovers. These entities were not operating from the addresses they declared.

"The turnovers had no apparent correlation with the large amounts of money being remitted abroad. They also did not appear to match the stated purpose of the remittances, such as payment for freight or consulting services," the CBDT said.

Further data analysis also revealed that a large number of Form 15CB certificates were issued by a relatively

small group of professionals. The findings were also received by a clustered group of entities, the CBDT said in a release.

Form 15CB, read with Rule 37BB of the Income-tax Rules, 1962, requires the accountant certifying a foreign remittance to verify its taxability with reference to the books of account and other relevant documents. "However, the findings raise concerns about whether adequate due diligence was carried out by the Accountants before issuing these certificates," the CBDT said.

Skymet lowers monsoon rain forecast to 85%

SANDIP DAS
New Delhi, August 18

PRIVATE WEATHER FORECASTING agency Skymet has downgraded its forecast of monsoon rainfall to 85% of the benchmark long period average (LPA) from its forecast of 94% of LPA in April.

There is a 70% probability of drought, it stated. "Growing El Nino and weak Indian Ocean Dipole will cast a shadow, and the month of September is likely to be rain-deficit by 30% of LPA," Skymet stated. August rainfall is forecast at 84% of LPA by the agency.

In May 2026, the India Meteorological Department (IMD) had downgraded its forecast of "below normal" southwest monsoon rainfall for June-September this year to 90% of LPA from 92% in April, with a high 84% chance that the rains will fall in the "deficient to below normal" range. The met department is still holding on to their forecast for the monsoon season.

Rainfall below 90% of LPA is considered as 'deficient'.

Opinion

Tweak FCRA Bill

Stronger oversight is justified, but overreach is no solution for NGOs

THE FOREIGN CONTRIBUTION (Regulation) Amendment Bill, 2026, has been referred to the 31-member Joint Parliament Committee for fine reading, following pushback from the Opposition and several other circles. To be sure, the Bill introduces a tighter framework for supervision, management, and disposal of foreign contributions and assets of an organisation that ceases to have an FCRA certificate. Raising concerns among stakeholders, the government can, practically at its own sweet will, decide not to renew an organisation's FCRA certificate, which will then automatically cause it to lose all assets created from foreign funds. A designated authority will take over the assets, with the promise that the funds accruing to the Consolidated Fund of India will be used for a similar public purpose. To allay the concerns of entities undertaking religious activities, an assurance is given that if an attached asset is a place of worship, its religious character will be preserved.

Yet, the provisions have been interpreted in many quarters as intention to target minority institutions. Moreover, the current Act and the Bill do not give the entities concerned an opportunity to be heard or appeal against the cancellation of FCRA certificates. The Bill additionally provides that certificate cancellation shall lead to asset vesting. Critics say this provision reinforces the "draconian" nature the Act acquired after the two sets of amendments in 2010 and 2020. Several stringent clauses not contained in the original 1976 legislation are already part of the Act.

FCRA licence renewal was largely routine and easy until recent years; in practical terms, a licence once granted remained valid for life. Indeed, this led to large-scale misuse of the facility. Not all units receiving foreign contributions are above board. Hence, the requirement to renew the licence every five years was introduced in 2020. Uncertainty about renewal chances has also interrupted the flow of funds into legitimate entities and often disrupted their activities. There is no denying that the non-governmental organisation (NGO) sector in India has undertaken a tremendous amount of good work in various sectors, including education and health. At last count, 14,450 units held FCRA certificates, with annual funds inflow to these being about ₹15,000 crore.

The government has the power to reserve the right to suspend/cancel FCRA licences on serious grounds like conviction in charges of fomenting communal tension, religious conversion attempts, or gross misuse of funds. However, the allegation of rising instances of selective targeting of institutions may not be entirely baseless. Apart from an intent to closely regulate the entities receiving foreign contributions, and their activities, the review of FCRA is also aimed at curbing their wasteful spending and fund diversions. This is, however, a goal other economic laws can achieve. The government would do well to desist from micromanaging the NGO/civil society organisation activities through measures like capping the administrative expenditure at 20%. Burdening these units with a complex web of compliance requirements is unreasonable and would impede their very functioning. If the FCRA licence of an NGO is not renewed on time, that itself will block the fund flows to them, and hamper ongoing work. That is sort of a double-edged sword. The government needs to win the trust of all stakeholders by reaching out to them, and proactively discouraging arbitrary administrative actions. Lack of an appeal mechanism against abrogation of licences and asset vesting is clearly untenable and might not stand judicial scrutiny.

Ageism in the age of AI

THERE'S A NEW ruthless sport in corporate India. It is called "Guess Who Turns 45 Next?" The prize is a calendar invite for the "Strategic Realignment Discussion".

Across tech, consulting, BFSI, and even family-run conglomerates that once treated employees like extended relatives, mid-career professionals are being "restructured", "repurposed", or "right-sized". These are elegant words for a simple reality: too senior, too expensive, too yesterday. Older workers report feeling "discarded like used tissue". In India, employers admit preferring under-35 hires for their "energy" and "adaptability", that is lower salary expectations and a tolerance for 11 pm official messages.

Start-ups worship the 25-year-old founder who codes through the night. Large enterprises, once proud of long-service awards, now speak lovingly of "digital natives" while quietly wondering if anyone over 45 knows how to open Claude without calling IT support. AI did not invent age bias. It merely gave it a dashboard. Recruitment software screens CVs for "recent skills", "keyword density", and "career gaps". This is modern code for: if your graduation year suggests you once used a fax machine, goodbye. Performance analytics tools measure productivity in neat graphs. What they struggle to quantify are non-linear skills: judgement, pattern recognition, crisis management, political sensitivity — the boring things that prevent companies from collapsing.

In the IT sector, the squeeze is particularly poetic. On one side is younger, cheaper talent willing to learn five coding languages. On the other are AI systems that do not ask for increments, bonuses, or work-from-home flexibility. In the middle: the 47-year-old project manager wondering if experience has a resale value.

Upskilling is useful. But it doesn't erase structural bias. Nor does it guarantee relevance. The uncomfortable truth? AI threatens everyone. Policymakers celebrate India's demographic dividend but India Inc psychology is oddly confused. In promotions, seniority still matters. In hiring, youth reigns supreme.

The result? Leadership gaps. Mid-career professionals exit prematurely. Younger managers get promoted before their emotional maturity catches up. Teams become efficient but brittle. Cultures grow fast but shallow. Employee costs are lowered, speed is optimised, but depth is compromised.

The old learn-climb-coast route is gone. The new model is cyclical: learn, lead, unlearn, relearn, repeat. Every decade demands reinvention, every five years recalibration. Here are some thoughts to consider.

Build a brand beyond your business card. If the credibility lives only inside the company's email domain, you are one restructuring away from invisibility. Write. Speak. Teach. Share insights. Visibility is insurance. Hedge your skill portfolio. Pair human capabilities like strategic judgement, communication that machines can't do with AI. The goal is to become difficult to automate and even harder to ignore.

Lead before you are allowed to. Titles are granted. Influence is built. Volunteer for cross-functional projects. Mentor someone. Learn to connect dots across silos. Leadership is a practice, not promotion.

Prepare for Career 2.0. The second act might not resemble the first. Advisory roles, entrepreneurship, academia, social impact, etc. are not consolation prizes.

Stay stubbornly human. AI can draft emails, analyse trends, compose poetry. It can't care, inspire trust, or sit across from a worried employee and sense what is unsaid. Economies thrive on both youthful energy and accumulated experience. When organisations treat mid-career professionals as depreciating assets, they create cultures of anxiety. Younger employees notice. Loyalty evaporates. Everyone quietly updates LinkedIn. Wisdom is expensive. So are mistakes.

Ironically, the obsession with youth may accelerate the very instability companies fear. When employees believe they have a 15-year expiry date, they optimise for short-term gains. Why invest emotionally in an institution that may politely escort you out at 45? The tragedy is not that some careers may plateau at 45. The tragedy is complacency — at 35. Relevance is not a gift bestowed by HR. It is a discipline.

In the age of algorithms, birthdays are irrelevant. Reinvention is everything. So whether you are 28, confidently energised, or 58, strategically seasoned, the real question remains: when the next wave of automation rolls in, will you be clinging to yesterday's expertise...or surfing tomorrow's opportunity?



M MUNEEB

Fortune-500 advisor, startup investor, and co-founder, Medici Institute for Innovation X. @MuneebMuh

● TATA LEADERSHIP

HOW THEY ARE SORTED OUT IS WHAT IS IMPORTANT SO THAT THERE ARE NO PERMANENT WINNERS OR LOSERS

Differences are only natural

R GOPALAKRISHNAN ISHAAT HUSSAIN

The authors are former directors of Tata Sons and together served Tata for over 50 years



Justment, then a dignified and mutual separation is a valid course. Whatever the facts are, top-level differences should not affect the institution negatively.

And it is likely that that recent actions have been motivated by precisely this consideration.

History offers many cases where what appeared to be a difference of opinion was not addressed and ended up contributing to undesirable conflicts. Graceful and early resolution is essential, and often the preferred path.

Julius Caesar and Pompey the Great were thick political allies in Rome — in fact, Pompey was Caesar's son-in-law — until personal distrust, rivalry, and competition for prestige gradually poisoned the relationship. Caesar's conquest of Gaul made him extremely powerful, and Pompey became concerned that Caesar would dominate Rome. Their growing conflict could not be resolved through negotiation or compromise. Finally, in 49 BCE, Caesar crossed the Rubicon and initiated the civil war with rival Pompey the Great.

Around World War I, Kaiser Wilhelm II ruled in Germany, King George V in England, and Tsar Nicholas II in Russia, all related as cousins. Wilhelm's impulsive behaviour, insecurity, and strained per-

sonal relations helped diminish the relationships, leading to the war. Of course, the war was not caused by just family relationships, but personal mistrust among family members lessened the opportunities for compromise.

There are three common patterns suggested by history. First, honour and prestige become key. Second, leaders personalise disputes. Third, miscommunication creates exaggerated perceptions of insults.

In the Tata case, the leaders could not resolve their issues through conversations and convergence, so the differences were extinguished through graceful adjustments. Above all, the leaders have protected their institutions.

However, such episodes tempt everyone to analyse and comment. It is in this context that Padma Shri poet, Bashir Badri, wrote, "Parakhnai mai, parakhne se koi apna nahi rahta, kisi bhi aaine mein der tak chehra nahin rehta" (If you analyse too much then you will lose relationships, just as a mirror does not hold a reflection for long).

Conspiracy theories circulate where none or some may be true. In this case, some view it as a Tata Trusts versus Tata Sons dispute, some others as a Parsi versus non-Parsi dispute, yet some others as

If salvaging a situation is not possible through reconciliation and readjustment, then a dignified and mutual separation is a valid course

Leaving it unfunded is UPI's biggest risk



MONICA JASUJA

Chief Expansion and Innovation Officer, Emerging Payments Asia

EVER SINCE The Taxation and Other Laws (Amendment) Bill, 2026, proposed changes to Section 10A of the Payment and Settlement Systems Act, public debate has collapsed into one anxious question: Will UPI now cost money to use? It will not. What the Bill actually opens up is a merchant discount rate (MDR), or a fee some businesses may pay to banks and payment service providers (PSPs) for processing select high-value transactions on UPI. The real debate is not about whether people will pay to use UPI. It is about how the system that keeps it free for them gets funded.

The anxiety is understandable. UPI became part of daily life in India precisely because it was free, fast, and simple, and any hint of change to that feels personal. But the reintroduction of MDR on high-value UPI person-to-merchant transactions is not a change to that promise. It is what protects it.

A reasonable charge on select high-value merchant transactions, which is lower than other payment methods, can enable banks and fintechs/startups to make investments that are much needed to strengthen infrastructure. The toto-doll includes enhancing cybersecurity, driving innovation, and most importantly bringing an additional 600 million citizens and 50 million merchants to digital payments.

The 600-million figure comprises two identifiable groups — smartphone users who already have a bank account and data connectivity, and feature phone users who have a bank account but have not yet been brought into UPI.

According to the National Payments Corporation of India (NPCI), UPI reaches approximately 500 million monthly

active users and 230 million daily active users. The next 600 million users are not a stretch. They are already banked, reachable, and sitting just outside the current base. We do not lack the appetite for digital engagement, but its conversion into daily payment behaviour.

Additionally, the penetration of digital payments in India is about 40% of the adult population on the user side and around 50% for the merchant side. Brazil's Pix offers a useful comparison — it now reaches roughly 91% of the country's adult population, built in under five years. India's headroom is not hypothetical.

The twin statistics above highlight the significant growth potential for the Indian payment ecosystem. In two decades, building payment systems across five markets, I have seen this pattern before — adoption rarely stalls for lack of appetite. It stalls for lack of infrastructure investment behind it. Given India's demographics, economic growth, and geographical spread, its UPI ecosystem has the structural potential to grow manifold.

As I see it, there is a clear flow chart. A UPI free for users and small merchants leads to strengthening of the ecosystem economics, which in turn enables investment in the equal measures of innovation, and security. This combination leads to deepening financial inclusion and ultimately delivers better outcomes for end users.

Reintroducing MDR does not mean

consumers will be charged for making UPI payments. The fundamental proposition that made UPI inclusive and accessible therefore remains intact.

MDR can create sustainable economics that drive the next wave of growth and innovation for the digital payments ecosystem. Stakeholders like banks and PSPs continuously invest in infrastructure, merchant servicing, customer support, compliance, risk management, and operations.

Moreover, large merchants already absorb substantial costs for accepting digital payment methods. Based on the

previous year's card spends, the economics on these transactions — together amounted to more than ₹40,000 crore in the last financial year. In other words, large merchants already understand paying for the acceptance and processing of digital payments at scale. Seen in this context, a calibrated MDR on select high-value UPI merchant transactions is not an entirely new or commercial construct.

A larger digital ecosystem also

the economics on these transactions — together amounted to more than ₹40,000 crore in the last financial year. In other words, large merchants already understand paying for the acceptance and processing of digital payments at scale. Seen in this context, a calibrated MDR on select high-value UPI merchant transactions is not an entirely new or commercial construct. The more relevant question is whether such a charge is reasonable, proportionate, and directed towards sustaining and strengthening the payment ecosystem.

In this scenario, MDR can create a sustainable commercial model that enables these participants to continue investing as the ecosystem expands. My argument is: Let us think beyond cost recovery and focus on creating the economic incentive to invest in the future of digital payments.

A larger digital ecosystem also requires continuous investment in cybersecurity and trust. This means banks, fintechs, and other participants need to continuously strengthen fraud detection, threat monitoring, risk systems, authentication, and AI-led capabilities. UPI is not unsafe today. However, maintaining trust at an ever-increasing scale requires continuous investment to stay ahead of evolving threats.

A stronger ecosystem can deepen financial inclusion. Thus, financial inclusion should now move beyond simply enabling someone to make a digital payment. Sustainable economics can support greater investment in merchant acceptance, underserved markets, accessible and vernacular solutions, and products designed for people and businesses that remain at the edges of formal finance.

Last but not the least, as globally accepted sustainability models teach us, the benefits must ultimately flow back to the end user. The case for reintroducing MDR should not end with better economics for ecosystem participants. To reiterate, these economics should enable continued investment that results in stronger technology, better products, more innovation, and deeper financial inclusion.

Free is not the same as costless. Somebody has always paid to keep UPI running. The only question is whether that cost is paid honestly, by the transactions that can afford it, or paid invisibly, by a system running on borrowed time.

Some will remember this as the moment India funded its infrastructure honestly. Others will only ask if UPI stayed free. Both are right. Only one is the whole story.

A calibrated MDR on select high-value UPI merchant transactions is not an entirely new cost or commercial construct

LETTERS TO THE EDITOR

Countering US

The article "Review bilateral trade strategy" (FE, August 18) should sensitize the Indian government. There are strong reasons to counter the erratic tariff hikes imposed by the US. The Trump's quiescent actions are often reversed by US courts themselves. His policies and arbitrary actions are not subscribed to even by people in his own country. Importing some products remains viable even after the tariff hike. Extra-

neous reasons like child labour, traditional titles, disregard for illegal sanctions, etc. are used as tools to maintain an upper hand, which are not appreciated even by American think tanks. India should not buckle under pressure for any reason and should retaliate in equal measure. Unfortunately, the mood of the government appears to be submissive, for reasons not explained. Corrections are imminent. —AG Rajmohan, Anantapur

Justifiable closure

Apropos of "A prudent pause" (FE, August 18), the RBI's decision to close the foreign currency non-resident (bank) special window early appears justified. Large dollar inflows can temporarily strengthen the rupee, but excessive dependence on foreign currency deposits may create vulnerabilities when global financial conditions change. The recent pressure on the rupee underlines the

a promoter versus professional dispute, or even as an issue of capital allocation discipline. It is fruitless to criticise, analyse, and paralyse, based on assumptions.

Two facts are clear. First, in accordance with well-established Tata retirement policies, the Tata Sons chairman would anyway have given up executive positions from June 2028 upon turning 65 years of age. Therefore, the board must have had some succession plan for June 2028. Second, renewing the chairman's contract for a third term was a unanimous decision of the Trust members in September 2025, 17 months before even the ongoing contract would come up for renewal. It is this unanimous decision of the Trusts that led to the likely change in the tenure and dates of the chairman's succession. The matter appeared on the Tata Sons board agenda at the instance of the Trusts in February this year. It appears that one director expressed reservations about certain economic and business issues. In this background, bearing the interests of the employees, investments, and business of Tata Sons, the chairman has gracefully announced his timely decision not to seek re-election for a third term. The die has been cast, and attention must change to effective succession.

Tata is a rare national jewel. It is a business group that most Indians respect and love. How many business enterprises around the world can you think of that people respect and love? You can count them on your fingertips. The Tata family — employees, retirees, vendors, shareholders, and families — exceeds the populations of Belgium, the Netherlands, and Switzerland combined.

Let us, therefore, wish Tata all the best in finding a successor and returning the enterprise to its mission of creating employment, family advancement, and national prosperity.

● Write to us at letters@expressindia.com

The Tribune

ESTABLISHED IN 1881

Black money

Court steps in to safeguard poll process

THE Supreme Court has rightly observed that the use of black money in elections compromises democracy as the voter's choice is influenced by allurements. Indeed, the poll process cannot be genuinely free and fair if ill-gotten wealth has a bearing on how citizens vote and if cases involving electoral offences remain pending for years. The Court has stressed that the recovery of suspected election-related cash must be followed by swift, credible action. Its direction that seizures be reported within 24 hours, with reasons establishing a prima facie link to an electoral malpractice, introduces an important element of accountability. The expectation that investigations should ordinarily be completed within a year, with delays explained to the Election Commission of India (ECI), also carries weight.

The SC order also confronts another uncomfortable reality: justice delayed in election cases can become justice denied. With polls taking place every five years, prolonged trials can allow candidates accused of serious offences to contest repeatedly while cases remain in limbo. The direction to high courts to designate courts for speedy disposal is therefore welcome. So too is the requirement of HC approval before poll-related cases against candidates are withdrawn. One political party replacing another at the helm must not become a pretext for quietly abandoning criminal proceedings.

The scale of pendency justifies the urgency. More than 3.87 lakh FIRs were registered in connection with the 2024 Lok Sabha elections. Of these, about 43% have resulted in convictions, while closure reports have been filed in 20% of the cases; the rest are pending trial or under investigation. The SC's intervention has also renewed the debate on political funding. In 2024, the SC had struck down the electoral bonds scheme, ruling that anonymous political contributions violated voters' right to information. Now, the onus is on probe agencies, prosecutors, courts and the ECI to implement the latest directions strictly and transparently.

Not for sale

Stop auctioning Chandigarh's legacy abroad

CHANDIGARH's iconic furniture shows that heritage is not merely about monuments; it is also about the objects that give them meaning. UNESCO's request to Chicago's Wright Auction House to suspend the transfer of six Pierre Jeanneret-designed furniture pieces sold for around Rs 83 lakh has changed what appeared to be a routine design auction into an international heritage dispute. The teak chairs, benches and stools were never conceived as luxury collectibles. Designed in the 1950s as part of Le Corbusier's vision for Chandigarh, they were integral to the city's institutional identity — from Panjab University and the PGI to government offices. Since Chandigarh's Capitol Complex became a UNESCO World Heritage Site in 2016, preserving these objects has become inseparable from preserving the city's authenticity.

The troubling aspect is that this is not an isolated episode. In June this year, seven Chandigarh furniture pieces fetched over Rs 1 crore at the same auction house. Earlier, auctions in Paris and Barcelona were challenged through diplomatic and legal intervention, while Brussels and Los Angeles have witnessed similar controversies. The pattern suggests a persistent failure to safeguard movable heritage despite the 2011 order of the Ministry of Home Affairs restricting the movement of Chandigarh's heritage furniture.

UNESCO's intervention carries moral authority rather than coercive power. It exposes an uncomfortable truth: India is relying on diplomatic firefighting instead of preventive conservation. A city celebrated globally for its modernist vision cannot afford to discover missing artefacts only when they appear in foreign catalogues. The answer lies beyond recovering six pieces. Chandigarh needs a comprehensive digital inventory of every original Jeanneret object, regular audits of public institutions, stronger export enforcement and swift prosecution where theft is established. Heritage protection must extend from buildings to the furniture that completes their story.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, THURSDAY, AUGUST 19, 1926

The Viceroy's speech

THE first address of a Viceroy to the Central Legislature is naturally an event of some importance. This year, there were special reasons for looking forward to this event with even more than ordinary interest and expectancy. The present session is the last of the second Legislative Assembly constituted under the Government of India Act, and even under the orthodox official interpretation of the words of that Act, the day is drawing near when the Secretary of State will have no choice but to submit proposals to His Majesty for the constitution of the Statutory Commission that is to enquire into the working of the Reforms. Such proposals will have to be submitted within the lifetime of the Assembly that will come into existence after the ensuing elections. It was, therefore, not without reason that the public expected some indication in His Excellency's speech on this occasion as to the attitude of the Government of India towards further Reforms. The expectation was all the keener because it was about this time last year that the Assembly had presented its demand in this behalf to the Government of India in the shape of an amendment to the official resolution on the Muddiman Committee's report, and so far the latter had given no definite reply to that demand. Lord Reading made a good many speeches between the time when this demand was put forward and the time when he laid down the reins of office, and he has scarcely allowed a week to pass since his departure from India without having something to say about India and by way of glorifying his administration.

Unhealthy signs for health research

Proposed national policy reflects a centralised approach to agenda implementation

DINESH C SHARMA
SCIENCE COMMENTATOR

THE Department of Health Research (DHR), a wing of the Ministry of Health and Family Welfare, has proposed a national health research policy. The department has been in existence for almost two decades, but it has woken up only now to the fact that India lacks a dedicated policy on health research.

As per the R&D data released in July, the Indian Council of Medical Research (ICMR), the flagship agency for health research in the country, receives just 3.3% of the national R&D funding, while defence and space get 32% and 15%, respectively. India's expenditure on R&D itself is abysmally low — 0.84% of GDP compared to China's 2.58%.

Among the obvious goals of the new health research policy is to increase the expenditure on biomedical and health R&D. The target is to increase health research investment as a share of GDP from the current 0.024% to 0.072% by 2037 and 0.15% by 2047. While it may appear to be a big jump, it is far too low compared to India's current and projected disease burden as well as emerging health challenges. Moreover, the timelines for the proposed increase are too far away, targets are non-binding and without any budgetary support in the pipeline.

How the proposed increase will be achieved is more problematic. The policy says, "Public investment shall rise progressively, complemented by responsible private, philanthropic and non-governmental investment." This formally opens the doors for private investment in health research.



ABYSMAL: India's expenditure on R&D is 0.84% of GDP compared to China's 2.58%. istock

The nature of private investment that the government wants to encourage should cause greater concern. The policy says that Corporate Social Responsibility (CSR) money from private companies will be allowed to be used for R&D projects in public institutions, and the DHR will formulate necessary policies to facilitate such funding.

The approach is different from existing public-private partnerships for drug or vaccine development involving pharma companies and public institutions under specific projects such as the development of Covid-19 vaccines. If CSR funds are allowed from any company — be it pharma or otherwise — or a philanthropic organisation promoted by a company, it may lead to biased research or a hidden agenda like manufacturing "scientific doubt" in contentious topics like environmental health (impacts of air pollution, tobacco, alcohol), occupational health, food safety and climate change.

It is ironic that on the one hand, the government has stifled field research studies by some of the leading health NGOs and public health institutions in the name of foreign contribution regulations, and on the other hand, it is opening the

Health research is not just about testing new technologies or developing new vaccines and drugs. Its outcomes are supposed to guide policies and budgets.

doors for the industry and also foreign foundations to conduct health research. For domestic researchers, scientific collaboration with foreign researchers would still need a permit from a screening committee of the health ministry.

The whole approach seems to be to centralise and bureaucratised health research at all levels. The policy talks of a National Health Research Agenda that will set the priorities at the macro level and a three-tier governance architecture to implement the agenda. At the top would be the National Health

Research Stewardship Committee to provide overarching strategic direction. It will be headed by the Principal Scientific Adviser and include several bureaucrats (secretaries of scientific departments) as members. At the second tier will be the DHR, acting as the central nodal implementing agency, and the third tier would be the ICMR, tasked with scientific and technical execution.

The proposed governance system undermines the role of states, ignoring the fact that public health is primarily a State subject and 'Medical Education and Research' is in the Concurrent list of the Constitution. By authorising the central stewardship committee to set the health research agenda, states will be reduced to mere implementers. 'States and Union Territories will support alignment with local health needs and translation into programmes, service delivery and public health action,' the policy says.

The policy marks another important shift — allowing Ayurveda and other systems of medicine to get access to the research kitty meant for modern medicine in the guise of promoting 'integrative health'. This is despite such systems having dedicated research funding

from the Ayush Ministry and mechanisms operated by it. This is bound to give rise to 'validation science', wherein traditional remedies like cow urine could be subjected to modern research so that they could be 'scientifically validated.' This is already happening through projects funded by other research agencies like the Department of Science and Technology.

India is not only a geographically and culturally diverse country but also has myriad health needs as well as disparities in access to health systems. Health indicators and challenges of Kerala, for example, are completely different from those of Bihar or Odisha. Instead of making states implement a 'top-down' agenda, states should be guided and helped to build and develop their own health research infrastructure based on their priorities and needs.

Health research is not just about testing new technologies or developing new vaccines and drugs. Its outcomes are supposed to guide health policies and budgets. Much of it is about ways to improve the functioning of health systems and healthcare delivery to achieve better outcomes. Health research is a continuous and dynamic process, closely linked with social and economic factors. For instance, health problems of many marginalised groups and communities like urban poor and tribal people are often understudied. A large number of medical colleges have been opened in recent years. They need to be oriented to conduct research on health topics in their respective regions.

The idea of developing a dedicated health research policy addresses a long-felt need. However, the direction the policy is seeking to take — a centralised approach to developing a research agenda, giving the private sector a prominent role and integration of traditional medicine in the modern health research agenda — is rather unhealthy.

THOUGHT FOR THE DAY

The care of the public health is the first duty of the statesman. — Benjamin Disraeli

The warmth we leave behind

AASTHA BAGGA

I often wonder what my life would be without my three nephews and a niece. Some people enter our lives and become part of our story. Others quietly become part of who we are. They are the latter.

My life with them has been made of ordinary things: noisy afternoons, endless questions, silly arguments, sudden hugs. There is one moment I return to often. One of my nephews was having a difficult day. He did not want advice or questions. He simply came and sat beside me. We sat quietly. After a while, he leaned against me and said, 'Aunty, I feel better now.' I had not solved anything. I had not said anything particularly wise. I had simply stayed. That moment taught me something I hope I never forget: sometimes love is not about having the right words. It is about making someone feel they do not have to face everything alone.

Then there is my little nephew, who seems to know, with the beautiful instinct children have, exactly when his aunt needs a hug. He will come over, wrap his little arms around me and hold on for a few extra seconds — as though he knows that this small gesture can change my entire day. I often wonder how he knows. Perhaps love needs no explanation when it is genuine. These moments may seem insignificant while they are happening. But perhaps this is how a life is really built — not through grand occasions, but through tiny acts of belonging that quietly become our most precious memories.

I know they will grow up. Life will take them to places I cannot follow, into careers, friendships, responsibilities and eventually families of their own. There will be birthdays I may miss, calls that become less frequent and years when we may not see each other as often as we wish. I do not want to hold on to them. I want to know that, somewhere in their growing-up years, I gave them something worth carrying forward.

Years from now, perhaps one of them will open an old book and find my name inside. Another may hold a platter from my collection and remember evenings at my home. Someone may come across an old photograph and, for a fleeting moment, hear our laughter again.

And I hope they miss me. Not with sadness, but with warmth. Because the legacy I want to leave is not a perfect image of myself. I want to leave behind a feeling: that they were loved, deeply and unconditionally, not only on special occasions but in the countless ordinary moments.

Maybe that is the real measure of a life well lived. Not what we own. Not what we achieve. But how much warmth we leave behind in the hearts of those who know us.

And if, years from now, my nephews and niece think, 'Life was a little warmer, happier and more beautiful because our aunt was there,' I will know I lived a truly blessed life.

The writer is a Hoshiarpur-based advocate

epaper.tribuneindia.com

LETTERS TO THE EDITOR

Time for judicial reform

Refer to 'An Alternative to the Collegium'; when a rift appears between justice and its public perception, the citizen's trust becomes the first casualty. Historically, judges refrained from expressing dissent through press conferences. Judges maintained a detached purity, grounding their decisions in the secular wisdom of the Constitution and established jurisprudence. Whenever legal tenets have been compromised, reform has followed. The birth of the Magna Carta in England, judicial review in the US and the public interest litigation in India were aimed at restoring equilibrium. Strong edifices require unyielding pillars.

ABHYAM SHARMA, PATHANKOT

Complex and sensitive matter

With reference to 'An Alternative to the Collegium'; many legal experts increasingly feel that the Collegium system deserves a careful reconsideration. However, a well-functioning system should not be undermined merely to accommodate certain instances of non-performance or voices of dissent from aspirants who may not find favour in the selection process. Assessing judicial acumen, integrity, temperament and suitability for higher judicial responsibilities is an exceptionally complex and sensitive exercise; above all, transparency must remain supreme.

SHUBHAM MAHAJAN, BILASPUR

State authorities equally liable

Apropos of 'Food hygiene'; the problem is much larger than quick-commerce platforms. India has millions of licensed Food Business Operators (FBOs). With such a huge network and limited enforcement manpower, FSSAI alone cannot physically inspect every establishment frequently. The real question is: where are the state food safety and health authorities? FBOs, particularly wholesalers, manufacturers, warehouses and large retailers, should digitally report purchases, sales, inventory, sources and storage details. Such data-laden AI can enable authorities to identify abnormal patterns without waiting for a physical complaint or inspection.

SURJIT SINGH BHATOA, PANCHKULA

Serious economic matters

Refer to 'Web of debt that entangles Punjab'; the academia and the government seem to be living in different worlds. While the academia provides tailor-made solutions to bring Punjab out of the debt trap, the government is not even thinking of trying out any remedial steps. In a recent interview to a news channel, Chief Minister Bhagwant Mann addressed queries about Punjab's mounting debt by asking why the state should repay it immediately. He stated that Punjab would clear its liabilities the day large states like Uttar Pradesh and Gujarat paid off theirs. In a precarious situation like this, we expect the government to take this pressing issue more seriously.

MOHAMMAD SOHAIL, CHANDIGARH

Uniformity in govt schools

Apropos of 'PM Sir, free coaching does not fix the main problem'; we require a thorough overhaul of schools run by state governments. This calls for a centralised policy to bring about uniformity in quality, outcomes and accountability. Perhaps an independent regulatory body could be constituted which conducts assessments of schools through scheduled and surprise tests. This could be used to generate an "educational attainment score" for each state. Linking federal grants to this score could incentivise state governments to upgrade and uphold education standards. An overwhelming majority of the kids in developed countries of Europe and North America attend public schools, which maintain high standards consistently.

CHANDER SHEKHAR DOGRA, JALANDHAR

NTA's accountability

Refer to 'Why accountability is so low'; if the findings of an inquiry are not made public, it raises concerns about whether accountability is being suppressed. While the NTA can cancel tests and announce fresh dates through a circular, the larger question is what such action says about the agency's credibility. Is the NTA, in its present form, truly equipped to conduct examinations that can impact the futures of lakhs of aspirants?

PS KAUR, BY MAIL

Letters to the Editor, typed in double space, should not exceed the 200-word limit. These should be cogently written and can be sent by e-mail to: Letters@tribuneindia.com

States, Parliament and the mining question



KARAN SINGH
ANIRUDH TEWARI
FORMER CHIEF SECRETARIES
OF PUNJAB

THE Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) has been amended by Parliament to provide a level playing field for mineral prospecting and extraction across states. It is also expected to ensure greater certainty and transparency around the numerous taxes, cesses, royalties and other levies that mines must pay.

Take, for instance, the coal mined in Jharkhand that is utilised to generate thermal power in Punjab. When the basic cost of medium-grade coal at the mine site was Rs 1,148 per ton, several taxes and other levies amounting to Rs 1,139 per ton were added, bringing the total price to Rs 2,287 per ton. These levies included Rs 450 of Jharkhand Mineral Land Cess, Royalty of Rs 213, District Mining Fund of Rs 64, Forest transit fee of Rs 57, IGST of Rs 349, and National Mineral Exploration Trust of Rs 7 per ton.

Other states have also levied changes on coal mines for purposes such as rural develop-

ment and road development.

This complex web of indirect taxes on mines acquired a new constitutional dimension following the Supreme Court's July 25, 2024 ruling in *Mineral Area Development Authority (MADA) v Steel Authority of India*. The nine-judge Constitution Bench, by an eight-to-one majority, overruled its 35-year-old judgement in *India Cements v Tamil Nadu* (1989) to the extent that it had treated royalty as a tax.

The court held that a state's power under Entry 49 of the State List of the Seventh Schedule of the Constitution is distinct from its power under Entry 50, which reads as follows: "Taxes on mineral rights, subject to any limitations imposed by Parliament by law relating to mineral development."

It clarified that the measure of the tax does not determine its nature, and that the word "lands" under Entry 49 includes mineral-bearing land. Thus, a state is entitled to levy a tax on land by classifying it as 'mineral land' based on objective criteria, because taxation of lands and buildings falls within a state legislature's purview.

However, the development and regulation of mines and minerals falls within the purview of Parliament, in pursuance of Entry 54 of the Union List, which reads as follows, "Regulation of mines and mineral development to the extent to which such regula-



UNRESOLVED: The MMDR Amendment Bill does not address comprehensive reform of mineral taxation.

tion and development under the control of the Union is declared by Parliament by law to be expedient in the public interest."

The MMDR Act exercises this constitutional power and provides the legislative framework for the regulation and development of mineral resources in the country.

There is therefore little doubt about Parliament's purview to impose limitations, and, to that extent, the Mines and Minerals (Development and Regulation) Amendment Bill, 2026, passed by Parliament on August 13, utilises the constitutional space provided by Entry 54 of the Union List.

However, the constitutional question becomes nuanced when the amendment

An alternative legislative route by consensus can be followed as done in the past, in the case of legislation on water pollution.

extends this restriction to "mineral-bearing land". Section 3 of the amendment defines such land as "land having the mineral contents in accordance with the parameters prescribed...", and Section 9D of the amendment states that "No tax, cess or any other levy (by whatever name called) shall be imposed by the State Government on (a) mineral rights; or (b) mineral bearing lands, either based on mineral quantity or mineral value or royalty payable or otherwise, except in accordance with such conditions or restrictions as may be prescribed by the Central Government."

The question this amendment raises is whether, while

exercising its powers under Entry 54, Parliament can restrict the states' power to tax land merely because the land is 'mineral-bearing'?

This federal restriction imposed by Parliament on states' rights to tax 'mineral-bearing land' raises a constitutional question, since the Supreme Court's MADA judgement recognised the states' power to tax land under Entry 49 of the State List.

This question matters because the rationale for this new law is to bring transparency and predictability to the taxation of mines and minerals, promote investment, and reduce India's dependence on imported minerals, including rare earths, which are critical to our economy and national security.

We propose an alternative legislative route by consensus, enshrined in the Constitution and successfully implemented in the past, notably in the case of legislation on water pollution, where Parliament legislated on a subject in the State List (Water is in the State List).

This federal consensus route for legislation by Parliament on a subject that falls within the State List is set out in Article 252 of the Constitution, which provides that if the legislatures of two or more states pass resolutions to the effect that a matter in the State List requires a law to be enacted by Parliament, then

Parliament can pass an Act regulating such matters, and the legislatures of all other states can also adopt this law.

The amendment to the Water (Prevention and Control of Pollution) Act, 1974 in February 2024 has been adopted by the recommending states, Himachal Pradesh and Rajasthan, and by several states, including Punjab, Bihar, West Bengal and Madhya Pradesh. A similar approach could help achieve a consensual and comprehensive framework for mineral taxation.

The amendment to the MMDR Act leaves open the question of comprehensive reform of mineral taxation. The environmental costs of mining can vary substantially by the location and nature of a mine, and recovering these costs through sovereign levies or taxes is in the public interest.

At the same time, the emerging framework for carbon markets implies that, sooner rather than later, we shall have to address the carbon costs associated with fossil fuels such as coal, petroleum and natural gas. We need an institutional mechanism to address these issues that provides greater transparency and a coordinated approach to managing resources that are critical to India's economic and national security. Perhaps it is time to set up a national regulator for mines, with the states' consent.

Views are personal

Migration is reshaping Punjab



NAVREET KAUR
DEPT OF PUBLIC ADMINISTRATION,
PANJAB UNIVERSITY

PUNJAB is struggling with the interconnected crises of agrarian distress, unemployment, industrial stagnation, mounting debt, water distress and pollution. The youth are migrating to foreign lands to seek employment and better opportunities. The origin of this crisis lies in Punjab's inability to create sufficient and sustainable employment opportunities over the last three decades.

For decades, successive governments have acknowledged unemployment without building a coherent economic strategy to address it. The departure of young people is intersecting with Punjab's broader demographic transition, characterised by smaller families, declining fertility and a changing age structure. The result is a growing demographic imbalance in the state.

The pattern is visible in the proportion of children and the future young population. The share of young children (aged 0-4 years) in Punjab has the lowest proportion at 6.1% against the national 8.0%, as per the NFHS-2024. Only 21.4% of its population is in the 0-14 age group, compared to 25.2% at the national level.

When a relatively smaller younger generation is combined with the con-

tinuing migration of the existing youth, Punjab faces what may be described as a double demographic squeeze: fewer young people being added to the population and a section of the existing young population leaving the state or country.

Punjab is losing not only potential teachers, researchers, entrepreneurs, activists, community organisers and political leaders. One of the less visible consequences of this demographic shift is its impact on Punjab's traditional structures of political and social mobilisation. Gradually, it will erode the state's traditional base of political mobilisation. Evidence endorses that political parties, trade unions and farmer organisations have historically relied on student unions, youth wings and rural networks to sustain leadership and grassroots engagement.

Political sociology suggests that leadership reproduction depends on generational continuity. If younger cohorts disengage physically from local politics, institutional vitality weakens. This demographic transition also raises the broader question of the changing composition of Punjab's workforce. When a section of its young population migrates abroad, Punjab depends on migrant workers from other states for its requirements in agricultural and industrial sectors.

The issue, therefore, is whether the political leadership has adequately examined the long-term demographic and economic consequences of the simultaneous outmigration of its youth and inward migration of labour. If the present trend continues, Punjab will gradually lose a part of the human, institutional and political capacity required to confront its own crises.

For full article, go to www.tribuneindia.com/opinion

Why academic freedom matters



AVIJIT PATHAK
SOCIOLOGIST

THE latest V-Dem Academic Freedom Index shocks me, but I am not surprised. I am shocked because India is placed at the bottom 10-20% of 179 countries on academic freedom. What intensifies my pain is that India's position is the lowest since 1990, and even below the Emergency years of 1975-1977.

I am not surprised for two reasons. First, I feel it will be too naive to expect the spirit of academic freedom in our colleges and universities, particularly, at a time when the prevalent politico-cultural Establishment, because of its regressive and potentially authoritarian character, remains uneasy with the illumination of free thinking. And this is precisely the paradox of power: the more powerful you are, the more fearful you become. Yes, it is the fear of dissent; it is the fear of an alternative worldview; and it is the fear of critical thinking that can debunk the otherwise powerful ruling regime, or the carefully crafted larger-than-life image of its 'supreme' leader.

And this fear is infectious. While it fears a bright professor who questions patriarchy, misogyny and hyper-masculine religious nationalism through his/her teaching and writing, it does not spare even a 19-year-old college student who wants

to go beyond the discourse of the state, and understand the brilliance of Umar Khalid or know about the struggles and achievements of Stan Swamy and Prof GN Saibaba. And imagine the intensity of this fear — the way some of our politically appointed VCs lose no opportunity to satisfy the ruling regime and trivialise the idea of a university as a confluence of knowledge traditions.

Second, it is equally important to realise that those clever academicians who often escape from their own responsibilities in the name of 'value-neutrality' and prefer to remain silent are no less responsible. They too cause severe damage to the spirit of academic freedom. When do they realise that this discourse of 'neutrality' is a myth? In the age of the propaganda machinery, we are witnessing the weaponisation of

ignorance. We see the manifestation of xenophobic nationalism; we experience the erosion of the culture of civility and dialogue in public sphere.

Under these circumstances, how can one be neutral? In fact, this so-called 'neutrality' is a kind of consent to the status quo. If you remain 'neutral' and silent, when your colleagues are harassed, humiliated and suspended because of their lectures and writings, you also as a citizen; and eventually, you strengthen the forces that abhor the spirit of free enquiry.

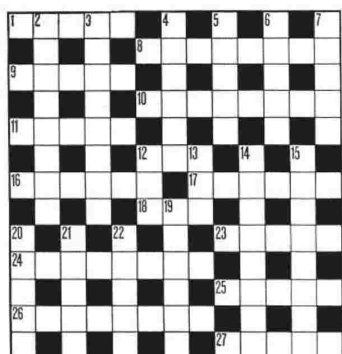
Accept it. The death of academic freedom will cause severe damage to the cultural fabric of the entire nation. If we continue to lose the culture of debate, dialogue and free enquiry, our democracy might be reduced into some kind of electoral autocracy. The fate of democracy depends on people's ability to think, and even question the leaders they send to Parliament.

Yet, I have no hesitation in saying that I see immense possibilities in our students. Some of our students raise their voice and protest against the growing onslaught on some of our leading centres of learning like TISS and JNU. Or, think of the students of the NALSAR in Hyderabad. They urged the administration to reconsider inviting CJI Surya Kant as their convocation chief guest.

Yes, in this symbolic gesture of protest, we could see that these youngsters are not willing to accept everything the Establishment seeks to legitimise — and at times through the highest court in the country. Possibly, it is not always easy to diminish the conscience of young students.

For full article, go to www.tribuneindia.com/opinion

QUICK CROSSWORD



ACROSS

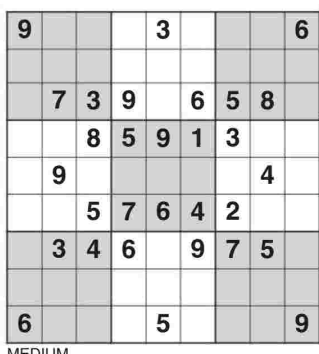
- 1 Possibly (5)
- 8 Confirmed (5,3)
- 9 Bias (5)
- 10 Widely distributed (3-5)
- 11 Good-naturedly frank (5)
- 12 Tissue (3)
- 16 Tense and restless (2,4)
- 17 Under one's control (2,4)
- 18 Put on (3)
- 23 A corrupt payment (5)
- 24 Have good intentions (4,4)
- 25 Tall wading bird (5)
- 26 Pay attention (4,4)
- 27 Goodbye (5)

Yesterday's Solution

Across: 1 Fever pitch, 6 Used, 10 Lured, 11 Permanent, 12 Libroto, 13 Apple, 15 Ruinore, 17 Sponsor, 19 Sincere, 21 Elastic, 22 Resch, 24 Autocrat, 27 Operation, 28 Prize, 29 Sham, 30 One and only.

Down: 1 Fold, 2 Vermilion, 3 Rider, 4 Impetus, 5 Curious, 7 Steep, 8 Do the trick, 9 Paranoia, 14 Grass roots, 16 Overhead, 18 Station, 20 Evasion, 21 Estonia, 23 Arena, 25 Cupid, 26 Deny.

SU DO KU



YESTERDAY'S SOLUTION

4	6	9	1	7	3	5	2	8
7	5	3	6	8	2	9	1	4
1	8	2	5	4	9	6	7	3
9	2	5	4	1	6	8	3	7
3	4	8	9	2	7	1	5	6
6	1	7	3	5	8	2	4	9
8	9	1	7	3	5	4	6	2
5	7	6	2	9	4	3	8	1
2	3	4	8	6	1	7	9	5

CALENDAR

AUGUST 19, 2026, WEDNESDAY	
Shaka Samvat	1948
Shravan Shaka	28
Bhadrapad Purnima	3
Hijari	1448
Shukla Paksha Tithi 7, up to 7:20 pm	
Brahma Yoga up to 3:44 am	
Swati Nakshatra up to 6:47 am	
Moon enters Scorpio sign 2:31 am	
Goswami TulsiDas Jayanti	

FORECAST

SUNSET: 18:02 HRS		WEDNESDAY THURSDAY		19:01 HRS 05:52 HRS	
CITY		MAX		MIN	
Chandigarh		34		24	
New Delhi		33		27	
Amritsar		31		26	
Bathinda		31		26	
Jalandhar		31		25	
Ludhiana		33		26	
Bhiwani		35		25	
Hisar		34		26	
Sirsa		34		26	
Dharamsala		26		22	
Manali		23		18	
Shimla		21		16	
Srinagar		30		22	
Jammu		32		25	
Kargil		25		16	
Leh		21		12	
Dehradun		29		24	
Mussoorie		21		17	

TEMPERATURE IN °C



Editor's TAKE

The courage that refuses to look away

World Humanitarian Day honours the selfless service of humanitarian workers. But they need protection and funding, not just applause

On August 19, 2003, a truck bomb tore through the Canal Hotel in Baghdad, the UN's headquarters in Iraq, killing 22 people, including the gifted diplomat Sergio Vieira de Mello. Five years later, the UN General Assembly turned that tragedy into an annual reminder: humanitarian work is not safe, comfortable, or thankless in the abstract - it is dangerous, specific, and carried out by people with names and faces. That is why World Humanitarian Day matters.

In a world numbed by the scale of suffering - Gaza, Sudan, Ukraine, the Democratic Republic of Congo, and the slow-moving disasters of climate change - humanitarian workers are the ones who still walk towards the wreckage rather than walk away from it. They are proof that decency has not been argued out of existence. In an age of cynicism about institutions, the aid worker distributing vaccines in a flooded village or negotiating a ceasefire corridor for flood victims offers something rarer than optimism: evidence.

This year's UN campaign, #ActForHumanity, captures that plainly - humanity is not a slogan; it is a practice, renewed daily by people who choose it under fire. Yet the record now being set is not one to celebrate. The UN reported 390 aid workers killed in 2024, the highest toll ever recorded, and humanitarian groups warn 2025 is set to be worse still, with more aid workers coming under attack - killed, injured, kidnapped, or detained.

Palestinians account for close to a fifth of all aid workers killed since records began. Impunity compounds the crisis: attacks go uninvestigated, perpetrators unpunished, and humanitarian access is increasingly treated as a bargaining chip rather than a legal obligation under international humanitarian law. Reversing this requires more than tributes. Warring parties and states must be held to the Geneva Conventions' protections for humanitarian personnel, with credible investigation and prosecution of attacks, not just condemnation.

Humanitarian access needs to be negotiated as non-negotiable, insulated from political leverage. Funding - chronically underpaid and precarious - must shift towards predictable, multi-year support so organisations can retain trained staff rather than burn through them. And local responders, who absorb the greatest risk and know their communities best, deserve a far larger share of both resources and decision-making power than the current aid architecture gives them.

India's own experience offers a useful counterpoint to despair. From Operation Dost's medical teams in earthquake-hit Turkey and Syria in 2023, to Operation Brahma in Myanmar and Operation Sagar Bandhu's rescue of over 2,500 citizens and treatment of 2,200 patients after Cyclone Ditwah in Sri Lanka in 2025, to Operation Amistad's earthquake response in Venezuela this year, India has steadily built a reputation as a first responder abroad - backed at home by the NDRF's disaster machinery. Indeed, humanitarian capacity, built patiently, becomes a form of soft power rooted in something sturdier than diplomacy alone.

India's middle class needs opportunity more than subsidies

The World Economic Forum estimates make this even clearer. Today, 4 out of every 5 rupees spent by Indian consumers come from middle-class and better-off families. By 2036, that is expected to increase to more than 9 out of every 10 rupees. By 2047, this group is projected to include over one billion Indians



ASHOK KUMAR MITTAL

In almost every Indian city, there is a family the country needs to talk about. The father pays his income tax in full, on time, every year. The mother has taken a loan for their daughter's higher education. There is an insurance premium due each March against an illness they hope never comes. This family asks the government for very little. It is the Indian middle class, and it has quietly become the engine of the country's economy - and the government's own record over the past decade shows it understands that the next phase of reform must focus on this family.

Yet, few people realise just how powerful this engine has become. Speaking in France earlier this year, the finance minister pointed out that India's middle class has expanded by about 6.3 per cent every year since 1995 and now forms roughly 31 per cent of the population. The World Economic Forum estimates make this even clearer. Today, 4 out of every 5 rupees spent by Indian consumers come from middle-class and better-off families. By 2036, that is expected to increase to more than 9 out of every 10 rupees. By 2047, this group is projected to include over one billion Indians.

The growth of the middle class is also reflected in India's tax base. The number of income-tax payers has more than doubled, from 5.26 crore in 2013-14 to 12.13 crore in 2024-25, and Income Tax Return filings have doubled in the same period, from 4 crore in 2013-14 to 8.18 crore in 2023-24, according to the Press Information Bureau. That is what happens when a tax system is simplified rather than merely enforced.

Healthcare tells a similar story. As government spending on healthcare has increased, families are paying much less from their own pockets for medical treatment. Out-of-pocket healthcare expenses have fallen from 64.2 per cent in 2013-14 to 39.4 per cent today, while public spending on healthcare has steadily increased. And even as the economy has formalised at record pace, the labour market has held steady: the National Statistical Office's Periodic Labour Force Survey puts the overall unemployment rate at 3.1 per cent in 2025, among the lowest such figures India has ever recorded.

The government's next priority is to create more quality jobs that match people's education and skills, especially for graduates. With graduate unemployment at 11.2 per cent, the focus is now on better experiential learning and stronger links between education and industry.

So, what does such a family need from the government now? Not more help. Welfare matters, and India has extended it to the poor on a scale no country has supported before. But the middle class stands somewhere else, and policy has increasingly recognised this. It has never asked to be carried. It asks only that the climb be made possible. A subsidy answers a shortage; opportunity answers an ambition - and the direction of recent policy suggests the government agrees.

Helping people through welfare and helping them create



wealth are two different approaches. Welfare is measured by what the government distributes out. Wealth creation is measured by what people are able to earn. A family that has already escaped poverty needs the second far more than the first - and the government's recent reforms have leaned decisively toward the second.

That shift is well underway. Incomes of up to 12 lakh rupees a year are now free of income tax, GST has been rationalised into simpler slabs, and the Income Tax Act of 1961 has at last been replaced after decades of complexity. Each of these reforms allows middle-class families to keep more of what they earn, instead of paying it to the government first and receiving it as benefits later. More Indians are joining the formal economy and as a result the number of GST taxpayers has risen from 66.5 lakh in 2017 to 1.64 crore by April 2026 - nearly two and a half times in nine years, according to the Press Information Bureau.

Lower taxes help families keep more of their income. Better jobs help them increase that income. That is why the government's recent investments have focused on creating more employment opportunities. Twelve semiconductor projects have been cleared, carrying an investment of about

1.64 lakh crore rupees (roughly \$19 billion). The IndiaAI Mission has built a shared national computing facility of more than 45,000 GPUs, the machines on which artificial intelligence models are trained. Electronics are now worth 13 lakh crore rupees (about \$155 billion) and stand as India's third-largest export.

India already ranks among the world's largest producers of renewable power. Every solar park and battery plant creates opportunities for engineers, technicians and supervisors. To ensure these opportunities translate into prosperity, the government's focus is now on equipping Indians

with the skills needed for these emerging industries. According to the India Skills Report 2026, only 56.35 per cent of graduates are currently considered employable. The government's skill development and apprenticeship programmes, including Skill India and the National Education Policy's focus on vocational education, are aimed at improving this figure. India has spent the past decade building industries such as semiconductors, artificial intelligence and renewable energy. The next challenge is to prepare more graduates for these sectors by improving skills and reducing graduate unemployment, which currently stands at 11.2 per cent.

Colleges must therefore keep teaching for jobs and not only for degrees. Employers should help write the syllabus and sit on examination panels. Students should gain hands-on industry experience as part of their degree, not after completing it. And learning must continue throughout one's career because the skills of 2026 will not be enough for the jobs of tomorrow.

Not every middle-class Indian wants a salary. Many want to build something, and the government schemes have already begun making that easier: streamlined MSME registration through Udyam, credit guarantees through CGTMSE, and invoice discounting through iReDS. However, there is still considerable scope to improve access to bank credit for small businesses. Encouragingly, the share of small enterprises receiving formal bank loans increased from 14 per cent in 2020 to 20 per cent in 2024, according to NITI Aayog. If this progress continues, many more entrepreneurs will be able to access the finance they need to grow.

Healthcare and education costs can also hold families back. When they must take loans for these essential needs, pursuing bigger dreams often becomes financially risky. The government's own record is its strongest case - reliable roads and power, dependable government hospitals, good government schools and honest digital services hand that money back to the family. And out-of-pocket health spending's fall from 64.2 per cent in 2013-14 to 39.4 per cent today shows the direction is already right. India is now close to achieving the National Health Policy's target of reducing out-of-pocket healthcare expenses to 35 per cent.

Somewhere in an Indian city, that same father is still fixing his return on time, that same mother is still repaying her daughter's loan. Neither has asked the state for a handout, and increasingly, neither has had to. What the middle class deserves - and what the reforms of the past decade have sought to deliver - is not charity, but opportunity. It is a job worth training for, a business worth risking, a city that does not tax them twice by making them pay privately for what public money already promised. Perhaps the question is no longer whether India's middle class can carry the weight of Viksit Bharat - India's goal of becoming a developed nation by 2047 - for it has been carrying that weight quietly for thirty years, and today, more than ever, government policies are helping share that responsibility.

The writer is Member of Parliament, Rajya Sabha and Founder Chancellor, Lovely Professional University



People dance during the 61st annual Diggi Kalyan Ji Lakhmi Padyatra, a religious pilgrimage to Diggi Kalyan Ji Temple, in Jaipur. PHOTO: PTI

DIGITAL EXPERIENCE

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MAKKAH ARRANGEMENT MUST BE JUDGED BY PRACTICAL COOPERATION

With reference to the article "The Makka Triangle and the Iran Test" (August 18), the emerging security understanding among Saudi Arabia, Pakistan and Türkiye deserves attention, but it would be unwise to treat it as a formal military alliance before its commitments become clearer. The real test will come if one member faces a serious confrontation with Iran or another regional power. The three countries have different strategic priorities and relationships with major powers, which could make collective action difficult during a crisis.

The arrangement would be more useful if it develops practical mechanisms for consultation rather than ambitious promises of mutual defence. Regular meetings among defence officials, intelligence-sharing on terrorism and maritime security, joint disaster-response exercises and

M BARATHI | BENGALURU

Jason Arday and the cost of believing a good story



KUSHAN MITRA

2ND OPINION

For some strange reason, my social media feeds have been serving up the Jason Arday matter quite relentlessly on my feeds for the past few weeks. For those of you who are not aware, Jason Arday was a Professor in the department of education at Cambridge University, one of the most hallowed educational institutions on the planet. In fact, he was the youngest black professor in the history of Cambridge University. But it turned out that not only had Arday falsified and plagiarised his entire educational history, his life history turned out to be too good to be true. And despite claiming to have overcome adversity, achieving some amazing things, including being unable to verbally communicate until he was 18, he took his own life when his house of cards just collapsed literally overnight.

There are two things that strike me, the first is trying to

find the right adjective to describe this sorry affair. Yes, it is tragic, but if this was a Detective story, I used have used the term 'curious'. And certainly had Arday not decided to take his own life, this story would have been comedic as well. I found it truly peculiar that someone could make such outlandish claims without being fact-checked. Especially in a world where people get fact-checked almost instantly on social media. The very claim that he ran six marathons in six days could and should have been checked, and it would have been very easy to do so in an era of pervasive digital media. His claim of being on a popular television show was immediately debunked. His claims of Autism and being non-verbal could have been checked with fellow students and primary school teachers. And all of this and more was eventually debunked, a stunning article in *The Guardian* of all places effectively called him a liar, which Arday certainly was. This is a man who claimed to have overcome incredible adversity such as having a brain tumour removed a couple of weeks before his viva for his doctorate leading him to reclaim it all. Oh, come on. Some of his outlandish claims couldn't be proven by CCTV or other records.

Yet, Cambridge University hired him, and the entire story is not really an indictment of Jason Arday, it is of Cambridge University and his enablers. And this is where the lesson lies, not just for institutes of excellence like Cambridge certainly was once upon a time, but public life in general.

We have let a whole class of liars and charlatans take

over public life, in the process devaluing many, many things. At the same time, we have a public, and even people in positions of power so desperate to believe any story that often despite evidence to the contrary, they will double down using standard forms of defence such as racism and in India, casteism, and that global phenomenon, whataboutery.

And I am not indicting any one side, this is as true on the right as it is on the left. Human beings in general like a feel-good origin story, in politics, in sports and clearly in education. In India as well, we always find that one kid who cleared a major entrance despite studying under a street-light even though the overwhelming majority of such children do not.

It is terrible that Arday took his own life, he could have and should have been stopped earlier by any number of people, because as someone might say, 'The Math did not Math' in his case. And even the fantasy world that he created could easily have been debunked and he might have gotten the mental help that he clearly needed and it is truly ironic that a man who claimed he overcame incredible odds and adversity could not face up to real adversity the first time in his life that he likely faced it. The real tragedy will be that we won't learn any lessons from this as a society. We will still let charlatans play with our emotions because who doesn't like a good story.

The writer is Director, Printer and Publisher of The Pioneer

LETTERS TO THE EDITOR

Vande Mataram should remain a symbol of unity

Apropos of the editorial "Vande Mataram Does Not Deserve Political Sluggest", published on August 18. The recent controversy over the rendition of *Vande Mataram*, whether the first two stanzas or all six should be sung, and who insured the song at various events has needlessly turned a unifying national symbol into a partisan battleground.

Vande Mataram, our national song, was written in 1875, while *Jana Gana Mana*, the national anthem, was written in 1911. *Vande Mataram* has been part of our national consciousness long before this controversy. It is sung in schools and featured in films.

The 1937 Congress decision to adopt only the opening stanzas for official functions was an inclusive compromise. What we are witnessing now is not a genuine debate about patriotism, but a contest over political ownership of a shared heritage. The BJP and Congress should move beyond this slugging and focus on pressing issues such as the NTA, education, healthcare and employment.

It is ironic that a song that once united people across faiths and religions has divided them along party lines. The least our leaders can do is let *Vande Mataram* remain a symbol of unity.

BAL GOVIND | NOIDA

Food safety in quick commerce

There is an urgent need to look at the growing food-safety concerns accompanying India's rapid quick-commerce expansion. The suspension of 16 food business licences linked to major delivery platforms by the Maharashtra government is a serious warning that convenience cannot come at the cost of consumer health.

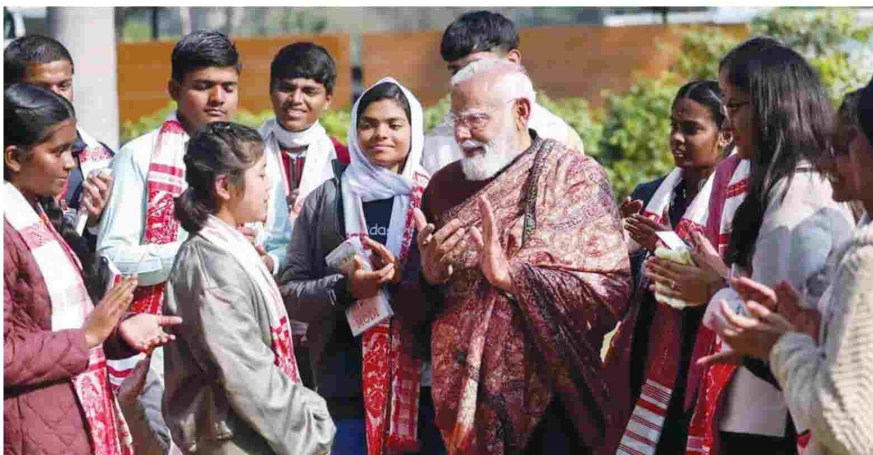
Quick-commerce companies are not merely technology platforms. Their dark stores and warehouses handle food, manage inventory and control storage and delivery. They must therefore accept clear responsibility for hygiene, freshness, temperature control and quality. Incidents involving expired products, pests, rotten food and inadequate sanitation reveal weaknesses that demand immediate correction. Regulators must also strengthen their systems through uniform inspections, regular audits, cold-chain monitoring and digital tracking of food products.

Most importantly, consumers deserve transparency about where and how their food is stored before it reaches their homes. Speed is undoubtedly the biggest attraction of quick commerce, but it should never override safety. The industry can sustain public trust only when every minute saved in delivery is matched by uncompromising attention to food hygiene and consumer well-being.

VANDANA | CHANDIGARH

Choosing India's youth over political acrimony

Prime Minister Narendra Modi continues to expand educational opportunities through reform and strengthen the integrity of competitive examinations. He sends a clear message: the future belongs to India's youth, and their aspirations must remain at the centre of governance



PRAMOD SAWANT

India's youth are not merely the country's demographic advantage; they are its greatest national asset. Every competitive examination, every innovation, every start-up, every scientific breakthrough and every sporting achievement reflects the aspirations of a generation determined to shape the nation's future.

When examination irregularities caused concern among students, that concern was understandable. Those who prepare for years deserve a system that is fair and trustworthy. At demonstrations, including those held at Jantar Mantar, many students voiced legitimate concerns about examination integrity. Yet alongside these genuine voices, some individuals resorted to abusive personal slogans directed at Prime Minister Shri Narendra Modi Ji and his family. Slogans advocating confrontation rather than constructive dialogue received media attention, but they did not define the aspirations of India's youth.

The overwhelming majority of Gen Z Indians were not on the streets hurling insults. They were in libraries, classrooms, coaching centres and homes, preparing for their next examination, chasing their careers and striving to build their future. They deserve to be recognised as the true face of India's youth. A statesman understands this distinction.

Rather than allowing personal attacks to dominate the national conversation, PM Shri Prime Minister Modi chose to remain focused on the larger issue: the future of India's students.

This ability to absorb criticism without losing sight of governance is what distinguishes political leadership from statesmanship. Democracies will always witness passionate disagreement, and criticism is a natural part of public life. Leadership, however, is ultimately judged by whether personal attacks are allowed to distract from national priorities.

For over a decade, PM Shri Narendra Modi has consistently placed young Indians at the centre of his governance. Through Pariksha Pe Charcha, he has transformed the conversation around examinations, encouraging students to approach them with confidence, curiosity and emotional resilience rather than fear. His interactions extend beyond marks and rankings to mental well-being, time management and self-belief. Similarly, Mann Ki Baat has become a platform where young achievers find national recognition;

HISTORY OFTEN REMEMBERS LEADERS NOT FOR THE INSULTS THEY RECEIVED BUT FOR THE RESTRAINT THEY DISPLAYED IN RESPONDING TO THEM. STATESMANSHIP LIES NOT IN WINNING EVERY POLITICAL ARGUMENT BUT IN REFUSING TO LET PERSONAL ATTACKS OVERSHADOW NATIONAL PRIORITIES

The writer is Chief Minister of Goa

student innovators, start-up founders, grassroots inventors, young scientists, sportspersons and social entrepreneurs alike, reinforcing the message that India's future will be shaped by its youth rather than by political division.

The Union Government has also worked to strengthen the ecosystem in which students compete, introducing structural reforms to strengthen confidence in public examinations. It has enacted a stringent law against unfair practices in public examinations, providing severe penalties for organised paper-leak rackets and those who facilitate examination fraud. It has strengthened coordination among central agencies and examination bodies, enhanced digital surveillance, encryption and the secure transport of question papers, and tightened cybersecurity for computer-based tests. Firm action against organised cheating networks, middlemen and complicit officials, together with stronger accountability mechanisms, is intended to ensure that future examinations are conducted with greater transparency and credibility.

The Modi Government's vision for youth extends beyond examinations. The National Education Policy 2020 seeks to equip students with multidisciplinary learning, critical thinking and greater flexibility. Programmes such as PM Gati Shakti envision new economic opportunities through world-class infrastructure, creating jobs and enabling young entrepreneurs to join India's growth story. Digital India, Start-up India, Skill India, semiconductor manufacturing, artificial intelligence, drone technology and space-sector reforms are all designed with the aspirations of Gen Z in mind. The philosophy is consistent: invest in the capabilities of young Indians rather than merely manage their expectations.

The contrast is significant. While a handful of motivated voices may seek attention through provocative slogans, the aspirations of India's youth lie elsewhere. They seek quality education, employment opportunities, technological advancement and a nation that rewards merit. Prime Minister Modi's response reflected an understanding of this distinction. Rather than treating every angry slogan as representative of an entire generation, he separated a few disruptive voices from the millions of sincere students pursuing their dreams, demonstrating confidence in India's youth instead of cynicism towards them.

History often remembers leaders not for the insults they received but for the restraint they displayed in responding to them. Statesmanship lies not in winning every political argument but in refusing to let personal attacks overshadow national priorities. A leader who continues to engage with students through Pariksha Pe Charcha, celebrates young achievers in Mann Ki Baat, expands educational opportunity through reform and strengthens the integrity of competitive examinations sends a clear message: the future belongs to India's youth, and their aspirations must remain at the centre of governance.

That, ultimately, is the measure of leadership, not the ability to answer every provocation, but the willingness to rise above it in service of the nation.

World humanitarian day: Remembering unsung heroes



SATENDRA SINGH

India is once again witnessing the human cost of the monsoon season. The state of Assam is facing massive flooding, while Himachal Pradesh is witnessing deaths and disruption due to heavy rainfall, landslides and flash floods. Meanwhile, Uttarakhand is at risk from heavy rainfall, landslides and flash floods. However, these are more than just weather disturbances. These are humanitarian crises. Behind every statistic is a human story – a family being forced out of its house, farmers losing their crops and animals, children missing school, patients failing to make it to a hospital, or elderly people stranded without medication.

That is why August 19, which is observed as World Humanitarian Day, holds so much relevance to India today. The day, observed by the United Nations, pays tribute to humanitarian workers who risk their lives while helping people suffering from any disaster, conflict or other crisis. However, humanitarian action is much more than aid work done in times of such emergencies. In India, humanitarian efforts are those of NDRF and SDRF workers, firefighters, police, armed forces, medical professionals, district authorities, NGOs, volunteers and local communities. In many disaster situations, the initial humanitarian response comes from a neighbour.

The local fisherman may help a family get out of a dangerous situation. The villagers may be the first to search through the rubble of a collapsed building.

The increasing complexity of these disasters, however, poses an enormous burden on this system of response. The relevant question here is no longer limited to how fast we will be able to offer assistance after the disaster has occurred. What we need to ask ourselves is whether we will be able to react to a predicted hazard before it causes a humanitarian crisis.

People behind the response

In case of any disaster, the general public tends to see the rescue operations. What is less visible is the large network of people working behind these operations. They are the humanitarian workers. They are the ones who operate in some of the toughest and most dangerous environments. Most of them continue their jobs even when other people try to escape from there. World Humanitarian Day is a chance to remember these people. However, this day should also serve as a reminder that the humanitarian response is not the responsibility of a particular department. It is a collective process.

Over the last two decades, India has developed its unique disaster response system. The National Disaster Response Force, State Disaster Response Forces, armed forces, police force, fire services, civil defence, health authorities, district administration, NGOs and community organisations all play their part. All these agencies' combined efforts have saved many lives in disasters such as floods, cyclones, earthquakes and landslides. However, there is a paradigm shift taking place in relation to disasters. While a disaster could previously be restricted to one locality or even one sector, today, a cloudburst may lead to a flash flood that leads to a landslide, causing the destruction of bridges, power outages and communication failures, disrupting hospitals and isolating communities.

There is also the impact of climate change, which has increased the level of uncertainty. It is important that preparedness does not just revolve around post-disaster actions but needs to take place long before such events occur.

One of the myths is that between early warning and early action, India has made huge strides in terms of forecasting and early warning mechanisms in respect of cyclones, evacuation, river and rainfall monitoring, among others. However, the real success of an early warning lies in its translation into action. An alert posted on a government website will not save lives. It needs to get through to the farmer, the fisherman, the tourist, the schoolteacher, the village head and the family residing in a vulnerable settlement. More importantly, they need to understand what the alert means and what they have to do. This is where the participation of local communities comes into play. Communities should not be treated merely as recipients of relief. They need to be trained to participate in the process of disaster management.

It is worth noting one more thing that requires our greater attention – the well-being of humanitarian workers themselves. Disaster responders spend many hours in a very difficult physical and emotional state because they have to deal with unsafe buildings, floodwaters, landslides, fire, extreme temperature changes and diseases. The life of a disaster responder is always at risk while helping other people. The disaster responder needs proper education, protection, communication systems, insurance, rest and psychological help. A resilient disaster management system has to protect those who are providing relief.

Humanitarian response is not only about the number of rescue teams working or relief materials sent out to the disaster-affected area. It is about saving people from unnecessary suffering and helping them to restore their lives. The humanitarian worker is thus no longer just a saviour; he or she is a connection between disaster and hope.

With the increasing complexity and unpredictability of disasters, it is imperative that the Indian government develops a humanitarian system where humanitarian assistance starts not once a community is in distress, but even before disaster strikes. With the increased occurrence of disasters, the question arises: What sort of humanitarian assistance and response system does India require in the coming years? There is no denying the fact that India has done well on its side to develop its disaster management systems. With bodies like the National Disaster Management Authority, National Disaster Response Force, State Disaster Management Authorities and district administrations developing their preparedness and response capacity, a lot is being done in this regard. But more is required. It is time that we move from responding to disasters to reducing risks before disaster strikes.

The writer is former Executive Director, National Institute of Disaster Management

Zardari's minority claims: A far cry from reality



SUDHIR SINGH

ates. We have a 4 per cent Hindu population in Pakistan. They are free as anywhere else. They would rather be with us than India." At first look, this position of Zardari seems benevolent and secular. But the reality is something different.

Official Pakistani census records tell an entirely different story regarding demographic trends. The Hindu share of the population in territories that became Pakistan has dropped sharply, from roughly 15 per cent in the 1941 census to 2.17 per cent (5.2 million) in the 2023 census, depending on the categories and regions counted. According to the Pakistan Hindu Council, the actual number of Hindus is between 8 to 10 million, arguing that many Hindus are missed or deliberately uncounted in the 2023 official census. As per the 2023 census, 49 lakh Hindus live in Sindh, making up almost 9 per cent of the overall population of the province. Punjab has 2.5 lakh, Balochistan 59,107, Khyber-Pakhtunkhwa 6,104 and

Islamabad Capital Territory 839.

Before Partition (1947), in today's Pakistan-occupied Kashmir, particularly as per the 1941 British India census, 15 per cent Hindus and Sikhs were residing. During the tragedy of Partition, they were killed and those left over were compelled to embark on compulsory migration to India. As per the 2023 census, almost zero Hindus live in Pakistan-occupied Kashmir. Although the 1973 Bhutto Constitution of Pakistan provides equal rights to all citizens and is not supposed to discriminate on the basis of caste, creed or religion.

Pakistan came into being on the philosophy that Hindus and Muslims were two different faiths and could not live together. By 1940, Mohammed Ali Jinnah became the sole spokesperson for the Muslims of undivided Bharat. In the historic Lahore Resolution, the 'Two-Nation Theory' was moved by a Bengali Muslim, AK Fazal Huq, and passed by the Jinnah-led Muslim League in March 1940. Muhammad Ali Jinnah argued during the Lahore Resolution in his presidential address that 'Hindus and Muslims were distinct nations that could not coexist in a single Indian framework'. In the larger context, the Lahore Resolution became the philosophical ground for the Partition of India and the creation of Pakistan. Perhaps in any corner of the globe, within the ambit of seven years (1940-1947), a nation has been created. The new nation came into being as Pakistan. However, later Jinnah modified his stance and argued for an inclu-



sive Pakistan in his address to the Constituent Assembly of Pakistan. Khawaja Nizamuddin, the 2nd Prime Minister of Pakistan, stated in the Constituent Assembly of Pakistan: "I do not agree that religion is a private affair of the individual nor do I agree that in an Islamic state every citizen has identical rights, no matter what his caste, creed or faith be."

Article 41 (2) of the Constitution of the

Islamic State of Pakistan explicitly states that a person is not qualified for election as President (head of the state) unless he is a Muslim. This provision exclusively debars Hindus from becoming President of Pakistan, which is otherwise not possible due to their minuscule population and the prime objective of 'Political Islam'. Pakistan's Constitution's Article 51 (2A) provides 10 reserved seats for non-Muslims in the National Assembly, 23 reserved seats for non-Muslims in four provincial assemblies under Article 106, and four seats for non-Muslims in the Senate of Pakistan. Conventionally, Hindus were allocated 4-5 seats in the Pakistani Parliament. The number of National Assembly seats has today gone from 207 in 1997 to 336 in the 2024 election, but seats for minorities have not been increased in this proportion due to opposition from the forces known as harbingers of 'Political Islam'. Hindus are not duly represented in diverse walks of life and face multiple forms of discrimination, including forced conversion, rape of their women and

many such others. In education, they are also deprived because of the structure of the syllabus.

In contrast, Muslims in India were 9.8 per cent per the 1951 census and increased up to 14.2 per cent per the 2011 census. Muslims in India became President three times; Union Cabinet ministers, Governors and many became Chief Ministers in Hindu-majority provinces like Bihar and Maharashtra. Muslims and other Indian minorities are duly represented in all walks of life. Hindu cinema has been unprecedentedly led by Muslim artists. Parsis are a minuscule minority in India, but they are leading the Indian economy.

Swami Vivekananda stated in his famous 1893 Chicago address that, since ages, India has accommodated all shades of minorities. We believe in accommodation, not toleration, Zardari. We do not need to be lectured by President Asif Ali Zardari about the rights of minorities. Our Constitution treats each citizen on the basis of equality. After 80 years of our democratic experience, we have proved the 'Two-Nation Theory' wrong. After Indonesia, the largest number of Muslims are living in India with dignity and a sense of belongingness. Pakistan must learn from India on many fronts, including the fair treatment of its minorities.

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Youth Reckoning

P rime Minister Narendra Modi's Independence Day speech was striking not simply because he spoke so much about India's youth, but because of what that emphasis revealed about the political challenge facing his government. After weeks in which young people had taken to the streets over examination failures, educational grievances and wider anxieties about their future, Modi offered a distinctly forward-looking answer: free online coaching for competitive examinations, artificial intelligence training for one crore young Indians and a wider promise that youth would be the principal beneficiaries of a developed India.

These are not insignificant measures. The cost of coaching has become a serious burden on middle-class families, while technological change will require millions of workers to acquire new skills. But the political significance of the announcements lies elsewhere. They suggest that the government has recognised youth discontent as a problem that cannot simply be ignored. Yet recognition is not the same as acknowledgement.

The speech offered young Indians opportunities for the future without directly confronting the institutional failures that had contributed to their anger. There was no reckoning with the examination controversies, no substantive engagement with why government jobs and competitive examinations have become such high-stakes gateways, and no reflection on what happens when institutions lose the confidence of those who depend upon them.

That omission matters because the recent protests were not merely a demand for better coaching. They represented a deeper frustration with a system in which millions compete and too few secure opportunities and where the credibility of the examination process is in doubt. At training camps, the other striking element was the warning against 'Naxals' who Mr Modi said seek to create disorder, and must be identified and isolated.

The juxtaposition is politically revealing. The government is willing to speak directly to young Indians about their aspirations, but it also draws a boundary around legitimate dissent. That could prove a dangerous miscalculation. Young citizens do not become hostile to the state merely because they protest. Indeed, democratic politics depends upon their ability to question institutions without being treated as enemies of the national project. The test for any government is not whether it can persuade the young to dream about 2047, but whether it can persuade them that the institutions of 2026 deserve their trust.

This is where implementation will matter, but so will accountability. A free coaching platform cannot repair an examination system whose credibility is in doubt. AI training cannot substitute for employment. And slogans about a developed India cannot compensate indefinitely for institutions that appear unresponsive when citizens demand answers.

The Prime Minister has understood that India's youth cannot be taken for granted. His speech was therefore a significant political acknowledgement of their importance. But the harder task remains for his government. It must win their trust without asking them to surrender their right to question power.

Deal with reality

F ive years after the Taliban returned to power, Afghanistan presents the world with an uncomfortable fact: a regime can be deeply repressive and still prove remarkably durable. The question for democracies is no longer how to restore the order that collapsed in 2021, but how to deal with the order that replaced it.

The Taliban have consolidated their control. The fighting that once devastated much of the country has largely stopped, and the government in Kabul faces no credible military challenge. But stability has come at a terrible price. Women have been pushed out of workplaces and public life, girls are denied education beyond primary school, and restrictions on movement and personal freedom have intensified. Afghanistan remains desperately poor, with millions dependent on humanitarian assistance.

This creates a dilemma that cannot be resolved by either moral outrage or diplomatic convenience. Punishing the Taliban through isolation has not persuaded them to change. Nor is there evidence that withholding recognition has weakened their grip on power. Meanwhile, declining foreign aid risks making ordinary Afghans bear the cost of a policy intended to pressure their rulers.

Yet it does not follow that formal recognition should simply be handed to the Taliban. Recognition is not merely an acknowledgement of who controls a capital. It is also a source of diplomatic legitimacy and, potentially, leverage. If the outside world gives that leverage away without securing anything in return, it may discover that it has little left with which to influence the regime.

The sensible course lies between ostracism and acceptance. Afghanistan needs functioning diplomatic channels, not diplomatic pretence. Western governments should be able to speak directly to Taliban officials about terrorism, refugees, border security, trade and humanitarian access. Embassies and diplomats could provide valuable intelligence and consular assistance while giving the outside world a clearer understanding of the forces shaping the regime.

Humanitarian aid should also be protected from political disputes as far as possible. A starving or impoverished population is not an effective instrument for changing the behaviour of its rulers. Indeed, Afghanistan's economic weakness may itself become a source of wider instability, encouraging migration, extremism and dependence on less scrupulous powers.

But engagement should remain conditional. The Taliban should be told plainly that deeper diplomatic and economic normalisation depends on measurable changes: restoring girls' education, allowing women to work, permitting humanitarian organisations to operate effectively and creating at least some space for political participation.

There is little reason to expect the Taliban to become liberal democrats. But there is equally little wisdom in pretending they do not govern Afghanistan. The objective should therefore not be to reward them into isolation, but to ensure that their rule is maximised the world's ability to influence what happens inside Afghanistan while minimising the suffering of its people. The Taliban have made themselves unavoidable. That does not make them legitimate. It makes diplomacy necessary.

The Seven Streams

A four-year programme becomes reform when the fourth year is taught differently from the third. A credit bank becomes flexibility when credits record attainment rather than attendance. Assessment becomes meaningful when a portfolio of what a student has built or solved sits beside the marks card. None of this requires fresh legislation. It requires a vice chancellor or a head of department deciding on it this semester rather than the next



F rom the ramparts of the Red Fort on the eightieth Independence Day, the Prime Minister placed the young at the very centre of Viksit Bharat, addressing them not as beneficiaries of a national project but as the ones who must co-create it. The Sapta Dhara he unveiled, seven streams of strength named by analogy with the Sapta Sindhu of our ancient memory, asks this generation to accomplish in five to seven years what several preceding decades could not.

Manufacturing, agriculture, technology, defence, the green and blue economy and our soft power will each be built by people who are at this moment sitting in a classroom. The call from the Red Fort was therefore, whether or not he said so in as many words, a call to our universities.

It is a call they are not yet organised to answer, and the reason has little to do with the talent inside them. For a century we asked our universities to do something quite narrow, which was to certify. Knowledge then was scarce, the university held what almost nobody else held, and the degree was a receipt acknowledging that possession.

Employers hired on it and the state recruited on it, and the arrangement served us well enough. That scarcity has now ended. Knowledge is abundant, retrievable in an instant and very often free, and the certifying function that once justified an institution can no longer sustain one. What looks like obsolescence is in truth a release, a freer university to resume a far older purpose.

That purpose is not difficult to recall, because it was always ours. The Mundaka Upanishad spoke of *apara vidya*, the lower

knowledge, within which it placed even the Vedas and their auxiliary sciences, and of *para vidya*, the higher knowledge by which the imperishable is attained. Our tradition never discarded the first for the second but held both within a single conception of learning.

Takshashila and Nalanda formed their students rather than merely certified them, and the societies around them brought their questions to the gates. Such a university is judged not by what its graduates know after four years but by who they have become, and by whether the world outside its walls is visibly better for its presence.

What makes Sapta Dhara so useful to such a university is that it turns a national aspiration into something an institution can actually hold in its hands. The seven streams are not seven sectors awaiting employees. They are seven fields of unfinished work, and every one of them has a local expression within a hundred kilometres of almost any campus in this country. A cluster of small manufacturers struggling to move from assembly to design. A crop failing under a changing monsoon.

A watershed that no longer holds water. A craft tradition that could carry our soft power outward if only it found a market. A department that adopts one such problem and stays with it across successive cohorts has internalized the framework far more completely than an institution that merely displays it on a banner.

The instruments for doing this are already in our hands, which is the most fortunate circumstance of the moment. The National Education Policy of 2020, read with attention

rather than for compliance, is a document about becoming rather than about knowing. It opens by recalling that education is that which liberates, *sa vidya ya vimuktaye*. It places problem solving above content coverage: it recognises experiential learning for credit gives Indian Knowledge Systems their rightful place, and through the Academic Bank of Credits it insists that attainment matters more than the years spent attaining it. Our institutions have completed the structural work of adopting all this, which was the necessary first step. Conversion is the next, and it is a matter of practice rather than of paperwork.

A four-year programme becomes reform when the fourth year is taught differently from the third. A credit bank becomes flexibility when credits record attainment rather than attendance. Assessment becomes meaningful when a portfolio of what a student has built or solved sits beside the marks card.

None of this requires fresh legislation. It requires a vice chancellor or a head of department deciding on it this semester rather than the next. It asks most of our teachers, who become co-learners rather than transmitters, since transmission is now the one function technology performs better than we do.

That too is a homecoming, for our tradition always understood teaching as two people

enquiring together rather than delivery from one to the other.

It changes as well where a university looks for knowledge. When the laboratory becomes the community with the difficulty rather than the room with the equipment, students meet a civilizational inheritance that is living rather than archived, in a farmer reading his soil, a weaver holding a pattern in memory, a tribal elder who knows a forest the way no survey ever will.

A young person who learns to receive that knowledge respectfully acquires what no syllabus transmits, the habit of looking at something unfinished, assuming it can be completed, and then assuming that they might be the one to complete it. Learning of this kind is largely self-driven and peer shared, though self-direction still needs a compass and peer learning a mentor, and holding that is the institution's new and more interesting work.

The timing is unusually kind to us. More than four crore young Indians are enrolled today, and a generation moves through the system every four years, so a university that begins this semester will send three full cohorts into the Sapta Dhara already carrying what it asks of them, comfortably within the window named from the Red Fort.

Seven streams have been announced to the nation, but streams do not begin on a plain. They begin at a source, and for a country that has asked its youth to carry it to 2047, that source is the university. It has been waiting a long while to be asked for something this large. The asking has now been done from the ramparts, and the answering begins in the first classroom that decides not to wait.

Viet Nam News

'Development-creating' enterprises needed to reach targets

I f a development-enabling State creates the institutions and environment for development, development-creating enterprises build technology, markets, jobs, competitiveness and new growth drivers for the economy.

What defines a development-creating enterprise is not the size of its assets or revenue, but its ability to create new development capabilities whose impact extends beyond the enterprise itself. In my view, there are three key criteria for identifying such an enterprise.

First, it must be willing to invest in strategically important sectors that open up new avenues for development, rather than being content to exploit opportunities already exist. It must also build development platforms, such as technology, skilled workers, innovation ecosystems, supply chains or national brands, thus strengthening

the economy's overall competitiveness.

Third, it must develop on the basis of modern governance, innovation, fair competition, transparency and compliance with the law. Only then can its contributions be sustainable and command public trust.

If we apply the criteria for development-creating enterprises that I have just outlined, I would say VinGroup is one of the most notable examples in Viet Nam today.

What is noteworthy is not simply that the group has expanded into multiple sectors, but that it has repeatedly chosen to invest in pioneering industries requiring substantial resources, long investment horizons and a high degree of risk. If successful and validated by the market, such choices can create value not just for the enterprise

itself, but also help establish new industries, innovation ecosystems and new competitive capabilities for the economy. What deserves recognition is not that every investment decision has necessarily been successful, but the spirit of taking the plunge and investing in sectors capable of creating new development capabilities for the country.

The group has repeatedly expanded into areas where Viet Nam's private sector previously had little presence or had yet to play a leading role. This requires a long-term vision, innovation capacity and the courage to embrace challenges - qualities that not every enterprise is prepared to pursue.

Pioneers do not enter difficult fields because they see fewer risks than others; they do so because they see greater long-term value. That is the difference

between a mindset focused on exploiting immediate opportunities and one focused on shaping the future.

The development history of many countries shows that the most influential enterprises have often not followed paths that had already been laid out. They may have started in established sectors and along existing paths, but once they reached a certain threshold, they began choosing to tackle challenges that the market was still hesitant to address. It is precisely in those areas that new competitive advantages and new growth drivers for the economy can emerge. Toyota, Samsung and TSMC, for example, each ventured into fields in which few people at the time believed they could succeed. Those unconventional choices ultimately helped transform the competitiveness of their respective countries.

Letters To The Editor ✉ editor@thestatesman.com

Of protests

S ir, Is protest uniquely human? Not quite. Nature is full of elementary dissent. A child screams when denied a toy; a dog resists the leash; birds mob a predator; monkeys quarrel over hierarchy. Even plants, through chemical signals and defensive responses, can "protest" hostile conditions. Life resists what threatens or frustrates it. But humans have transformed this instinct into an institution.

The child's tantrum is perhaps the first primitive strike. I refuse to accept this. The schoolyard quarrel adds solidarity-student agitation gives it a collective voice. Workers discovered the power of the sit-in, strike and picket. Societies then elevated protest from spontaneous resistance into a political instrument. The CPI made it count.

Mahatma Gandhi gave it an extraordinary moral vocabulary. Satyagraha turned protest from coercion into disciplined civil resistance and a demand to defeat injustice without becoming unjust oneself. The protester today swears to a higher principle to which all must submit.

Modern democracy institutionalised this

instinct. Demonstrations, petitions, parliamentary dissent, judicial challenges, constitutional protections and even UN resolutions are civilised descendants of the same ancient impulse: resistance to an unacceptable order.

Yet protest has also evolved into spectacle, disruption and sometimes violence. Its worth therefore lies not merely in its volume but in what it seeks to change.

From the tantrum to the sit-in, from Gandhi's spinning wheel to the resolutions of the international community, protest is perhaps civilisation's way of saying - power must never have the last word nor that it has the sole prerogative to wisdom.

Yours, etc., R Narayanan, Navi Mumbai, 15 August.

Clear lesson

S ir, Aposques Question of Justice (August 15), the dismissal of charges against Gautam Adani in the United States is a legal technicality, not a clean chit. No trial was held, no evidence tested, and the judge himself questioned the unusual process by which prosecutors dropped the case. To treat this as exoneration would be misleading. What

troubles me is not Adani's fate but what this episode reveals about how wealth and power can bend institutions, even in America. When a billion dollar investment pledge follows closely on the heels of a prosecution being abandoned, public trust in equal justice takes a hit, regardless of what the judge concludes.

For India, the lesson is clear. We cannot afford a system where the powerful buy their way out of accountability. The case is closed in court, but the questions it raises about fairness, transparency, and the relationship between money and influence remain wide open.

We must demand stronger institutional integrity at home so that justice is never perceived as something that can be negotiated behind closed doors.

Yours, etc., K. Chidanand Kumar, Bengaluru, 15 August.

Undermined

S ir, This refers to the front page report, "BCI stepping into NALSAR's uncalled for," no punitive action against students: CJI" (15 August). The BCI's attempt to impose blanket restrictions and administer collective

punishment on an entire batch of law students came after about 450 students of NALSAR objected to Chief Justice of India Surya Kant attending their convocation as chief guest - earlier, a remark by the CJI had become the trigger for the formation of the Cockroach Janta Party, and another comment on the students' protests subsequently seemed to underline perceptions of the Court's insensitivity.

The BCI is mandated to regulate legal education, recognise law degrees, supervise State Bar Councils and exercise disciplinary jurisdiction over advocates. Its abortive bid to curb the freedom of expression of young citizens and clamp their right to disagree with a constitutional authority by blackballing them is a blatant misuse of its powers. The attempt to silence budding advocates is especially jarring in the aftermath of the students' protests - it shows an institution that has not learnt any lessons from the movement on the street.

The CJI's rebuke isn't enough. BCI Chief Justice Kishan has humiliated himself and undermined the institution he leads.

Yours, etc., S S Paul, Nadia, 15 August.



Who's a 'dimagi Naxal'?



GAURAV VALLABH

On August 15, Prime Minister Narendra Modi placed an unusual phrase at the centre of public debate. Armed Naxalism, he said, has been defeated, but 'mental Naxals' remain, searching for "ways of violence and anarchy" and trying to "drag society onto the wrong path". The provocation was deliberate: having defeated the gun, India must confront the ideas, incentives and networks that once gave the gun legitimacy.

This territorial victory is substantial. A June 2026 government fact sheet says that Left Wing Extremism affected 126 districts in 2014 and only two in 2026; the number of districts classified as most affected fell from 35 to zero. These are not sterile statistics. They represent villages where a road, school, health centre, mobile tower or bank branch can finally function without the veto of an armed squad.

Yet that security victory does not automatically produce an intellectual victory. The geography of violence can shrink even as the psychology that excuses it migrates to a few television studios, digital platforms and political rhetoric. It is in this context that the expression *dimagi Naxal* must be understood.

Before applying the expression, however, an essential constitutional boundary must be drawn. A *dimagi Naxal* is not a citizen who criticises government policies, questions economic growth, asks why jobs is not creating enough good jobs, reports a government failure or votes against the ruling party. Such disagreement is democracy's oxygen.

The expression must describe conduct, not identity: a persistent willingness to place foreign applause above India's sovereign interest; to turn opposition to a government into contempt for the country; to provide intellectual, legal or financial cover for violence; or to celebrate a national setback because it embraces a political rival. That line is crossed when disagreement with the government becomes an investment in India's failure.

This boundary becomes especially important when the debate turns to the economy. In July 2025, the Leader of the Opposition described India, the world's fastest-growing large economy, as a "dead economy". His concerns about employment, MSMEs, inequality, manufacturing and the distribution of growth may deserve debate. However, describing the Indian economy as a "dead economy" was neither economic analysis nor responsible opposition.

That characterisation is difficult to reconcile with the latest IMF update, released in July 2026, which projects India's economy to grow by 6.4 per cent and describes India as among the fastest-growing major economies. An economy growing at 6.4 per cent may have structural weaknesses. It can and must grow faster, create more productive jobs and distribute opportunity more widely, but it cannot honestly be called "dead". A patriotic opposition says that India's growth is insufficient or uneven and offers a better model. The *dimagi Naxal* reflex says that if my rival grows, India's progress itself must be denied.

That same distinction leads to a second test: conduct abroad. Democratic leaders will meet foreign legislators, critics and even adversaries;

such engagement does not, by itself, imply guilt. In September 2024, the Leader of the Opposition met a group of US lawmakers that included Representative Ilhan Omar. Public concern arose because Omar had earlier visited Pakistan-occupied Kashmir on a Pakistan-sponsored trip, an act that India formally protested as a violation of its sovereignty. The photograph itself is not the issue. The legitimate question is whether India's position was stated, its red lines were defended and the content of a sensitive engagement was made transparent. Diplomatic courtesy cannot require silence on territorial integrity.

Closely connected to such conduct abroad is a third test: foreign money. Not every overseas grant is suspect. Universities, charities, media organisations and think tanks legitimately collaborate across borders. However, money originating from a foreign government that contests India's borders demands a higher standard of disclosure, conflict checks and accountability. An opinion column should not substitute allegations for adjudication. It should, however, insist on a universal rule: disclose the source, amount, purpose, associated policy work and any conflict of interest. That rule should apply to every party, foundation, publication and think tank, whether of the Right, Left or Centre. Sovereignty is weakened when transparency depends on who receives the money.

The fourth test, in turn, concerns one's relationship with development. Opposing a particular mine, highway, dam, data centre or industrial project does not make anyone anti-national. Citizens may legitimately demand environmental safeguards, fair compensation, competitive procurement



and protection against cronyism. Development without due process is not sustainable development.

Yet a different pattern emerges: opposing every expansion of national capacity on shifting grounds; romanticising the violence that kept citizens beyond the reach of schools and hospitals; manufacturing fear without evidence; or converting the genuine anxieties of young people into a permanent street veto against constitutional institutions. Such politics does not seek to improve development. It treats deprivation as political raw material and progress as the loss of ideological territory.

Once this pattern is recognised, how should a democracy respond? The answer lies in disciplined public scrutiny: facts to counter falsehood, complete transparency in foreign funding, firm enforcement against violence and sabotage, and credible pathways to education, skills, enterprise and public service for young people.

Four questions provide a fair test. Does the person accept constitutional methods for political change? Do they condemn violence, irrespective of who commits it? Do they disclose foreign financial and institutional interests? And do they want India to succeed even when a political opponent receives the credit? If the answers are yes, even the fiercest critic is a democrat. If the answers are repeatedly no, the concern is no longer ordinary dissent. Viewed through these four questions, *'dimagi Naxal'*, when used precisely, names a real vulnerability: the weaponisation of grievance against India's constitutional order and sovereign interest. We must isolate the anti-constitutional method and defeat falsehood. Ultimately, the nation is larger than the ambitions of those who can rise only by declaring India fallen.

(The writer is a professor at XLRI and a part-time member of the Economic Advisory Council to the Prime Minister. Views are personal.)

100 Years Ago



Front page of The Statesman dated 19 August 1926

OCCASIONAL NOTE

"TAKA" in a letter that we print elsewhere, asks us to correct statements about the issue of one-rupee notes that we have made in our columns. There is nothing to correct. Our correspondent's letter is based on a misreading of what we have written. We have never suggested that the Currency Commission has proposed the entire withdrawal of the silver rupee and its replacement by one-rupee notes. But the Commission has recommended that one-rupee notes shall be issued and unless the money in circulation is to be increased each rupee-note issued requires the withdrawal of a silver rupee from circulation, and as no more silver rupees are to be coined the supply will gradually be reduced. That we believe to be a bad proposal not because the paper note is less worthy of trust than the silver note—it will be of precisely the same value and purchasing power—but because a paper currency for small amounts is unsuited to a people dressing as do the Indian masses and living in conditions in which paper is rapidly destroyed.

News Items

MIDDLESBROUGH PORT

AREA OF DOCKS TO BE DOUBLED

(BRITISH OFFICIAL WIRELESS.)
RUGBY, AUG.

A PROJECT is nearing maturity whereby the area of the docks at Middlesbrough on the Tees will be nearly doubled. The intended extension is designed to meet requirements of vessels for the next 50 years.

CROWD OF 30,000

HOBBS RECEIVES TERRIFIC OVATION

LONDON, AUG.

THERE WERE 30,000 persons present at the Oval to-day.

The Prince of Wales, at his own request, lunched with the teams.

Hobbs was accorded a tornado of applause when he readied his century. Then the first ball of Gregory's third over after lunch shattered his wickets.

MINERS' CHANGE OF ATTITUDE

LEADERS TO RE-OPEN NEGOTIATIONS

LONDON, AUG.

THE MINERS' delegates' conference has authorised the Executive to seek the re-opening of negotiations with the coal-owners and the Government, and to report the result of the negotiations to a future conference.

It has further resolved that all negotiations for a settlement must be of a national character and not by districts.

An official statement says that the decision to seek a re-opening of negotiations was carried by a card vote, 428,000 voting for and 360,000 against, representing the full membership of the Federation.—REUTERS.

NEW SAFETY 'PLANE

PRIVATE EXHIBITION FOR TOURISTS

(FROM OUR SPECIAL REPRESENTATIVE.)
LONDON, AUG.

THE AUSTRALIAN Test team this week witnessed a special private exhibition at Farnborough of the new two-seater Cierva helicopter and the latest model of the new safety 'plane with slotted wings, for the purpose of demonstrating the efficiency of both. Practically an identical display has been arranged for the visit of the Premiers and delegates to the Imperial Conference.

The slotted wing 'plane landed at a speed of not more than thirty miles an hour.

It is expected that the new safety 'plane will revolutionise flying. At present its control is somewhat imperfect, causing great strain on the pilot, but it is anticipated that these difficulties will shortly be overcome.

When the feed reaches the street first

PRAVIN KAUSHAL

Every crowd has a first message. Increasingly, it is not shouted. It is forwarded. Count what six weeks have produced. In early July, an investigation found roughly thirty paid Instagram advertisements in India promoting child sexual abuse material. On 29 July, a video from the Prime Minister's Facebook page addressing students on the paper leak was restricted for several hours, and Meta's chief global affairs officer flew to Delhi to apologise. The next day, Hyderabad police registered two FIRs naming Meta's India head over morphed posts targeting the Prime Minister, and the Telangana government transferred the officer who filed them. This past fortnight, Malayalam news channels have said close to twenty posts critical of the Kerala Chief Minister were restricted after legal requests routed through the IT Rules.

Four episodes, two parties in office, one structural fact. A ranking system that no Indian institution can inspect now decides what a crowd believes before the state has finished drafting a press release.

The anger behind this summer's agitation was genuine. A paper leak is not manufactured outrage: it is the theft of years of work from young people who did everything asked of them. The right to gather and demand redress is a constitutional guarantee, and a healthy republic should expect eruptions rather than fear them.

But between the grievance and the street, a second machine went to work, and it required no law. Recommendation systems maximise

attention, and a calibrated grievance outperforms a calm explanation. Footage of confrontation outperforms footage of negotiation. A clip engineered to humiliate an institution travels further than the reasoned complaint beneath it, not because anyone chose that, but because the system was told to find whatever keeps a thumb from scrolling, and it obeyed. A New Mexico court found precisely this in August, ruling that features built to optimise engagement were themselves harmful.

The platform, in other words, selects the most inflammatory expression of a movement and returns the anger to the people who produced it, as proof that the country is on fire. And nothing follows. If a newspaper prints a falsehood, a correction comes within a day, because editing has always carried responsibility. A platform that pushes a rumour to five million phones carries no such obligation. By the time anyone responds, discontent has already become people on a road. Correction, there, is not a remedy but an epilogue. And the state's own answer remains a press apparatus designed in 1919, which cannot outrun a reel.

It would be comfortable to read this as a foreign company against an Indian government. Kerala makes that impossible. Reporter TV and Kairali News have both said posts critical of the state government were removed, with the platform citing legal requests under the IT Rules. The Leader of the Opposition says his own statement questioning an arrest disappeared. The Chief Minister says he knows nothing about it.

Separately, the Kerala High Court recently ordered Meta to restore a journalist's blocked account after the state's own counsel told the court that police had ordered it.

Nobody imagines a Chief Minister telephoning Menlo Park. The question is narrower: under what standard? We do not know. In Telangana, a Congress government moved the officer who acted against Meta. In Kerala, a Congress government stands accused of using the IT Rules to have criticism taken down. The apparatus has no politics of its own. It serves whoever holds the console. Those July advertisements were not the proposed post; it was a filter but commercial placements, processed through Meta's own approval pipeline, monetised, and delivered by its recommendation engine to users the system judged receptive. The detection stack that scans what users post was not applied with equal rigour to what the company was paid to distribute.

The parliamentary committee has recommended withdrawing safe harbour from non-compliant platforms, and the government is examining whether a company that decides what is shown to whom can still claim protection under Section 79. An aggregator that carries everything is one thing: a system that ranks, selects and sells placement is making editorial choices, and those have always carried liability here.

But the answer should be a scalpel, not a demolition. Strip safe harbour wholesale and platforms will delete faster and earlier, removing anything that might attract an FIR. The first

casualty of a removal-maximising regime is precisely the speech the sovereignty argument claims to protect: the protest, the criticism, the inconvenient view. Kerala is the preview. The workable line runs between hosting and amplification. Retain immunity for content a platform merely stores and transmits. Withdraw it for content the platform ranks into a feed, recommends, or is paid to distribute. Amplification is a choice, and the chooser should answer for it. This is not an Indian eccentricity. On 5 August, a federal judge in California refused to block a state law restricting personalised feeds for minors, holding that ranking algorithms do not extend past a filter but commercial placements, processed through Meta's own approval pipeline, monetised, and delivered by its recommendation engine to users the system judged receptive. The detection stack that scans what users post was not applied with equal rigour to what the company was paid to distribute.

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with consent, tagged to a location. During unrest, verified links messages from the district administration to curfew timings, route diversions, corrections of specific false claims, helpline numbers. WhatsApp where there is connectivity and plain SMS where there is not, which matters most, because SMS survives the shutdowns the state itself imposes. With safeguards from day one: voluntary enrolment, an absolute bar on political messaging, an audited register, a fixed expiry on retained numbers.

A calm, accurate message from the local station, arriving before the rumour does, is worth more than any take-down order issued afterwards. The committee asked how these companies will ensure the government's public order. They cannot, and we should not want them to. A platform powerful enough to guarantee calm for one government is powerful enough to withhold it from the next. What a platform can be required to do is stop being an accelerator: stop selling distribution to material it would be prosecuted for hosting, and stop claiming the immunity of a pipe while exercising the discretion of an editor. And the state should build the liability regime it would be willing to hand to a government it did not elect.

The next agitation will have a real grievance at its centre too. What we still get to decide is whether the machinery around it is accountable, and whether we have anything faster than a rumour to offer the people we are asking to stay calm.

The writer is an entrepreneur and columnist, and tweets as @pravinkaushal.

Crossword | No. 293555

Yesterday's Solution

ACROSS

- Small nuclear missile might be loud (8)
- Drink with old women in field (6)
- Maybe Henry is Upper-class twit (4)
- Beer by oneself, say, with international plate of food (10)
- Mike shot porn, ultimately, to get filthy lucre (6)
- Caught a bird by playing metal (4-4)
- Polish nationalist abandons language (6)
- Argue about borders for another import tax (6)
- Organisation of great day for the Allies captured in an instant (6)
- Clown dignified for a few weeks in summer (6)
- Bath routine adopted by swimmer taking off left shoe (6)
- Salt water not originally needed (6)
- To make cheese (6)
- Current made of cloth - large article (6)
- Creature finally released near to entrance of Regent's Park? (8)
- Down
- Piece of poetry by Antipodian soldier unfinished after street evacuated (6)
- Prize with time to drink cool beer (4)
- Cancels orders, action regularly carried out by sergeant (8)
- Forces simple changes (6)
- Anxious Spooner's providing Welsh footballer with honour (4-4)
- Happening to commit foul at speaker, pocketing green initially (5,5)
- Shots in the arm working to stop spasms (6)
- Sort to cornmeal crackers (5,5)
- Paper hat worn in the corner of school? (8)
- Possible life of intellectual nut: scratching head, getting close to nonsense instead of answer (6)
- Hostel laments accepting obsolete experimental coin (6)
- Offending Queen with tirade (6)
- Second child loves snowmobile (6)
- Play live with American tenor (4)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with The Independent, London)

INTERNATIONAL EDITORIALS



OPINION

Constantine's Example for China



GLOBAL VIEW
By Walter
Russell Mead

No political party on earth is as powerful, strong or wise as the Chinese Communist Party, according to its spokespeople. But there are cracks in the facade. Despite surging exports and tech investment, China's economy isn't doing well. The Wall Street Journal reported Monday. The urban unemployment rate has reached 5.2%. Property investment, once an important driver of China's economic miracle, is down 19% year on year as the real-estate bubble continues to deflate. At 4.3%, economic growth has fallen to levels last seen during the pandemic.

The one bright spot in current data points to more problems down the road. Exports surged 23.9% in the 12 months from July 2025, but that will only heighten concerns about "China Shock 2.0" that have economies all over the world contemplating draconian restrictions on Chinese trade.

It is clear to many in China, as it is to your globalist columnist, that China's major problems today are the consequences of Communist Party initiatives gone tragically wrong. Mao Zedong's brutal and misguided policies delayed China's modernization by 40 years. The ill-advised one-child policy created a demographic disaster. And the government-orchestrated real-

estate bubble directed the savings of hundreds of millions of ordinary Chinese into an unsustainable boom whose inevitable collapse left households across the country seething as their wealth melted away.

The full consequences of state-driven manufacturing overcapacity have yet to be felt, but the early signs of another deflationary shock, perhaps as serious as the deflation of the real-estate bubble, are rippling through the economy. The cost in cynicism, alienation and despair of the moral hollowing out of a society that requires constant public praise for the party's wisdom even as people bear the consequences of its blunders is harder to measure. But Xi Jinping and his colleagues know these costs are real, and they fear the fallout.

Communist rule seems secure for now, but an increasingly sophisticated and educated population is unlikely to accept party tutelage forever. And as change approaches, China's burgeoning Christian population is likely to make itself felt.

The success of Christianity in China may be the least secure for now, but an increasingly sophisticated and educated population is unlikely to accept party tutelage forever. And as change approaches, China's burgeoning Christian population is likely to make itself felt.

alternating with intervals of repression, official statistics acknowledge 44 million registered Christians. These numbers are clearly too low. Independent estimates vary but range between 100 million and 130 million, or between 7% and 9% of the population. By comparison, the Communist Party claims a membership of about 101 million. Observers close to the house-church movement estimate

The Roman emperor ended the persecution of Christians. Will Beijing follow suit?

that another 8% to 10% of the population would soon affiliate with Christian churches if government opposition to the religion ended.

Those numbers compare to the percentage of Christians in the Roman Empire when the Emperor Constantine ended Rome's persecution of the new faith and offered freedom to all religions. Rome's shift from persecuting Christians to forming partnerships with them helped stabilize a weakened political order and opened a new era in the empire's history.

That raises an interesting question for China. As the legitimacy of the communist system frays, will an aspirant for China's leadership someday follow Constantine's example and seek Christian support?

Both from patriotism and a concern for social stability, many Chinese Christians would be ready to meet a Chinese Constantine halfway.

For now, the party seems more likely to imitate the Emperor Diocletian, who launched the greatest persecution of Christians in Roman history, than the emperor who ended it. After suppressing Tibetan Buddhists and Uyghur and Hui Muslims, intensifying the crackdown on Christianity must seem to some in the party like the logical next step.

Previous episodes of persecution have failed. If anything, they have strengthened the churches. Steadfastness in the face of state opposition gives church leaders a legitimacy that compromised party bosses can't match. Should social unrest continue to grow as the party fails to solve China's domestic problems, Christian support could look attractive for leaders attempting to stabilize the country.

Those wishing to lead China after Mr. Xi will likely need more wisdom than the writings of Marx and Mao would provide. A civil rights agency exists to protect people when their rights are violated, and that requires investigators who know what discrimination actually looks like today: resurgent stereotypes about Jewish wealth, power and loyalty; discrimination tied to religious observance, hostility over a Jewish employee's real or assumed ties to Israel; retaliation against anyone who objects.

None of that shows up in a demographic report. If the commission is going to do its job well, it must invest in individualized enforcement. Ending the annual reports and replacing resources to investigating claims is an excellent place to start.

The quality of civil rights enforcement isn't measured by how much data the government collects but whether people are protected from discrimination when and where it happens. For Jewish Americans and for everyone else Title VII is supposed to cover, only one thing has ever delivered on that promise: enforcement aimed at real complaints. Now is the time to change course. The commission must stop chasing quotas and get back to protecting citizens.

The quality of civil rights enforcement isn't measured by how much data the government collects but whether people are protected from discrimination when and where it happens. For Jewish Americans and for everyone else Title VII is supposed to cover, only one thing has ever delivered on that promise: enforcement aimed at real complaints. Now is the time to change course. The commission must stop chasing quotas and get back to protecting citizens.

Mr. Marcus is CEO of the Louis D. Brandeis Center for Human Rights Under Law. He served as assistant education secretary for civil rights, 2003-04 and 2018-20.

William McGurn is away.

BOOKSHELF | By Stephen Brumwell

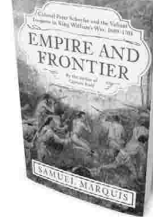
King William's War in America

Empire and Frontier

By Samuel Marquis
Pegasus, 368 pages, \$29.95

In November 1688 the absolutist and pro-Catholic king of England was overthrown. James II was replaced by a historical anomaly—the joint monarchy of his daughter Mary Stuart and his Dutch son-in-law, William of Orange. William had been urged to seize the throne by politically influential English Protestants, and James chose to flee rather than fight, making the eventual coup bloodless.

But the so-called Glorious Revolution had violent repercussions on other fronts. As a Dutchman, William sought to weaponize his new kingdom against his longtime enemy, Louis XIV of France. In 1689 William joined forces with Leopold I, the Holy Roman Emperor, in a nine-year confrontation with the French that would become known as the War of the League of Augsburg. When hostilities spread across the Atlantic, Englishmen in North America referred to the ensuing conflagration as King William's War.



In "Empire and Frontier," Samuel Marquis focuses on the conflict's tumultuous consequences for England's colony of New York, and for its northern neighbors, the Five Nations of the Iroquois, or Haudenosaunee. Ranged across what is now upstate New York, the Mohawks, Oneidas, Onondagas, Cayugas and Senecas had recently forged a "covenant chain" of alliance with several English colonies. This defensive union was intended to counter a

shared threat posed by the hostile French colonial territory of New France, particularly the region north of the English-held colonies, in what is now the Canadian province of Quebec.

Covering more than a decade of warfare and diplomacy, Mr. Marquis, a writer whose previous books include "Captain Kidd" (2025), combines a brisk narrative style with thoughtful analysis to offer a well-crafted account of complex events. Alongside vivid descriptions of political upheaval and brutal backwoods combat, "Empire and Frontier" contains compelling studies of figures such as Jacob Leisler, a German-born merchant whose eager assumption of authority in New York on behalf of King William in 1689 fueled violent factionalism that ultimately led to accusations of tyranny and his arrest and execution for treason.

"Empire and Frontier" highlights a remarkable trio of characters: Lawrence, a Mohawk war leader now known only by his English name; Hillette van Olinda, a Mohawk-Dutch interpreter whose linguistic skills were employed in crucial negotiations; and Peter Schuyler, the mayor of Albany, later the state capital of New York. Schuyler emerges as a born leader and wily diplomat with a rare gift for straddling different cultures.

Albany, like New York City, originated in the colony of New Netherland. After the English took control of the colony in 1664, Dutch influence endured in the upper Hudson Valley, reflected in the colonists' attitudes toward the region's indigenous population. While Mr. Marquis acknowledges that the Dutch were "aggressive mercantilists with a nose for profit," he contrasts their trade-driven but fair-minded approach toward Native American peoples with the "bellicose and imperialistic English, French, and Spanish." Mr. Marquis argues that Schuyler's willingness to understand the Iroquois and to "sympathize with them as human beings" helped to sustain the alliance.

The Five Nations of the Iroquois allied with several English colonies. The threat was hostile French territory to the north.

The role of the Five Nations as English allies was complicated because some Mohawks had already gravitated to Catholic missions in New France and supported the French. But for all their diverging allegiances, tribal relatives remained reluctant to kill one another. This was evident in the conflict's first significant clash in February of 1690. A war party of French soldiers and bushfighters was joined by 80 Laurentian Mohawks and set out from Montreal to destroy the New York settlement of Schenectady, more than 200 miles away. Dozens of men, women and children died in the surprise attack, but, respecting kinship ties, the attacking Mohawks spared all save one of the 30 pro-English Mohawks inside the stockade.

That clemency was reciprocated when the retreating raiders were caught by determined Mohawk forces led by Lawrence, north of Lake Champlain. While French soldiers were killed and scalped as they floundered in the snow, their Iroquois auxiliaries were allowed to go free.

Responding to the Schenectady massacre, forces raised in New York and New England staged an invasion of New France in the following summer. Gen. Fitz-John Winthrop of Connecticut led an overland attack, while a Boston fleet was commanded by William Phips. Winthrop made little headway, but Phips—an adventurer whom Mr. Marquis describes as "one of the more colorful and rascally figures of the era"—reached his objective, the city of Quebec. There he was stymied by the formidable governor-general of New France, the Comte de Frontenac, along with bad weather and smallpox. Of the expedition's 2,300 soldiers and sailors, 900 succumbed to wounds, illness or shipwreck.

In 1691 Schuyler distinguished himself during another bloody incursion into French territory. But Frontenac unleashed devastating raids against the Mohawks in 1693, and three years later torched Onondaga and Oneida villages. Long before hostilities were officially ended by the Treaty of Ryswick in 1697, the Iroquois wanted peace with the French. Not even Schuyler, who was trusted by the Iroquois, or van Olinda, the translator, who had often helped bridge cultural divides, could hold Iroquois leaders to the old alliance. In the "grand settlement" of 1701, the dislodged Five Nations negotiated treaties with the French and English alike, enacting a policy of wary neutrality that kept them out of subsequent Anglo-French conflicts.

As Mr. Marquis makes clear, war remained an immutable fact of Iroquois life. While now eschewing the imperial strife of European colonists, the Five Nations waged their own "mourning wars" against the Catawbas and Cherokees of the south. Iroquois raiders continued to follow the "warriors' path" through Virginia's Shenandoah Valley, seeking prestige as well as captives who could be adopted to replenish their depleted communities, or tormented to death to avenge the slain.

Mr. Brumwell is the author of "Turncoat: Benedict Arnold and the Crisis of American Liberty."

Bean Counting, Antisemitism and the EEOC

By Kenneth L. Marcus

The Equal Employment Opportunity Commission is considering a proposal to rescind requirements for large employers to file annual head counts of their workforce by race, sex and ethnicity, regardless of discrimination allegations. It's a welcome change, and the stated reasoning behind the proposal sheds light on the original purpose of civil rights enforcement.

Title VII of the 1964 Civil Rights Act prohibits employers from discriminating on the basis of religion, race, sex and national origin. It authorizes the EEOC to require companies to keep records and to file reports relevant to enforcing that law. The reporting requirement for private companies went into effect in 1966. But civil-rights law is meant to guarantee equal treatment to each person, not to push employers toward race- or sex-conscious decisions aimed at hitting the right aggregate numbers. An annual filing that tallies every large employer's workforce by race and sex nudges companies toward that kind of statistical management. Ending that requirement would help refocus the law on protecting individuals.

Demographic numbers have their uses. Aggregate data can help identify broad trends and inform how the commission allocates its enforcement resources. But no spreadsheet can prove or disprove discrimination. In most cases, demo-

graphic reports have become substitutes for the harder work of investigating actual complaints. The commission's reasoning for the proposed rule says as much. "Collecting such data about employees' race and sex—absent any specific allegation of discrimination—not only risks hindering effective enforcement of equal employment laws but also

Reports on workforce demography not only encourage quotas but mask discrimination.

raises constitutional concerns," EEOC Chairman Andrea Lucas said in a July press release. Former EEOC attorney Rachel Morrison reiterated at an Aug. 11 hearing that the collected data is "not actually necessary for EEOC to enforce Title VII or fulfill its mission." Individualized investigation, rather than annual paperwork, is what uncovers discrimination.

The rise of antisemitism in the past several years has shown how sorting people into racial categories can go wrong. Many employers and institutions have leaned on actual, demographic frameworks to drive diversity and inclusion programs, sorting employees into broad categories of advantage and disadvantage. Within this schema, Jewish Americans are often folded into racial categories that

have little or nothing to do with Jewish identity, meaning they are excluded from conversations about workplace discrimination entirely, even as antisemitic harassment has surged. Worse, some of these frameworks sort the world into "oppressor" and "oppressed" and then give credence to the stereotype that Jewish people have disproportionate power and privilege. At Stanford University in 2021, Jewish employees were sorted into a "whiteness accountability" group as part of the Counseling and Psychological Services division's internal DEI program. Meantime, antisemitic displays at the university went unaddressed.

Governments have long used population records to identify Jewish communities for persecution, from Nazi Germany's use of existing census and registry data to round up Jewish residents, to centuries of official lists that enabled discriminatory taxation and expulsion. That history is one reason Jewish groups are often wary of demographic cataloging by any government office. Neither disappearing in aggregate data nor being singled out by the numbers has protected Jewish people from discrimination. Only actual enforcement, responding to actual complaints, has done that. The EEOC's 2025 investigation into complaints of antisemitism at Columbia University ended in a \$21 million settlement, the largest of its kind in almost 20 years.

I ran a federal civil-rights

Don't Write Plymouth's History by Ancestry

By Anastasia Boden
And Laura D'Agostino

Millions visit Plymouth, Mass., to see the birthplace of American self-government. Yet today the town decides who participates in that government based on their ancestry.

Plymouth occupies a singular place in the American story, with a rich history of the Pilgrims, the Wampanoag people and their complicated relationship. The town has chosen to preserve that past by reserving two seats on its Historical Commission for Herring Pond Wampanoag Tribe members—a move that's deeply flawed and unconstitutional.

The government wants to ensure that Native voices are heard in decisions about the town's historic resources. But the Constitution subjects race or ancestry quotas to an extraordinarily high level of judicial scrutiny. The Supreme Court has repeatedly said

missible only in a narrow set of circumstances, like remedying specific instances of government discrimination, and that general appeals to diversity or inclusion aren't enough. Some might object that tribal membership is a political, not racial, classification. There are circumstances in federal Indian law where that is true.

Who sits on the historical commission depends on bloodline.

Congress has constitutional authority in its government-to-government relationship with federally recognized tribes.

But Plymouth isn't Congress, and a municipal historical commission isn't administering federal Indian affairs. When localities decide who may serve on a public board, they're offering residents the opportunity to participate in local government. Under the

14th Amendment's Equal Protection Clause, they must do so without regard to bloodline.

Take Iowa, which for nearly 40 years required all appointive boards and commissions—from county library boards to licensing bodies—to maintain balance between the sexes. Following a civil-rights lawsuit challenging the quota as it applied to the state judicial nominating committee, a federal court ruled in 2024 that whatever justification may have existed for the quota in the 1990s no longer supported excluding qualified applicants based solely on sex. The quota discriminated against both men and women (the plaintiffs in the case were a woman and a man who would be excluded from the committee in different years). It was still discrimination.

Arkansas, Montana and South Carolina voluntarily repealed racial quotas for public bodies after lawsuits based on the Equal Protection Clause. Tennessee in 2025

eliminated racial set-asides for its medical licensing boards after litigation.

A pattern has emerged: Once states are forced to take a hard look at race- or sex-based quotas, they are forced to eliminate immutable characteristics, many conclude they are constitutionally indefensible—and repeal them before the courts do.

Plymouth's rule suffers the same constitutional flaw. Imagine the town had instead reserved two commission seats for descendants of the Mayflower's passengers. Public office can't be conditioned on bloodlines, whether they trace to Plymouth Rock or to those who were here before the Pilgrims arrived.

Mrs. Boden is director of Constitutional Scholarship at the Pacific Legal Foundation, which has asked the Plymouth board to repeal its rule. Ms. D'Agostino is an attorney with the foundation's Equality and Opportunity practice group.

OPINION

REVIEW & OUTLOOK

Trump Romances Kim Jong Un Again

President Trump is nothing if not impulsive, and his latest brainstorm is to rekindle his courtship of North Korean dictator Kim Jong Un. He announced Sunday evening on—where else?—social media that he had ordered the Pentagon to “substantially reduce” U.S. military exercises with South Korea that were set to begin on Monday.

Mr. Trump cited his “very good relationship” with Mr. Kim, adding that military exercises “send a signal that is totally inappropriate and hostile, to a Country that, as long as Donald J. Trump has been President, has been unthreatening and respectful.”

To the contrary, pulling back from the exercises sends a message of weakening deterrence and readiness against a regime that has a history of threats and aggression against the South. The North had protested, as usual, ahead of the routine exercises, and Mr. Trump’s order is an act of appeasement toward Mr. Kim.

The U.S. President also took a shot at South Korea for not helping the U.S. with the “Denuclearization of the Islamic Republic of Iran.” The implication is that Mr. Trump is willing to reduce U.S. deterrence in the Korean Peninsula out of pique because Seoul isn’t helping in the Strait of Hormuz. This is the same South Korea that Defense Secretary Pete Hegseth praised in May for its “pragmatism and leadership” in raising its defense spending to 3.5% of GDP.

This will reinforce the growing belief in Asia and Europe that the U.S. is becoming an unreliable ally. It may also increase the calls in the South for Seoul to develop its own nuclear deterrent to counter the growing nuclear arsenal in North Korea. Mr. Trump may not mean for any of this to happen, but in the wake of Mr. Trump’s uncertain trumpet on Iran, the world

is wondering about U.S. staying power.

On that note, Mr. Trump might be trying to change the subject from the stalemate with Iran

over the Strait of Hormuz. Or he might be trying to appease Mr. Kim at a moment when U.S. weapons stocks and deployments are stretched. The U.S. is currently moving its last aircraft carrier task force out of the western Pacific to relieve the USS Abraham Lincoln that is coming home after an extended deployment.

China is happy to see the USS George Washington leave the Pacific, as it seeks to persuade countries in the region that they can’t count on the U.S. for defense. China may not use this opportunity to move against Taiwan, but it has been ratcheting up its aggressive moves against Taiwan, Japan and the Philippines in the East and South China Seas.

In his first term Mr. Trump also called off U.S.-South Korean military exercises in an attempt to persuade Mr. Kim to give up his nuclear weapons program. To no avail. The U.S. President still covets a peace accord with the North, and with only two years left in his second term, who knows what he might be willing to do to get it?

Don’t rule out a unilateral decision by Mr. Trump to reduce U.S. forces now stationed in South Korea. In anticipation, the House defense authorization bill bars the President from spending money on reducing U.S. troops in Korea below the current 28,500.

Frustrated by his decline in the polls, and the lack of a clear victory against Iran, Mr. Trump is likely to become even more volatile in his foreign-policy moves. Without the late Lindsey Graham to warn him away from bad decisions, will other Republicans in Congress and inside the Administration speak up?

He weakens deterrence by limiting U.S. military exercises with Seoul.

Woke 2 Was Craaazy, Says the Judge

Do universities have anything to fear from antisemitism on campus? Bad publicity, sure. But heavy-duty legal and financial consequences from the government? Thursday’s dismissal of the Trump Administration’s antisemitism lawsuit against Harvard suggests that such consequences will be rare. Expect fewer settlements and less change.

Federal Judge Richard G. Stearns isn’t blind to what happened at Harvard after the Hamas massacre of Jews on Oct. 7, 2023. In August 2024 he rejected a motion to dismiss a private suit against Harvard, writing, “the facts as pled show that Harvard failed its Jewish students.” Harvard’s response to their harassment was “at best, indecisive, vacillating.” Its public statements “proved hollow when it came to taking disciplinary measures against offending students and faculty.”

Exactly right. Yet now Judge Stearns finds no reason to “further rehearse” Harvard’s two years of likely noncompliance with Title VI of the Civil Rights Act, which bans discrimination based on race, color and national origin in programs that receive federal funding.

Since the government alleged only a few later incidents, and none after Harvard was formally advised of its failure to comply, the judge dismissed the case for insufficient evidence “that any institutionalized noncompliance with Title VI persists at Harvard to this day.”

In other words, Harvard may have violated its students’ civil rights, but since there has been less of it after the Trump team threatened action,

there can be no enforcement or consequences. Harvard isn’t compelled to make meaningful reforms. It might as well brush the antisemitism

aside with the Alexandria Ocasio-Cortez nondefense of previous political woes: Woke 2 in 2023-24, like 2020’s Woke 1, “was craaazy.”

The Trump Administration shouldn’t have to, but it could have shown the problem at Harvard has persisted: 170 faculty and staff reported in July that Jewish students hid their identities this past academic year, covering up Stars of David, yarmulkes and signs on their résumés.

There’s nothing in the statute that says a change of this nature—which may prove temporary—is enough to wipe Harvard’s slate clean. The ruling could be vulnerable on appeal, but even if successful, the Trump Administration will likely end before a final decision is reached. This may have been Harvard’s bet.

Columbia settled a year ago and had to pay up and accept federal oversight. By fighting, Harvard now avoids both, though other lawsuits are outstanding. Guess which example U.S. universities will now seek to follow?

President Trump has feuded with Harvard, but the allegations of deliberate indifference to proxy discrimination against Jewish students stand on their own—across the country. UC Berkeley had club bylaws that excluded “Zionist” speakers. UCLA had checkpoints where protesters kept “Zionists” out of parts of campus.

Will a little quiet now stave off enforcement of the law? The public that funds all these colleges, one way or another, shouldn’t forget.

Harvard beats Trump’s antisemitism suit, but not on inspiring grounds.

A Senate Food Fight on Welfare Waste

The Senate finished its business before summer recess like a college senior pulling an all-nighter on term papers assigned long ago: from government funding to confirming nominees. But after the farm bill flopped in committee, it’s worth warning the GOP not to compromise last year’s victory to reform food stamps.

The feds traditionally pay 100% of benefit costs for the Supplemental Nutrition Assistance Program (SNAP), and states have little incentive to be good stewards of “free” money. Roughly 20 states last year had improper payments north of 10%. The GOP’s One Big Beautiful Bill will soon force states with error rates above 6% to cover some of the benefits tab. Those with good management will keep paying nothing.

Yet Democrats are howling about the inhumanity, and even some red states don’t want to put up extra money. “I will NOT support a Farm Bill that does not at least provide more time for states and counties to prepare to shoulder the cost of SNAP,” Sen. Chuck Schumer recently said. The farm bill failed this month at the Senate Agriculture Committee in a 10-11 vote, with a pair of Republican absences.

Democrats demanded a two-year delay of this state accountability for improper SNAP payments, but their real goal is to push it off indefinitely. The Senate GOP’s farm bill draft offered a one-year reprieve. All of the Agriculture Committee Democrats voted it down. Sen. Amy Klobuchar, the ranking member from Minnesota, argues the cost-sharing provision has perverse incentives, and she has a point.

Republicans in their original bill gave states with especially high error rates, 13.3% or more,

extra time to comply, a sop to win over Alaska Senators and pass the bill. (Alaska’s error rate in 2025: 23.15%.) This means states could benefit by doing a worse job managing SNAP, if sneaking over the 13.3% error threshold lets them delay accountability and avoid millions in costs.

Yet the answer is to fix that bad provision, not punt the entire project. The Foundation for Government Accountability projects a one-year postponement could cost \$5.7 billion to \$7.5 billion. More important, spendthrift states would read a delay as evidence that the policy will never be allowed to take effect.

The House farm bill doesn’t include a similar delay, and the risk is that Republicans accede to Democratic demands to push through a farm bill. Not worth it. The best path after the Senate bill’s committee failure, on both the merits and the politics, is to hold firm on the original 2028 effective date.

Democrats and their media allies have already called Republicans heartless for touching food stamps at all. But Democrats aren’t relitigating GOP work requirements for food stamps, and perhaps that’s because they’re popular. So is asking states to have skin in the game in the country’s vast welfare state.

The SNAP program long ago kicked free from its intended purpose of providing temporary grocery help in hard times. Budget analysts Matthew Dickerson and Bryan Riley note that the roughly \$100 billion in annual outlays is \$25 billion above what the Congressional Budget Office baseline predicted in 2021. If Democrats really want to defend a blank check forever for improper payments, let them.

Democrats want to delay state accountability for improper payments.

LETTERS TO THE EDITOR

Universities Should Prove They’re Playing Fair

Regarding your editorial “The New College Race Preferences” (Aug. 11): The Justice Department’s finding that Duke Law continues to discriminate—evidenced by higher scores among rejected applicants from some racial or ethnic groups than among accepted applicants from others—isn’t unique to one elite law school.

My organization, Do No Harm, submitted public-records requests to all 94 public medical schools seeking post-Students for Fair Admissions data on race, GPA, MCAT scores and admission decisions. Most schools either didn’t respond, stonewalled the request or demanded excessive fees to process the request. Among the 23 schools that responded by the time we published our findings, 13 showed that the average MCAT score of rejected Asian or white applicants ex-

ceeded the average MCAT score of accepted black applicants. That is the same evidentiary pattern the Justice Department cited against Duke.

Given the results from the minority of medical schools that fulfilled our data request, it is reasonable to suspect that racial discrimination in medical-school admissions remains widespread.

The administration should be applauded for holding Duke accountable to Title VI’s Students for Fair Admissions’ prohibitions on race-conscious admissions. Fighting discrimination at scale will require that colleges publish admissions data and bring transparency to a process that still appears to treat applicants differently by race.

IAN KINGSBURY
Do No Harm
Marblehead, Mass.

Social Security Needs More Than the Old Menu

Joseph Sternberg is right that Congress is finally talking about Social Security’s problems, but a panel of experts isn’t going to fix anything by itself (“Is Congress About to Reform Social Security?” Political Economics, Aug. 14). We’ve heard the same list of solutions for decades—cut benefits for the better-off, raise the retirement age, raise taxes or cut benefits across the board.

Some of those ideas may still have to be part of any final deal. But they don’t get at the real structural problem.

For more than 50 years I have audited pension plans, designed retirement plans, managed and invested pension assets, and reported to plan beneficiaries. Private retirement plans operate under strict controls, independence standards, modern investment management theory and a clear separation of trust assets from the assets of the plan sponsor. None of those protections apply to Social Security.

The so-called trust fund has never been a real trust. Its money has been lent to the Treasury for years at below-market rates. That practice needs to end. The fund should be separated from the general budget, placed under independent trustees and invested the way private pension funds are invested—with a sensible mix of stocks and bonds.

In addition, the federal government should make an annual contribution, calculated by actuaries, designed to put the system on a clear path to solvency by a specific future date. This is no different than what corporate retirement sponsors do to meet their obligations.

Congress should look at these ideas before defaulting to the same old menu of tax increases and benefit cuts.

JOHN A. CRONE
Humble, Texas

When Environmental Law Becomes Advocacy

Jordan Diamond and I agree on one thing: politicizing judicial education harms the courts (“The Environmental Law Institute’s Defense,” Letters, Aug. 11). We disagree on who’s responsible. Ms. Diamond portrays ELI’s Climate Judiciary Project (CJP) as a neutral provider of “evidence-based judicial education about climate science.” The record says otherwise.

Michael Burger is of counsel at Sher Edling, which represents state and local governments suing fossil-fuel companies over climate change. Mr. Burger’s writings on “attribution science,” a theory central to those cases, are cited as neutral scientific authority throughout CJP’s modules and have been assigned as supplemental reading to judges attending its trainings. His work anchored the controversial climate chapter of the Federal Judicial Center’s recent Reference Manual on Scientific Evidence, which has since been withdrawn.

Mr. Burger isn’t alone. CJP expert Michael Welner sent a nonpublic draft of his attribution module to Roger Worthington, who represents an Oregon county in a \$51 billion climate suit.

Ms. Diamond’s defense of ELI’s China programming ignores its willingness to platform senior Chinese judges promoting the Communist Party’s carbon strategy and the organization’s long collaboration with CCP-aligned law firms detailed in the recent State Armor report.

CJP’s materials contain no comparable engagement with the scholarship of experts defending energy companies in climate cases. A profile of the CJP’s training sessions describes them as places where judges can “discuss topics openly without maintaining the neutrality required in court.” If Ms. Diamond is concerned with judicial impartiality, scrutinizing her own organization’s slanted curriculum is a good place to start.

MICHAEL TOTH
Austin, Texas

AI Helped Me Find My Voice

I read with great interest “Crime Author Calls Out Claims He Used AI to Write His Novel” (Business & Finance, Aug. 5) about Jerry Falade and the collapse of his publishing deal after his literary agent concluded that artificial intelligence had been used in the creation of his manuscript. The larger issue isn’t Mr. Falade. It is whether society can distinguish between AI as a creative substitute and AI as a creative tool.

Artificial intelligence is becoming part of the writing process. It can assist with spelling, grammar, organization and fact-checking, but none of those functions creates original ideas, compelling characters or a meaningful story. Those remain the work of the author.

I question whether literary agents should decide what constitutes acceptable authorship. Readers are fully capable of determining for themselves whether a work has value. The marketplace has always been the ultimate judge of literature, and I see no reason that should change simply because a new tool has emerged.

For me, AI is more than a convenience—it is an accessibility technology. Because I am visually impaired, I dictate my thoughts, have AI convert them into written text, and then listen as it reads my words back so I can revise and edit. Every idea, every character and every story remains my own. AI simply allows me to express them. If using AI in that way means my work is no longer considered my own, then we have confused authorship with the mechanics of writing.

This letter was written in collaboration with ChatGPT.

TIMOTHY T. WULF
Reno, Nev.

Letters intended for publication should be e-mailed to wsj.letters@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

Socialism’s Roots Go Deeper

Kimberlee Josephson’s “How Colleges Produce Socialists” (op-ed, Aug. 15) is only partially right—the roots go deeper.

When I was growing up, we had winners and losers. Now everyone gets a trophy. If I wanted money to see a movie, my father would say, “Get a job.” Today’s kids get an allowance, and for what? Making their bed, cleaning their room, moving the lawn? I did all of that for free, and if I didn’t, I was in trouble.

Then comes college. At \$50,000 a year in tuition, students are customers, and the customer is always right. After years of this soft life, these young adults run into the real world, and the real world isn’t easy. Socialism is a way for them to continue the lifestyle they’ve known their whole life.

JOHN PAUL MAYE
Great Falls, Va.

Pepper ... And Salt

THE WALL STREET JOURNAL



“This concerns you too.”

OPINION

3 Vaccines Are Better Than 1

By Michael Segal

In the early days of the Trump administration, I was asked whether I wanted to be part of its health team. I worried there might be pressure to be antivaccine, so I sent my contact my 2019 Journal op-ed, "The Complicated Truth About Vaccines," supporting vaccination for measles. I never heard from the administration again, seemingly confirming my concerns.

Now President Trump has adopted my approach of focusing in a sensible way on vaccine-induced inflammation. An Aug. 10 executive order calls for splitting the MMR vaccine into separate measles, mumps and rubella shots to reduce peak inflammation.

As I explained in 2019, many of the children who had seizures and neurological deterioration after vaccination had variants in the *SCN1A* gene. Although vaccination triggered the deterioration, the same would have happened anyway after inflammation from other causes such as colds or measles itself. I suggested that the best approach was to continue to vaccinate but find ways to reduce unnecessary inflammation, particularly in susceptible children.

The scientific case for Trump's plan to separate MMR into separate shots.

Splitting MMR would help, but the success of the proposal will depend on the details of its implementation. One issue with the plan is that some parents won't bring their children back for the extra shots. The executive order anticipates this, "guaranteeing continued availability of combination vaccines." Improving the convenience of getting shots would help. Vaccination records have been largely centralized and computerized, making it possible for local pharmacies to give shots. In some states, this would require regulatory changes for shots at the youngest ages.

Doctors can help with the transition to separate shots: When parents asked me about vaccinating their kids, I found that the most convincing response was to tell them that I got all the recommended shots for my three kids. Now I'd tell them that I'd separate the MMR into three shots. Similarly, I advise people who are planning to get flu and Covid boosters to get the shots a week apart, not on the same day as the pharmacies cheerfully suggest.

Another objection is that it would take five to 10 years to approve separate measles, mumps and rubella shots. That is bureaucratic thinking. We already give a shot with the three components mixed together and no adjuvant ingredient to boost immune response, so we shouldn't need a years-long clinical trial to separate them. The opposition to this change is especially odd in light of what was done for the later Covid shots, when human trials were deemed unnecessary for small sequence changes, which is a far riskier proposition than splitting the MMR.

Another issue is the claims by the Centers for Disease Control and Prevention that the seizures triggered by the MMR have no "long-term harm." That isn't true for children with *SCN1A* variants, and the same applies for variants in *SCN1B*, *PMP2B* and *GCDH* genes. While it is unproven that reducing the peak inflammation will make a difference in the face of multiple triggers of unavoidable childhood illnesses, it also isn't proven that it won't. An "abundance of caution" option would help build public trust in vaccination.

The Trump administration plan to offer both combination and separate shots is a sensible one that fits with the science. It builds trust by addressing concern about unnecessary inflammation. To succeed, it needs enough public support to overcome resistance to change from states and drug companies.

Dr. Segal is a neurologist and neuroscientist.

By Ludovic Hood

More than 2,300 years after Alexander the Great is said to have confronted the Gordian Knot while pursuing the Persian Empire, President Trump and his administration face their own conundrum in Iran. Mr. Trump is caught between political constraints that prevent using adequate military force to change Tehran's behavior and a defiant regime willing to risk severe economic pain to rebuff Washington's demands.

The White House seems to have settled on a campaign of economic pressure, a pause of sorts until after the Nov. 3 U.S. midterm elections or the new year. The risk is that such a containment policy could ossify into a stalemate that the regime will claim as a win. After defying America's dictates, Tehran would end up with de facto control of the Strait of Hormuz and its axis of resistance, while diminished, still potent in the Shiite Crescent.

Slicing through this Gordian Knot and arriving at a satisfactory outcome, namely a subdued or new government in Tehran, depends on two lines of effort: waging economic warfare against the regime's revenue sources and rallying partners to undermine Iran and its proxy network in the region. Mr. Trump should give Treasury Secretary Scott Bessent and Secretary of State Marco Rubio a blank check to strangle the Iranian economy—above all, sources of Islamic Revolutionary Guard Corps funding—and to launch a focused diplomatic effort. This effort would be backed by judicious use of force, leveraging regional allies' capabilities to knock out pro-Iran militias in Iraq, the Houthis in Yemen and Hezbollah in Lebanon.

Iran's divided leadership is already on the back foot internally and regionally. The Trump adminis-



The Kharg oil terminal, March 12, 2017.

tration can damage the regime in both theaters and hasten its demise. Domestically, four popular uprisings since 2018—including nationwide protests this year—illustrate the Iranian people's discontent with dire economic conditions brought on by the policies of a doctrinaire, venal and inept regime. The already frail economy is reeling from an estimated \$270 billion in damage to infrastructure from U.S. and Israeli airstrikes—equivalent to about 60% of Iran's annual output.

Oil exports have fallen by more than 70% since the onset of the U.S. Navy's blockade of Iranian ports. In the past two months, actions by the Treasury Department have further squeezed Tehran's access to revenue from oil sales and from illicit financial networks. Mr. Trump should let Mr. Bessent turn up the economic pressure on China and other countries providing support to Tehran.

In addition to new sanctions against Iranian actors and third-party enablers of illicit transactions, the Treasury, State and Justice departments should vigorously enforce existing sanctions, including by en-

ing after shadow intermediaries and transshipment hubs, whether based in Shanghai, Singapore or Dubai. Sustained economic pressure will exacerbate inflation, capital flight and the banking crisis in Iran. The regime's grip on power will almost certainly slip as the economy buckles under this campaign.

What would Alexander the Great do? Deplete Tehran of oil revenue and rally allies against the regime.

Iran's regional proxy apparatus has been badly mauled in the series of conflicts precipitated by Hamas's October 2023 attack on Israel, by the fall of the Assad regime in Syria in late 2024, and by American and Israeli airstrikes in the past six months. New governments in Beirut and Baghdad have shown a willingness, albeit tentative, to rein in Iran-backed militant groups.

Much work remains to degrade

Iran's ability to unleash proxies to attack America's Gulf allies, Israel or U.S. interests elsewhere—as well as its ability to dictate political developments in Beirut and Baghdad. President Trump should empower Mr. Rubio to enlist Arab allies in a campaign to weaken Iran and its regional proxies.

Leaders in Saudi Arabia, the United Arab Emirates and Qatar—all economic and strategic partners of the U.S.—know that Iran crossed a Rubicon with its missile and drone attacks on their capitals and infrastructure. They and other Arab governments, though threatened by Iran, appear incapable of projecting unity or conviction. U.S. diplomatic engagement can reassure and galvanize our regional allies.

A campaign led by Mr. Rubio can bolster efforts to degrade Iran-backed militias in the region. American-led diplomacy can help resolve differences between Abu Dhabi and Riyadh over Yemen and the Houthis. It can facilitate Gulf allies' respective roles in strengthening new governments in Baghdad and Beirut as they put pressure on Iran-backed groups and improve overall governance.

Political and other domestic constraints have hobbled American presidents' willingness to commit the military force necessary to achieve their objectives for the past 35 years. The Trump administration is no different: The president is unlikely to commit to a sustained bombing campaign, let alone boots on the ground. Fortunately, Mr. Trump—like Alexander the Great in 333 B.C.—has a way forward, one requiring patience and coalition-building, reinforced by military threats and actions.

Mr. Hood is a senior fellow at Hudson Institute's Center for Peace and Security in the Middle East and a former U.S. diplomat with multiple postings in the Persian Gulf.

How to Cure What Ails American Capitalism

EDITOR AT LARGE
By Gerard Baker

Column writing is always a joy but never more so than when it becomes a conversation. It's invigorating to receive responses to my weekly musings, even those (very few) composed with such intensity that I can almost see flecks of spittle on the screen.

Journal readers are wise, idealistic and knowledgeable and almost invariably have insights that contribute more to any subject than I can. So this week I felt obliged to do something unusual: use the last column before a summer break to respond to the avalanche of comments generated by my thoughts last week on the state of American capitalism.

Almost everyone agrees that socialism is always and everywhere a disaster. Perhaps somewhat unexpectedly from the readers of these pages, though, the vast majority of my correspondents also agreed that American capitalism is malfunctioning, that instead of free-market economics modulated by necessary and limited government intervention, we have an economy overly dominated by big companies, exercising and augmenting their power in ways not always consistent with the competitive principles that maximize efficiency, and increasingly exploiting a cozy relationship with government for their own benefit. In short, too much crony capitalism.

What's more, most agreed that these market distortions are the main reason for rising public dissatisfaction with the economy.

But almost everyone asked the question, which many answered: What do we do about it? Here, drawing on comments from many readers and channeling my own modest ideas, are suggestions to improve how capitalism works. Reinventing free markets requires a broad effort to heighten economic competition. This will involve both economic and political reforms.

While there are a few dissenters, the overwhelming economic evidence

is that much of the U.S. economy has become far more concentrated in the 21st century, with declining competition in most sectors resulting in a smaller number of firms with higher markups, profits and costs to the consumer.

The blunt instrument of antitrust policy can carry risks, including its own harm to consumers. Addressing anticompetitive practices requires a unified and comprehensive approach across the executive and legislative

My readers agree socialism isn't the answer—and they offer creative ideas about what to do instead.

branches that bends policy toward promoting competition and scrutinizing anticompetitive activity and, where necessary, restraining corporate power through merger review, market access and targeted antitrust enforcement.

It also means reforming the tax code. There's an overwhelming case for simplifying the tax system as a whole to create incentives for investment and cutting through the rules that privilege companies big enough to deploy the best-paid accountants.

By Allison Stanger

Is artificial intelligence the enemy of creativity? It doesn't have to be. AI didn't write this article, but it helped me write it. I have been writing with AI since the release of ChatGPT in 2022. Here are some pointers I've developed:

- **Never outsource the truly important parts.** My argument, my structure, my memories and thoughts—those are mine to write, because they are what writing is. Properly understood, writing is a means to learning, who you are and what you value. The father of the bride who lets a chatbot draft his toast has hollowed out the ritual.

- **Use the machine as a reader, not a writer.** The most useful thing AI does for a writer is adversarial. It is a fast, tireless, unflinching critic that will tell you your best evidence is thinner than you think and hand you the objection you skipped. I ask it to attack my drafts, defend the opposing view, and flag every transition that limps. Then I decide which complaints land and rework the piece to address them. Writing is thinking made visible: The sentence that resists you does so because the thought inside it is unfinished.

- **Treat every factual claim AI conveys as suspicious.** The more perfect the find, the more careful I am to check it. A quotation that fits

the plethora of measures that make up corporate welfare—subsidies, tax breaks and tax credits—should be eliminated. Some estimates put the direct cost of corporate welfare at almost \$200 billion a year. The economic benefit of removing it would be greater.

Achieving any of this will be difficult while politicians have a comfortable codependence with big business. Incumbents' ever-growing need to raise money to fend off challengers encourages cronyism. There isn't much that can be done about the need for money to win elections, and under *Citizens United v. Federal Election Commission* (2010), corporations have a First Amendment right to seek to influence politics. But more transparency could help: Formal executive and legislative efforts to scrutinize and publicize the nexus between campaign money and policy wouldn't be difficult.

Deeper political reforms might then be needed, especially to the primary system. In an age of intense partisanship, House members in particular have two masters to please: the small minority of base voters who could oust them, and the corporate paymasters who can help them avoid such an outcome. Neither is a good proxy for the interests of the people as a whole.

Lest all this sound like a recipe for dirigisme of the sort historically proven to suppress enterprise and innovation, I should add that allowing American capitalism to flourish also means giving it more space by shrinking government. Raising taxation and spending are steadily stifling private enterprise: The economy won't recover its dynamism until entitlements and welfare spending are scaled back to a sustainable level. You can add to the constraints the federal government places on capitalism's potential: the albatrosses of ever-growing public debt and a central bank wedded to a policy of backstopping every episode of financial excess.

The political opportunity was there. The populist revolt that gave us Donald Trump was a chance to reorient the system toward the interests of the people over the economic elites. Sadly but unsurprisingly, the Republican Party took a good game while doing little to redress the balance.

American capitalism has proved itself the most dynamic in the world. Even today, it is generating faster growth than most other nations. But it isn't perfect or unchanging. Its particular genius has been its ability to adapt and reform as circumstances demand. They're demanding now.

AI Makes Me a Better Writer

your argument exactly, from a source nobody else has ever cited, is either a gift or a fabrication. Only the original document can tell you which. I ran a full fact-check of my forthcoming book with two different AI systems. One flagged doubtful citations, the other assesses each flag, and I adjudicated every call against my archived sources, across 566 end notes.

The machine can bolster your thinking if you know what to delegate and what you need to do yourself.

The machines failed in opposite directions, often instructively. When one invented author names, the inventions weren't random; they drifted toward the demographic center of the training data, quietly erasing the female and nonwhite thinkers who had written the sources. At one point both systems insisted that something I had personally experienced never happened. When push came to shove, the human with the archive was always right.

- **Hand the machine the mechanical work without apology.** Formatting, finding repetition, smoothing transitions, the structural diagnosis of a chapter that won't cohere—this

is where the hours go. Writers have always had to break the spell of composition to inspect their creation's seams. With a machine on call, you can stay inside the dream longer, spending more time on the work only you can do. Make yourself a cup of coffee while the machine flags your shortcomings and be courageous about facing them.

- **Know your own voice and defend it.** These systems have ties—em-dashes sprinkled everywhere, flattery, frequent resort to antithetical contrast—repeated until they become wallpaper, but the problem is greater than that. A machine has never gone anywhere or been anyone. It can't supply the trace of a particular consciousness making particular choices, which is what voice is. If a sentence could have been written by anyone, it was written by no one.

AI, used well, can strengthen thinking. When computers surpassed chess grandmasters 30 years ago, humans didn't stop playing; they trained with the machines, and the generation raised on them is the strongest field of human players in history. AI can have the same effect on writing if writers use it wisely.

Ms. Stanger is distinguished endowed professor at Middlebury College and author of "Who Elected Big Tech? How Your Phone Hijacked the Constitution," forthcoming in March.

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The FT View



FINANCIAL TIMES

'Without fear and without favour'

ft.com/opinion

A realignment of the Middle East

Iran conflict is reshaping alliances in a way neither America nor Israel foresaw

The moment Donald Trump ignored the advice of Arab allies and ordered US forces to attack Iran, he gambled with the future of the Middle East. Almost six months into an operation the US president predicted would last four to five weeks, the region is trapped between war and peace, grappling with the consequences of the conflict he and Israel's Prime Minister Benjamin Netanyahu unleashed.

The Iranian regime that Arab states have considered a grave threat since the 1979 Islamic revolution remains intact. It is belligerent and, despite the devastating costs of the US-Israeli bombardment, feels emboldened. It retains a chokehold over the Strait of Hormuz, while its proxies in the so-called axis of resistance, though

weakened, still pose a lethal threat.

The result is a crisis reshaping the Middle East in ways likely to have lasting repercussions for Washington, as regional leaders adapt to a new reality.

Gulf states are reassessing their reliance on the US as their principal security guarantor after Iran struck military bases, energy facilities, airports and other infrastructure across the region. The conflict has also deepened Arab and Muslim leaders' concerns that Israel is a destabilising force.

An early sign of where this may lead came when Saudi Arabia, Turkey and Pakistan recently agreed a mutual defence pact, symbolically signed in Mecca, Islam's holiest city. The three Sunni-led powers insist the agreement is defensive and not directed against any particular country. But it reflects a shared recognition that Iran will increasingly have to be managed by regional powers amid doubts about the US's reliability.

The pact builds on a Saudi-Pakistan

defence agreement reached last September. It gives Ankara the prospect of lucrative defence deals and Islamabad further financial support from Riyadh. For Saudi Arabia it offers at least a symbolic strengthening of its deterrence against any further attacks by Iran or its proxies, as Houthi rebels in Yemen have reignited a conflict with the kingdom.

All three will use the pact to project influence and leadership. Yet neither Turkey nor Pakistan is likely to rush into war with Iran to defend Saudi Arabia. Nor is the agreement likely to deter Iranian or Houthi attacks. Saudi Arabia will not be sending troops to Kashmir. And despite growing talk of strategic hedging, the US will remain the Arab world's principal defence partner.

The pact's significance, for now, lies instead in its symbolism, and what it says about emerging new alignments after almost three years of conflict in the Middle East following Hamas's October 7 2023 attack on Israel.

It is too early to speak of opposing

There is a shared recognition that Tehran will increasingly have to be managed by regional powers amid doubts about the US's reliability

axes. But the Mecca agreement exposes the region's shifting faultlines. While the Iranian threat is at its forefront, the trio will view it as a potential counterweight to Israel. The Israeli attack on a Hamas office in Qatar last September accelerated their co-operation.

In the other corner sit the Abraham Accords allies, notably the United Arab Emirates, which is in a simmering rift with Saudi Arabia and increasingly charting a course independent of its traditional Arab partners while deepening ties with Israel. The dynamics will remain fluid, and other Arab and Muslim states will be wary of taking sides. Egypt, though closely aligned with the Mecca trio, notably did not join the pact.

But if Trump and Netanyahu believed that war with Iran would draw regional states closer to Israel and pave the way for an expansion of the Abraham Accords, they are likely to be disappointed. The war will reshape the Middle East. But it will do so in ways they did not intend or foresee.

Opinion UK society

The difficult truth about Jason Arday



Stephen Bush

In June 2019, the award-winning German blogger Marie Sophie Hingst, who wrote about her experiences as the granddaughter of Holocaust victims, was found not to be descended from Holocaust victims at all, or indeed even Jewish. Der Spiegel found she had added the names of 22 people, some fictional, to Yad Vashem, the archive that documents the 6m Jews killed.

Hingst was stripped of her awards and a month later, she was dead, aged 31. She was not the first or the last person to be exposed as inventing fictions about their relationship to the Holocaust – perhaps the most famous is Misha Defonseca, who in 1997 wrote a memoir claiming that she had survived by being adopted by a pack of wolves. But Hingst was, to the best of our knowledge, the first person to die by suicide as a result.

From the beginning, his story was accompanied by a cloud of excessive references to his race

Before his death, Jason Arday had, similarly, been exposed as something he was not, with a series of lingering questions over aspects of his scholarship. From the beginning, however, something was different in how his story was talked about, the investigations accompanied by a cloud of excessive references to his race. One news bulletin described him as "the Black professor accused of plagiarism": as if the most important thing was not the plagiarism, but the temerity to be simultaneously Black.

The unmistakable and, in some cases, explicit tone of all this was that if an organisation is gullible by a Black man, then the issue must be that it has been blinded by excessive wokery. If it takes a decade for an account involving being parented by wolves to be debunked, well, that's life. But if a Black man can trick you without immediate exposure, then racial tolerance has been taken too far.

Arday was not the first professor to face credible allegations of plagiarism, something that he denied. One of his fellow professors at Cambridge, a historian, who is white, was reported by the FT to have been found to have copied more than 12 pages of an undergraduate's work. He is still in post fittingly for the social sciences, this is an experiment with a control. The difference here is the firestorm: in large

part because, for many, this was not a story about Cambridge. But one about Black people in public life and "diversity, equity and inclusion hiring".

Nor was Arday the first memoirist to make outrageous claims. After James Frey's first two books were found to be largely fabricated, they were simply marketed as fiction. The Salt Path, Raynor Winn's account of walking the South West Coast Path with her terminally ill husband, was extensively reported to contain falsehoods – which she disputed. Her next book is due in January 2028. He is still alive.

But academia in particular relies on trust. Questions about Arday's eye-brow-raising autobiographical claims undermined the acclaimed academic book he had written on multiculturalism in the UK. Allegations of plagiarism in his PhD would inevitably have tainted any further research.

Reporting on what really happened in these cases is in the public interest. We have good reason to believe that, without the media circus, Cambridge would have continued to minimise complaints. For the sake of the university in the case of Arday, and the sake of history in Hingst's, exposure does matter.

But it also matters what happens after someone chooses to resign. That both Arday and Hingst took their own lives is a tragedy. That, in Arday's case, further commentary appeared about his unfitness to hold his post and his supposed stupidity was to forget that he was not a talking point in a row about DEI but someone who had already taken the decision to step away from the spotlight.

Arday's investigators did find real cause for concern, but he was also held to a higher standard than some colleagues. His story was never discussed without a miasma of race. His shortcomings were depicted not just as the usual failures of rigour in publishing or academia but as exceptional proof that ethnic diversity at Cambridge – where 0.4 per cent of academic staff are Black – has gone too far.

In Defonseca's case, no one suggested that public willingness to swallow the lupine philosophies story meant that our abhorrence of the Holocaust was too extreme. Arday's stories, however, were taken as a specific commentary on DEI initiatives across academia, one with broad lessons about the treatment of Black people in higher education and the workplace.

The difficult truth is that if Arday were white, a professor facing allegations of plagiarism would probably still be in post. And if Arday were white, then a father of two would probably still be alive. That first truth raises questions for Cambridge. The second for those who saw him only as a symbol even after he had exited the stage.

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Letters

Central bank gold repatriation has its own logic

The report on Venezuelan MPs uniting to demand the return of their nation's gold (Report, August 14) brought a wry smile to my face. Or perhaps, as a citizen of Turkey, a country that holds nearly 200 tonnes of its own gold – roughly 25 per cent of its national reserves – in London, I should be feeling a growing sense of unease. Sovereign states have historically

stored their reserves in London to safeguard them against domestic political turmoil and the risk of internal conflict. The supreme irony, as highlighted by the Venezuelan case, is that the custodian itself has now become the party enforcing the freeze.

When custodial safety shifts into political leverage, the foundations

logic of offshore safe-haven storage begins to break down. Central banks around the world must now confront an uncomfortable reality: in the modern financial architecture, physical possession within one's own borders may be becoming more valuable than trust in a foreign jurisdiction.

Hasan Huseyin Deniz
Istanbul, Turkey

How consultants ensure advice is worth paying for

Robert Armstrong is right that artificial intelligence could turn much analytical work into a commodity ("Who needs consultants in the age of AI?", Opinion, August 6).

But how will the next generation of experts acquire the expertise and human judgment they need for this?

In engineering, as in consulting, judgment has always been forged through the accumulation of working through problems. This includes testing how outputs change as inputs are adjusted, or responding to a colleague who challenges an assumption. Much of the routine part of this groundwork can be absorbed using AI techniques.

However, no matter how advanced these models become, someone must carry professional responsibility for what is built and how it performs over decades. While machines may take on repeatable tasks, professionals still need to build the experiences through which they learn to sense when an answer is sound – or not.

Armstrong also notes that firms are increasingly charging for outcomes rather than time. In engineering and design, the outcome a client ultimately buys is assurance that what gets built is



safe, buildable and will perform. That rests on professional judgment, which is exactly what cannot be automated or invoiced by the hour. All this means we must deliberately cultivate the next generation's expertise by designing opportunities for challenge, mentorship and critical thinking. This will be how firms can ensure their judgment is still worth paying for.

Fiona Cousins
COO Total Design Arup, New York, NY, US

UK should not surrender the Parthenon Marbles

Michael Vatikiotis provides a misleading comparison between the Elgin (aka "Parthenon") marbles and the Bayeux Tapestry ("The Bayeux Tapestry is a model for the Parthenon Marbles", Opinion, August 10).

First, the UK does not dispute France's ownership of the Bayeux Tapestry. Greece, however, accuses the UK of possessing stolen goods because it claims the marbles were looted. Second, the UK can be relied upon to return the Bayeux Tapestry to France. Nobody seriously believes Greece would return the Elgin Marbles to the UK – who returns "stolen" property to a thief?

The UK government would be foolish to facilitate the surrender of the Elgin Marbles, especially to a Greek government that is handing management of the country's archaeological sites to private companies. These private enterprises charge extortionate prices for people to visit Greece's heritage, as I experienced during a recent visit. By contrast, anybody can see the Elgin Marbles in the British Museum for free.

Andrew Apostolou
Washington, DC, US

Leisure time – we differ so much from the ancients

Business is devoted to the creation of surplus money, not promoting ethical goals. Anything that impedes that process is discarded as irrelevant.

At present we are all committed to the acceptance of this truth, which as a consequence influences how we conduct our lives, especially how we use our leisure time – what the Romans called *otium*.

We use such downtime quite differently from our naive ancestors who used their leisure to acquire "useless" knowledge, ie knowledge that could not be turned into money, but only into a greater knowledge and understanding of ourselves (think of Socrates).

Antonio Albert
London SW5, UK

Cat flap comeback

I told my cat Bob about Gail D'Arcy's suggestion (Letters, August 15) that he be kept indoors given the estimated 27m birds killed by him and his feline friends in the UK annually.

Bob said – as he headed out the cat flap – that he found this rather rich coming from a member of a species that gets through around 2.7m birds a day in the UK. And that's just the chickens.

Barry Wilcox
London KT2, UK

Clarification

It has come to our attention that AI was used to condense a longer draft of a column on President Trump's tariff policy published on August 14 prior to submission to the FT and our own editorial involvement. The FT editorial code of conduct specifically prohibits the use of AI in the writing process.

OUTLOOK NORTH WEST

Manchester's towering ambition shows in its new skyline



by Jennifer Williams

first wrote about Manchester's skyscrapers a decade ago. Shortly after covering a planning application for a 64-storey residential behemoth, I stood looking down Deansgate towards the spot where it would loom.

People won't know what's hit them, I thought.

What followed was not just one tower but a brand-new skyline. A gleaming forest of glass that sprouted seemingly from nothing in a city best known for its football and its 1980s and '90s music heyday. Today, it is the backdrop for Prime Minister Andy Burnham's new Number 10 North.

The luxury skyscrapers, where young influencers live alongside Emirati postgraduates and the odd football manager, were part of a deliberate regeneration strategy by a town hall seeking to revive post-industrial Manchester. They now stand for the economic and political confidence of Britain's third-largest city, as well as the tension inherent in Burnham's term "Manchesterism": his argument that the city's revival is a blueprint for the country.

Soon there will be more towers. In a railway arch off Deansgate, a former car showroom, Robert De Niro last year broke ground on the 76-storey branded Nobu building, which is set to be the city's tallest yet.

A fly-through video shows the polished bling of Dubai. That is perhaps no coincidence: a decade ago, foreign investment in Manchester came from China. Now it is the Gulf.

Nobu's developer Salboy, which is also building former footballer Gary Neville's nearby residences W, has seen interest switch over five or six years from Asian investors to UK buyers and the Middle East. The region is now Salboy's busiest international market, accounting for more than 21 per cent of sales at W. City centre estate agent Julie Twist says one of the biggest drivers is the city's universities. "It's increasingly common for families to buy rather than rent while their children study."

Meanwhile there has been a visible rise in Middle Eastern food and drink options. On Deansgate, the coffee shop Gulf shows this new influence; opposite, a Lebanese restaurant is relocating from the wealthy Cheshire suburb of Hale. Underneath Deansgate Square South is a popular alcohol-free Lebanese café.

When a resident offers to give me a tour, I am struck that the expansive lobby of the eighth tower feels like a five-star international hotel, from its heavily fragranced air to the polished floors and black-suited security guards. In basement car parks, Lamborghinis sit next to Porsches, Bentleys and the odd Ferrari.

for too long on such snobbery, focusing instead on its own debates about the breakpoint pace of change.

The skyscrapers appeared as living standards were being squeezed and Burnham himself leaned into resulting anxieties about housing inequality in his first 2017 run for mayor. This summer, the mayoral election triggered by his departure for Downing Street was again dominated by skyscraper politics. Nearly 10 years on – with penthouses now selling for £4m or more and letting for £14,000 a month – the Green Party demanded rent controls, accusing Labour of "growth for growth's sake". Burnham's Labour successor, Rev Craig, landed in similar territory, calling for national powers to control rents. Reform UK capitalised on controversy surrounding millions of pounds loaned to help private developers build skyscrapers. Burnham himself criticised the approach as a candidate a decade ago, although the loans continued under his tenure.

So the towers sum up the tensions within "Manchesterism". For while the city has changed at pace in the last decade, its progress has been more contested, and more disruptive, than Burnham's rhetoric implies. Manchester's internal debates are now in the national spotlight. And as Burnham's new Number 10 finds its feet, London lobbyists and consultants heading north will soon be able to interpret the skyline for themselves.

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Opinion

Crime and punishment in Syria and Lebanon

SOCIETY

Kim Ghattas



Headlines from the Middle East are dominated by war, death and destruction but last week Lebanon and Syria made the news for a different reason – their own efforts to improve the application of justice and the search for accountability.

In abolishing the death penalty, with no exceptions, Lebanon delivered a progressive, historic first in the region. Across the border, in Syria, a court sentenced former president Bashar al-Assad to death in absentia for premeditated murder, among other charges, in the 15-year war he waged against his own people.

But what does justice mean in a time of war and upheaval? And what kind of accountability can truly be achieved

while further crimes and political accommodations are still under way? Lebanon has had a moratorium on death penalties since 2004, but in a region where human rights are rarely mentioned its justice minister Adel Nassar described abolition as “an essential message in favour of fundamental rights”.

To be fair, among Arab League countries, Djibouti removed capital punishment from its penal code in 1995, but it is in the Horn of Africa. In the Middle East, Israel abolished the death penalty for ordinary murder in 1954, retaining it only for wartime crimes against humanity. Nazi official Adolf Eichmann was notably executed under it in 1962.

But in March, the Israeli Knesset passed a law making capital punishment mandatory for terrorism. The law, sponsored by the far right after October 7, is written in a way that excludes Jewish Israelis, in effect making it only applicable to Palestinians. Israeli civil and human rights organisations have criticised it as enshrining a two-tiered justice system.

Lebanon's achievement was marred

just one day later when parliament passed a general amnesty law that will benefit hundreds. The country last voted on a general amnesty in 1991 in order to absolve everyone, from warlords to snipers, of the horrors of the civil war.

This time around, the amnesty was partly designed to reduce prison overcrowding. But it has long been

Short of a full national reconciliation process, Syrians may be deprived of true accountability

demanding by political and sectarian factions – Sunnis looking to absolve Islamists; the Shia militant group Hizbollah trying to release members of the community imprisoned on drug-related offences. Amnesties can help countries move on from conflict but, handed out without a truth and reconciliation process, they promote impunity. Still, the abolition opens new avenues

for justice. Lebanon could now ask for the extradition of a Bulgarian man involved in the shipping of explosive materials, which resulted in the devastating Beirut port explosion of August 2020. Bulgaria has refused to extradite him because of the death penalty. Hoping to set a regional example, Lebanon is also pondering whether to refuse the extradition to Syria of former regime officials for trial in courts that still hand out death penalties.

Last week in Damascus, former president Assad, his brother Maher and several former regime officials were sentenced to death in absentia. After four months of trial, the outcome was met with cries of joy by victims of the regime's brutal war, oppression and forced disappearances.

Atif Najib, a cousin of Assad and political security chief in Deraa province, where the spark of the 2011 civilian uprising was lit, was the only regime figure to appear in court, behind bars, in a striped prison uniform. He denied all accusations and said he felt no remorse. Syria has no laws on war crimes or crimes against humanity, so the

prosecutors filed individual homicide cases, flattening the enormity of the crimes.

Short of a full national reconciliation process, Syrians may be deprived of a true sense of accountability. A process driven by the current authorities also risks being selective, motivated by the need to assert legitimacy and power. Trials in absentia are flawed but, with the death penalty still in force, Syria will struggle to extradite regime officials. This makes the quest for accountability feel fragile and somewhat rushed.

In 1965, Martin Luther King Jr said the “arc of the moral universe is long but it bends towards justice [...] How long? Not long.” Despite war and turmoil, there are shy shoots of green in Lebanon and Syria. But the original saying from 1853 by an abolitionist minister, Theodore Parker, expresses the uncertainty around this arc much better. “I cannot calculate the curve and complete the figure by experience of sight. I can divine it by conscience.”

The writer is author of ‘Black Wave’ and an FT contributing editor

EU defence executives are no longer as safe as they were

Elisabeth Braw

It's like something out of a summer horror movie: a hippyish couple camping in the Swedish countryside near a prominent CEO's holiday home has a nation fearing espionage. This is the reality for today's western business leaders. After several decades of a mostly safe existence, they're now viewed as fair game by hostile states.

“A woman who spoke English with an accent walked on to the cottage plot and asked if she could fish from the jetty that belongs to the plot,” Swedish national television reported earlier this week. The plot belonged to a person connected with Micael Johansson, the CEO of the Swedish arms manufacturer Saab – and Johansson is frequently there. Because he heads one of the world's leading defence companies, whose Gripen fighter jets are about to be exported to Ukraine, Johansson has bodyguards, who grew suspicious and called the police. The woman and a male companion told the police that they were Russian opposition activists. They were indeed Russian, but their visit turned out to be more mysterious than your typical camping trip. Among the items the police found in their possession were “Komradios”, or long-range walkie-talkies, which the man claimed were a wedding present from his wife in case their phones malfunctioned.

The Russians' visit may have been an innocent coincidence, but it's hardly surprising that the bodyguards and the police were concerned to find them next door to a defence CEO's retreat, espe-

If CEOs can be scared into ceasing trade with Ukraine, it's a victory for the Kremlin

cially since Sweden offers more than 400,000 square kilometres of uninhabited land on which people can camp. For now, the Swedish authorities have instructed them to leave the country.

The fear surrounding business leaders' security has deep historical roots. Decades ago, European business leaders were surrounded by politically motivated plots. In 1977, the self-styled Red Army Faction shot and killed Jürgen Ponto, the CEO of Dresdner Bank. A few weeks later, they kidnapped Hanns-Martin Schleyer, the powerful boss of the German employers' association; then they killed him too. In 1989, they assassinated Deutsche Bank chair Alfred Herrhausen; two years after that, they shot and killed Detlev Rohwedder, the man in charge of privatising ex-East German state enterprises.

A few kidnapping schemes aside, western executives have enjoyed a mostly safe existence in recent decades, which is why the 2024 killing of a healthcare CEO on a busy Manhattan street shocked the world. But the news from Sweden follows the unmasking of a Russian assassination plot against Stefan Thumann, the CEO of the German drone-maker Donaustrahl. Two civilians were caught after monitoring Thumann and filming his home and company's headquarters. Two years ago, intelligence agencies uncovered a Russian assassination plot against Armin Pappeger, the CEO of the German defence giant Rheinmetall.

Ever since, Pappeger has had bodyguards. “The jobs have to get done, and anyone who cracks doesn't belong in a job like this,” he told the German DPA news agency. Several European security services have instructed defence industry bosses to shore up company security – and their personal protection too. Living like Pappeger is not enjoyable, but pretending that threats don't exist is worse. Russia does not aspire to respectability; instead, it wants to inspire fear. If CEOs can be scared into ceasing business with Ukraine or shifting away from arms production it's a victory for the Kremlin. Other hostile states can easily adopt the same formula.

Having the private sector operate in perpetual fear is not a recipe for success. West German executives kept going to work and eventually saw the Red Army Faction fade into nothingness. Today's CEOs will have to steel themselves similarly if they want their businesses and their countries to prevail.

The writer is a senior fellow at the Atlantic Council and advises M&C Saatchi World Services

Can canned cocktails revive booze sales?

BUSINESS

Brooke Masters



The booze business has been suffering from a post-pandemic hangover for the past couple of years. Now that a lockdown-fuelled boost in home drinking has faded, spirits are enduring a huge sales downturn, wineries are closing at record rates and volumes of beer produced have slumped.

The share of Americans who say they drink alcohol has dropped to a historical low, and even those who do are drinking less amid an increased focus on wellness and an affordability squeeze. US underage drinking has fallen even faster, reaching all-time lows in 2025, leading many analysts to predict – and industry executives to fear – that young Americans were becoming stay-at-home teetotalers.

Listed drinks groups have been swapping chief executives faster than a frat boy throws back shots. Diageo, Brown-Forman, Constellation Brands and Rémy Cointreau have all changed leaders in the past 18 months.

But a ray of hope for the industry is starting to shine through. Despite their later start, Gen Z, those born between 1997 and 2012, aren't Puritans after all. Some 74 per cent of US Zoomers for legal

drinking age report drinking in the past six months, up from 66 per cent three years ago. More Gen Zers drink than boomers and they are not far off the general population rate of 76 per cent. The youngest generation of legal drinkers just indulges differently, and for companies that cater to their cravings, the good times are starting to roll. Sales of “ready-to-drink” concoctions of alcohol with soda, juices and other mixers have been shooting up. Drinks such as Surfside's Peach Tea and Vodka and Cutwater's Mango Margarita are winning over younger consumers who like the low price, ease of use and innovative flavours.

“They've got this ‘I don't want to drink my parents' drink’ element,” says Ed Mundy, a drinks analyst at Jefferies.

Alcopops have popped up as beer alternatives before. Gen X had their 1980s wine coolers; the mid-1990s saw the rise of Zima and other carbonated malt-based drinks, and hard seltzer brand White Claw became such a phenomenon in 2019 that there were nationwide shortages.

But never before have canned mixed drinks played such an important role in the industry's hopes for its future.

Since 2019, US sales in the RTD category have logged a bubbly combined annual growth rate of 11 per cent while overall alcohol sales have fallen flat at minus 1 per cent despite a pandemic-induced boost, according to IWSR, a market research firm. Premade drinks now account for 8 per cent of total US alcohol consumption.



That translates into big bucks: US sales of premixed cocktails have increased more than six times from \$489m in 2020 to \$5.8bn last year.

And where the US leads, many export countries to follow. Though RTDs currently account for just 1 per cent of UK sales by volume, they have been growing 8 per cent a year since 2019, IWSR says. Research group MRF projects European sales will more than double in the next decade.

Some of the fizz in the canned drinks market is almost certainly due to the fact they are relatively cheap at a time when customers are feeling pinched by high fuel prices and prolonged inflation. US restaurants are marking up wine bottles by six times cost, and \$20-plus cocktails are the norm at big city bars. But a four-pack of Caribbiss Vodka Cran-

berry goes for \$15.50, and a single BuzzBallz Tequila Rita sells for \$5.99. “Particularly in spirits, affordability has gotten out of whack,” says Chris Goodchild, a Boston Consulting Group senior partner who works with drinks groups. “If you compare today with 2020, getting a cocktail or a glass of wine is materially more expensive than it was.”

The appeal of canned cocktails goes beyond price. The convenience of premixed drinks meshes well with today's socialising patterns. Young Americans are drinking more at home or in small groups rather than in the country's shrinking number of bars and nightclubs. RTDs also fit into “third spaces” – festivals, sporting events – that serve alcohol but do not have the staff to provide a full bar.

Brands are leaning into group fun with packaging that sparks on social media, such as BuzzBallz's neon spheres and Surfside's distinctive straws. At the same time, canned drinks can also appeal to those concerned about safety and wellness. Premixed cocktails feel more tamper-resistant than a

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At the same time, canned drinks can also appeal to those concerned about safety and wellness. Premixed cocktails feel more tamper-resistant than a

bowl of mystery punch. Individual portions also make it easier to “zebra stripe”, slang for alternating liquor with non-alcoholic drinks to reduce total consumption.

So far, the big spirits groups have largely missed out. The most popular RTD brands are independent (Caribbiss, Surfside) or owned by beer and wine companies (Gallo's High Noon and AB InBev's Cutwater).

Canned cocktails were seen as low-rent when spirits groups were boasting about their ability to push up prices in the name of “premiumisation”. Spirits distribution networks are focused on liquor stores rather than convenience stores and supermarkets where Gen Z consumers tend to shop.

That is finally starting to change. Sazerac bought BuzzBallz in 2024 and is rolling it out globally. Diageo's new CEO said last week that canned cocktails are a big part of plans to revive the beleaguered group. A generation of drinkers is picking its tipple of choice. The big spirits makers need to join the party.

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How online fandom shaped our world

Adam Aleksic

The cultural mainstream can only focus on a few dozen pop stars at any given time. For the devoted fans of those who are cast aside, there is little choice but to gather on “Stan Twitter”, a corner of the internet dedicated to obsessive celebrity fandom. Here, people track and promote their favourites in a bid to bring them back to the public's attention.

Just as the horror writer HP Lovecraft's “Cthulhu Mythos” universe imagined a pantheon of deities, forgotten except by the scattered occultists trying to summon them, the digital devotees of this modern online subculture attempt to reshape reality through their chosen artist.

By labouring over new video edits of the celebrity or engaging in internet dis-

cussions, a stan (the internet's term for an extremely enthusiastic fan, named after the protagonist of an Eminem song) can slowly summon their favourite back into the limelight, synchronising social and algorithmic momentum to deliberately move the window of relevance. If they succeed, they lift their target out of what some jokingly call “Khia Asylum” – an imaginary holding cell named after the one-hit-wonder rapper Khia, who disappeared from mainstream relevance 20 years ago.

I see a very similar dynamic play out in internet meme communities. The digital references that reach the mainstream, like “skibidi” or “6-7”, are not accidents. They start with a hyper-online group of post-ironic practitioners. By allocating their time to specific memes, these groups – which constantly reanimate under new names like “juggtok” and “niche community” – have no motive other than the desire to influence others – are able to alter the vocabularies of teenagers around the world.

Once the memes become widespread, the community moves on.

The line between social media follower and disciple is particularly blurred in the world of K-pop, where fans of South Korean girl and boy bands try to boost algorithmic attention for their favourite groups, helping the unlucky ones escape *nugudom*, a kind of nowhere land derived from the Korean word for “who?” Through their likes and comments, fans have been able to nudge

The idea is that if enough people say ‘this meme is popular’, those memes will indeed become popular

bands like BTS from comparative obscurity to global phenomenon. Each digital engagement doubling as a signal to the algorithm, making the trend ever more real.

Long before the rise of K-pop and TikTok, this behaviour was presaged by the Cybernetic Culture Research Unit, an academic collective at Warwick University in the late 1990s. By fusing

the ideas of Lovecraft and other sci-fi writers with those of French philosopher Gilles Deleuze, the CCRU argued that any idea could be circulated into cultural discourse through hyperstition – a sort of self-fulfilling prophecy where fictional statements become true through repetition.

The idea is that, since reality is socially constructed, if enough people say “this celebrity is popular” or “this meme is popular”, those celebrities and memes will indeed become popular. All that is required is the time and energy to promote the ideas and people will eventually catch on.

The CCRU was particularly interested in pop culture as a hyperstitioned phenomenon but they also applied their concepts to capitalism and technology.

The idea that anyone can shift the “overtone window” of acceptable discourse in a particular direction by presenting a version of reality online has not been lost on the American radical right, which has referenced the writings of Nick Land, a former CCRU researcher.

Land's “Dark Enlightenment” philosophy – an anti-democratic, reactionary

ideology that calls for society to return to traditional constructs – has informed the political views of technology investors including Peter Thiel and Elon Musk, helping to shape the current culture in Silicon Valley and the White House in turn. If enough people believe that governments should be run by techno-capitalist enterprises or that society is working towards a singularity with AI, those concepts become real. And while this subject matter is undoubtedly weightier than pop music, the same logic applies of slowly “summoning” an idea into the mainstream.

K-Pop fans, meme pages, political theorists and occultists devote themselves to creating the world they would like to see. This begins with an understanding of how ideas now spread. Our music, language, aesthetics and politics all emerge from amorphous pockets of algorithmic space – and they can all be manipulated.

The writer, known online as Etymology Nerd, is the author of ‘Algospeak: How Social Media Is Transforming the Future of Language’

Opinion

Bread rations. Endless blackouts. How much more can Cubans endure?

Governments can afford to keep playing the waiting game. But ordinary citizens can't.

Michael J. Bustamante

Cubans are seasoned, involuntary experts at waiting — for the day's bread ration, for overcrowded buses, for visas to leave home. Since the pandemic threw the island into a deep crisis and especially since the Trump administration instituted a de facto oil blockade of Cuba in January, that daily exercise has become a slow suffocation.

Now Cubans wait for everything. They wait for imported food and over-the-counter medicines sent by relatives abroad. They wait for electricity that returns for only an hour or two each day or for a feeble breeze in the oppressive summer heat that might allow their children a couple of hours of sleep.

Most of all, Cubans wait for signs that Washington or their own government will land on a way out of their current immiseration — that they might finally live in a normal country, no longer trapped by decades of authoritarian politics, economic mismanagement, U.S. sanctions and an extended Cold War. Regardless of whether the island is heading toward a true political breaking point, no amount of jury-rigged power supplies or what President Miguel Díaz-Canel calls “creative resistance” can hide that Cuba's people are being pushed to the limits of what they can endure.

The uncertainty has driven different players to stake their hopes on a range of possible futures: the fall of Cuba's Communist regime, a negotiated U.S.-backed transition to democracy or military action leading to a kind of U.S. protectorate in the style, most recently, of Venezuela. But the most likely one is that the waiting will continue — an extended stalemate with ordinary Cubans paying the price.

Some, particularly in the Cuban diaspora, are expecting Cuba's equivalent of Eastern Europe in 1989, when Communist regimes fell across the region. Rosa María Payá, the exiled daughter of the slain pro-democracy activist Oswaldo Payá, has described the Cuban government as the “Berlin Wall of our time.” Accordingly, though with negligible coordination with Cubans on the island, Cuban American community leaders have dusted off, updated or drafted new plans for a democratic transition.

For much of this spring, however, it was not clear that 1989 was the historical parallel the Trump administration had in mind. In direct communications with Raúl Castro's grandson and members of Cuba's security establishment, Secretary of State Marco Rubio and the C.I.A. director, John Ratcliffe, signaled their openness to letting some of the island's Communist authorities stay in power, provided that Havana loosen state control over the economy, release political prisoners and eliminate security ties to U.S. adversaries.

Since May, though, the possibility of such a deal has receded. As Cuba has refused to accept Washington's demands for significant leadership change, the U.S. government has deployed secondary sanctions that have forced many foreign companies to withdraw from the island. Neither an economic liberalization package announced in June nor the July release of the country's highest-profile political prisoner, the artist Luis Manuel Otero Alcántara, has compelled the administration to budge.

This impasse has reinforced suspicions that the Trump administration intended to inflict economic hardship all along — not to induce concessions but to create the conditions for widespread social unrest.

Summer has often been Cuba's season of political upheaval, from the 1994 Maleconazo amid Cuba's post-Soviet economic depression to the nationwide



ROBERTO PEREZ/REUTERS

marches on July 11, 2021, at the depth of the pandemic. Recent energy grid collapses have brought fresh signs of public anger. Neighborhood caacerolazos — loud pot-banging sessions — and street blockades made of burning trash are almost nightly occurrences. A slide inadvertently shown during a televised government briefing revealed officials are concerned about an “estallido social,” or a social explosion.

Yet growing instability does not another 1989 make. The collapse of Communist rule in most of Eastern Europe depended not only on popular discontent but also on divisions within the ruling elite and oppositions with significant popular bases. So far, Cuba's coercive apparatus remains intact, the threat of repression has weakened any opposition's reach, and mass emigration continues to substitute for mass mobilization, with as many as two million Cubans leaving the island since 2020. The effective closure of the U.S. border to Cuban entries since 2023 has simply redirected hundreds of thousands of migrants to other destinations.

If internal hardship does not automatically portend regime collapse, it might be tempting to conclude that change can come only from without. For weeks the Trump administration

has been dropping hints of coming military action by framing Cuba as a national security threat, citing Havana's intelligence ties to China and Russia, its purported acquisition of drones from Iran and its alleged role in what the State Department calls hemispheric “subversion” past and present.

The May indictment of Mr. Castro, charging him with involvement in the 1996 shooting down of two Cuban American civilian aircraft, also provides a pretext for some kind of Maduro-style law enforcement extraction.

Any American intervention, though, would call to mind a different historical parallel: 1898, the beginning of a four-year U.S. military occupation that led to the birth of a Cuban republic subservient to U.S. economic and political interests.

Few observers seriously expect another full American occupation of Cuba. But history need not repeat itself so literally to rhyme with the

imperial refrains of old. President Trump has publicly floated a “friendly takeover” of the island. By forcing the exit of major hotel operators and other Cuban state partners, the administration's secondary sanctions have devalued Cuban assets and potentially cleared the deck for acquisitions by U.S. companies at bargain basement prices.

Meanwhile, Mr. Castro's grandson, who holds no formal leadership position in Cuba, has effectively declared Cuba open for business and expressed his eagerness to negotiate directly with Mr. Trump. Embracing a Castro family member as Cuba's analogue to Delcy Rodríguez, Venezuela's interim leader, may prove unacceptable to many in the White House, not least Mr. Rubio. But Venezuela's example offers a sobering precedent: Military action in Cuba may not guarantee democracy so much as a new order in which the secretary of state operates as an economic viceroys, working with a close circle to hand out the spoils.

For now, all these scenarios seem more imaginary than imminent. Even absent other foreign lifelines, Cuban officials have shown scant willingness to do Washington's bidding. Nor has the government in Havana been offered a consistent off-ramp. Meeting

Washington's demands would amount to negotiating the regime's own demise.

Washington's room for maneuvering is also constrained. Despite recent reports of a new Cuba task force at the C.I.A., military escalation risks embroiling the United States in an even greater national reconstruction project than in Venezuela at a moment when the administration is again consumed by the conflict in Iran. The domestic political costs of a new entanglement in Cuba could also weigh heavily ahead of this fall's U.S. midterm elections.

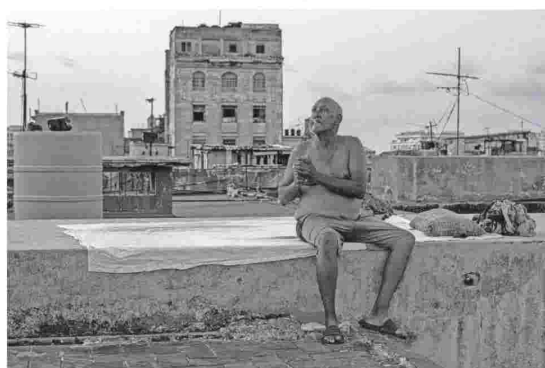
That leaves both sides locked in a pattern of tira y afloja, a push and pull, in which each looks for the other to make a truly consequential concession first. But time is not on the Cuban people's side. They cannot indefinitely postpone meals, medical procedures or more consequential decisions about their personal and political futures.

Governments can afford to keep playing the waiting game. Ordinary Cubans cannot.

MICHAEL J. BUSTAMANTE is a professor of Cuban and Cuban American studies at the University of Miami and the author of “Cuban Memory Wars: Retrospective Politics in Revolution and Exile.”



BARBARA LORBER/ASSOCIATED PRESS



YANN LAGE/AGENCE FRANCE PRESSE — GETTY IMAGES

Cubans wait for imported food and over-the-counter medicines sent by relatives abroad. They wait for electricity that returns for only an hour or two each day or for a feeble breeze in the oppressive summer heat.

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David Ellison's pipe dream of a red-state Hollywood

Sharon Waxman

The Paramount Skydance chief executive David Ellison has threatened to abandon Hollywood by moving his company from California to a redder state like Tennessee, Georgia or Texas. The backlash was immediate. This over-the-top-sounding idea was deemed by many I spoke to in the industry as the outburst of someone unaccustomed to being told no.

How could he even do such a thing? The question has taken Hollywood into chaos. After all, Mr. Ellison recently wrote a New York Times Opinion guest essay about how his bid to merge Paramount Skydance and Warner Bros. Discovery would bring health and prosperity to the movie business. He also promised to be guided by "facts and truth" in the news division of a combined company, which would include both CBS and CNN.

But he is apparently tired of fighting California's attorney general, Rob Bonta, who along with 11 other Democratic state attorneys general filed an antitrust lawsuit over the merger. A judge ruled that a trial would start in March. According to the terms of the merger deal, Paramount has to start paying Warner shareholders a "kickback" fee of \$7 million per day starting Oct. 1.

No one really wants to move from Beverly Hills to Nashville. Hollywood, already stressing about production moving out of town, merger-related job cuts and the threat of A.I. slop replacing human creative work, was shocked by reports of Mr. Ellison's threat to head to a red state. Is he serious? Weren't we supposed to take him at his word that he loved this industry?

From the Paramount point of view, it's sensible. Why stay in a state that hates it so? Why not sell the movie lots to real estate developers and move the company to somewhere it's wanted?

The Warner and Paramount movie studio lots are estimated to be worth billions of dollars. The savings in state tax are estimated at \$500 million a year.

I'm hearing that Nashville is the most likely destination if this move were somehow to come to pass. David Ellison's father, the Oracle founder Larry Ellison, is already transferring the tech company's headquarters there.

There has long been a dream from the right to create an alternative to left-leaning Hollywood. Nashville is home to not only country music but, in the MAGA era, it has sought to become, as one Times article put it in 2022, "Hollywood for Conservatives."

Paramount insiders have insisted to me Mr. Ellison's vow was not a stunt. "He's deadly serious," said a company executive who claimed to be house hunting in Tennessee already.

The implications, too, are deadly serious for the heart and soul of the entertainment industry. Hollywood has already lost about 42,000 jobs — about a third of the labor force — in the past five years. The midlevel production

jobs that fled to states with better tax incentives have only started to return with California improving its tax credits last year.

This skilled work force would resist pulling up stakes and moving to Tennessee. And top-line talent, actors, writers and directors who live in Los Angeles, like the Duffer Brothers of "Stranger Things" who signed a four-year deal with Paramount last year, will be easy pickings for competitors. As for the mogul class, forget it. Hollywood remains an industry that is tight-knit and relationship-driven. It's a members-only community that gathers in reliable spaces, whether the studio lots, the Hotel Bel-Air, Riviera golf course or restaurants like Craig's.

What is so crazy about this standoff is that both politicians and business leaders have been aligned on the need to bring production back to California in particular and the United States in general. Even Donald Trump has proposed an initiative to bring entertainment production back stateside (OK, so it's more tariffs).

The front-runner in the California governor's race, Xavier Becerra, appealed to both sides to settle the lawsuit and spare the state, just whatever's left of Hollywood. "Let's be adults, not be kids," he said last Tuesday "Conference room, not courtroom."

Last Wednesday, the Directors Guild of America and IATSE, the union that represents technicians, artisans and craftspeople, basically begged the two sides to settle the lawsuit and stop the crazy, essentially saying the brinkmanship had gone too far. That's how everyone has been feeling for the past few days: Let's stop playing chicken with thousands of jobs, movies and media corporations.

Amid all this, Gov. Gavin Newsom's press office account congratulated the Paramount streaming service on Wednesday "for receiving the latest round of the California Film Tax Credit" for its sequel to the movie "Clueless."

Mr. Ellison has not come out looking good in this uproar. My phone rang all week with Hollywood players feeling whipsawed by this merger battle. There's also a consensus that Mr. Bonta is loving his moment in the limelight at the possible expense of getting a deal done. There is also a chance that the outrageousness of Mr. Ellison's threat is exactly what is necessary to focus everybody on figuring a way out.

It seems impractical to keep the merger in limbo for the next several months until the March trial date. The feeling in Hollywood is very much what a senior communications executive told me this week: People are worn out. Two years of pandemic, two years of disruption from labor strikes and two years of studio consolidation with jobs disappearing by the thousands.

No one wants more uncertainty, and certainly no one wants this chaos. And let's face it, no one really wants to move from Beverly Hills to Nashville.

SHARON WAXMAN is the founder, chief executive and editor in chief of The Wrap.

E.J. Dionne Jr.
Contributing Writer

My candidate for the most unexpected but also most important word of this summer of Democratic dissonance comes from an unlikely source.

When a New York Times reporter asked Abdul El-Sayed, the Democrats' left-wing Senate nominee in Michigan, to describe Chuck Schumer, the Senate minority leader, in one or two words, he said, "Pragmatic." This is the same Dr. El-Sayed who said earlier, "If you're Chuck Schumer, I'm pretty damn dangerous."

It seems that two can work the pragmatic side of the street. For Democrats who hope for a truce in the factional warfare that has engulfed the party since the June victories of democratic socialists in primaries in New York and Colorado, Dr. El-Sayed's single, conciliatory word had the ring of high poetry.

Democratic primary voters in Wisconsin proved themselves to be pragmatic, too. Last Tuesday, David Crowley, the moderate Milwaukee County executive supported by the departing governor, Tony Evers, narrowly defeated Francesca Hong, a democratic socialist who had enjoyed a large polling lead. Mr. Crowley profited from fears of the state's Democratic rank and file that Ms. Hong would allow Republicans back into the governor's mansion — worries aggravated by her past social media activity. The grabber: In 2020 she said that Thanksgiving should be canceled and called it a "colonizer holiday."

In Minnesota's Democratic primary, the progressive lieutenant governor, Peggy Flanagan, comfortably defeated the moderate representative Angie Craig. Like Dr. El-Sayed, Ms. Flanagan ran as a foe of corporate power; she cast the choice as "the money versus the money." But she also had a long history with the state's Democratic voters and enjoyed the support of Senators Bernie Sanders and Elizabeth Warren (both of whom did not endorse Ms. Hong), as well as Tina Smith, the senator she is bidding to replace.

The ideologically split Midwest verdict may have the salutary effect of pushing back against the sometimes hysterical (and also inaccurate) clamor for a Democratic electorate in the thrall of a Bastille Day showdown. The shrewd politicians on both sides of the left-versus-center (or, if you prefer, insurgent-versus-establishment) barricades understand that the only hope Republicans have of avoiding a devastating defeat this fall is to keep voters from focusing on President Trump and their complicity in his deeply unpopular failures. They want to make it instead about Democratic "radicalism" and — ah, that halcyon shibboleth — "disunity."

But both sides of the fight will have to internalize this danger. In his excellent collection of essays "What Caused the Civil War?" the historian Edward

Pulling back from the edge of disaster. Again.



ITAL AGA/REUTERS FOR THE NEW YORK TIMES

L. Ayers summarizes a central lesson from the theologian Reinhold Niebuhr: "All people," Mr. Ayers writes, "are capable of both self-awareness and self-deception." Factionalism encourages self-deception and makes it hard for foes to concede even the valid parts of their rivals' story lines.

For starters, the left and the center have to harmonize their differences in how they think about Mr. Trump. As the political writer Ron Brownstein observed recently, the left typically argues that while Mr. Trump is dangerous, he is more symptom than cause of

In American politics, it seems that centrists and the left can work the pragmatic side of the street.

the country's problems. More centrist Democrats tend to insist that the Trump catastrophe is unique in our history and the crisis the country faces is primarily of his making.

The answer is obvious: Mr. Trump is indeed a symptom of something bigger, but he is also singularly corrupt, incompetent and dangerous to democracy.

The left is correct that Democrats need to offer voters far more than an end to Trumpism and a restoration of the earlier status quo. The campaigns of both Hillary Clinton in 2016 and Kamala Harris in 2024 counted too much on voters recognizing Mr. Trump's awfulness and did not spend enough time addressing economic discontent. Whatever the centrists think of Dr. El-Sayed, his campaign mantra — "Money out of politics, money in your pocket" — brilliantly married disaffection from the political system with voters' unhappiness over their financial circumstances. Ms. Flanagan's campaign did the same.

But there can be no getting away from the fact that winning in 2026

depends above all on mobilizing the roughly 60 percent of Americans who are fed up with Mr. Trump. The fury among Democrats that their leaders failed twice to keep him out of the White House is understandable. But inwardly directed rage won't drive Mr. Trump's allies from office. It's revealing that Wisconsin Democrats, who understood the costs of an eight-year Republican trifecta of power before Mr. Evers's 2018 victory, opted for safety over adventure.

The other central difference between the center and the left is their theories of who wins elections. The left is adamant that progressive insurgents can win closely fought contests; the center thinks only moderates can.

Centrists are right that more moderate candidates tend to perform better in swing states and districts (although some political scientists have noticed a decline in the impact of ideology). But the left is right that to win, Democrats need a more populist approach rooted in progressive economics. Most moderate Democrats have heard the call. The Iowa Senate candidate Josh Turck prevailed in the Democratic primary against a candidate to his left, but he is running on what he calls "a prairie populist's platform."

Mr. Turck's program embraces, among other things, "a federal ban on price gouging on food," barring "Wall Street private equity firms from purchasing single-family homes and farmland," promising to "take on Big Pharma" and "cracking down on unfair wages" and monopolies. Opposing corporate power, unfair taxes and concentrated wealth is now mainstream.

The left, in turn, must confront the reality that many of its candidates have struggled to gain traction with the very working class for which they claim to speak. In Michigan, Dr. El-Sayed overwhelmed his opponent

Representative Haley Stevens in university towns and among younger voters and highly educated liberals, while she carried the Black vote in Detroit and performed well among older voters and in working-class communities.

Since championing workers goes to the moral and intellectual heart of the left's project, well-educated lefties bridle at charges of elitism. But the voting patterns are what they are, and the most electorally successful politicians on the left have privileged egalitarian economic policies over cultural questions.

The two wings of the party agree on the need to focus on pocketbook issues while finding more politically sustainable ways of keeping faith with their commitments to marginalized groups.

Representative Alexandria Ocasio-Cortez of New York caused a stir on Sunday when she quoted a fellow politician who declared, "Woke 1 was crazy." Often lost in the accounts is what she said next: The Woke 1 discussions "were quite fruitful." Her point was that the protests of 2020 unleashed a necessary reckoning with injustice but that the "rhetoric in that time is not rhetoric that we would use today." Progressives, she said, also want to bring crime down.

Call it, well, pragmatism. Or just learning lessons the hard way. To use a phrase Ms. Ocasio-Cortez invoked, the success of a "big tent" party depends on welcoming people inside, not on finding ways of driving out everyone who falls short of one faction's idea of perfection. Midwest Democrats seem to get that.

E.J. DIONNE JR. is the author of "Why Americans Hate Politics," "Our Divided Political Heart," "Why the Right Went Wrong" and, most recently, "100% Democracy," with Miles Rapoport.

In Europe, great rivers are dying

COATES, FROM PAGE 1

the rivers presents not only an ecological hazard but also a major strategic challenge for Europe, at a time when fresh problems are as welcome as old bombs revealed on a riverbed.

Europe is already struggling to deal with a once-in-a-generation economic transformation: the rise of Chinese high-tech manufacturing and electric vehicles in particular, which threaten European automotive icons such as Volkswagen and Porsche.

Simultaneously, it is wrestling with a major energy transformation as it seeks to curb its addiction to Russian gas while pivoting to renewables, including wind and solar.

In the face of President Trump's nationalism and the aggression of President Vladimir Putin of Russia, Europe is cutting its reliance on U.S. defense assets in favor of greater self-reliance. Conflict in the Middle East and the closing of the Strait of Hormuz have revealed weaknesses in supply chains.

In conversations about how to respond, the buzzwords most overused in the European Union's headquarters in Brussels are "strategic autonomy" — the idea that Europe will reduce reliance on foreign goods and military protection, meet the challenge of a rising China and a menacing Russia and deploy new technology to deliver a future that is greener, wealthier and healthier.

On paper, these are worthy goals. The problem is that the continent's leaders seem to assume that Europe's physical geography will remain unchanged and that the huge advantages afforded by rivers such as the Rhine and the Danube can be taken for granted. Those advantages include the ability to transport goods across the continent at low cost, easy access to the ports at places such as Hamburg and Rotterdam, and unlimited access to fresh water for manufacturing, hydropower and cooling

nuclear power plants

Now, it is rapidly becoming clear that the terrain on which Europeans live, work and travel is changing before our eyes.

Rivers can no longer be relied on to provide an inexpensive, reliable, relatively low-carbon alternative to road and air freight. Rivers cannot form the industrial backbone of the European Union's push for autonomy from Chinese and American supply chains if they run dry. Nor can they provide reliable energy independence or guarantee food security.

Responding to these changes will not be easy. Just as the war in Iran is forcing some Middle Eastern countries to develop new supply lines and export routes, Europe needs to think seriously about how to develop alternative transport and energy networks that reduce its reliance on rivers. That could take decades and require huge investment in new infrastructure. Some places that grew rich through waterborne trade, such as the German Rhineland or Rotterdam, may lose out. And rivers may no longer bind together European neighbors in ways that made it easier to avoid relying on the outside world.

Take away Europe's blue highways, and all the grand talk about building new industries, finding new trading partners and generating clean energy begins to look rather hollow.

One Dutch satirical outlet recently suggested using firefighting helicopters to refill the Rhine. That may be unlikely, but it's clear Europe needs to begin thinking about its rivers more radically and more seriously — as a strategic asset rather than just an environmental sob story.

BEN COATES is a columnist for the Dutch newspaper Algemeen Dagblad and is the author of books including "The Rhine: Following Europe's Greatest River from Amsterdam to the Alps" and "The Invention of Amsterdam."



MARIO DARRICA/REUTERS

Exposed sandbanks on the Danube River in Novi Sad, Serbia. Europe's second-longest river is now facing record lows, recently measuring just 9 inches deep in Budapest.

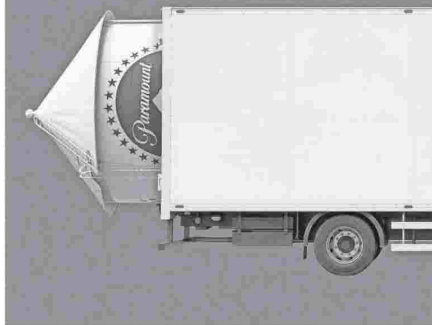


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TECH

A.I. baby tracking is booming

BABY MONITORS, FROM PAGE 1
with relentless data collection by a for-profit tech company, the Nanit has always been a little disconcerting. A branding consultancy that helped create the product's "visual identity" notes in a case study on its website: "The central challenge in this project was how to introduce this novel technology to the parenting market while transcending the negative connotations of 'surveillance.'"

Millennial and Gen Z parents seem to have been persuaded. Nanit says it has one million daily users and annual revenue of more than \$100 million. The most expensive version of its kit costs \$474 and roughly \$100 a year in subscription fees. And the market for babytech is only getting more crowded.

Owlet, Nanit's biggest rival, offers a \$300 pulse oximetry tracker that attaches to a baby's foot through a sock. Huckleberry, a free app for tracking feedings and diaper changes, markets a \$120 upgrade membership with "optimized nap predictions" and access to an artificial intelligence chatbot that after logging your baby's habits, can deliver personalized guidance and pep talks. CuboAI's \$359 Smart Baby Monitor 3 touts "A.I.-scheduled lullabies" and sends alerts when a baby's face is covered.

As the products and their promises proliferate, I've gotten a little unnerved by how easy it's become to outsource daily parenting decisions to technology. The downsides of this rush are manifest: sneakily high costs; the erosion of parents' autonomy and self-confidence; giving sensitive data to corporations. But there may be no stopping the growth of babytech as a category. Parents my age and younger are increasingly willing to embrace tracking and analytics for their children — part of a broader cultural obsession with health data and optimization. Nearly half of Americans own a wearable device, and the companies that make smart rings and smart wristbands have valuations north of \$10 billion.

Nanit and its rivals want to own 24/7 health tracking for the sub-four-foot set. And their already astonishing levels of baby data collection are just the beginning. Nanit recently raised \$50 million from investors to expand its use of A.I. and use its camera to track speech and language development, motor skills and more, while extending its presence in children's bedrooms into early adolescence.

My older daughter is now 4 and has become aware of "the Nanit," which she refers to by name. I decided I wanted to know more about the company whose products stare at my kids all night — and which has designs to start tracking them far more.

WHEN I VISITED Nanit's office in downtown Manhattan recently, I was greeted by the sight of a lifelike baby doll lying in a \$600 crib under one of the company's cameras. The doll was clad in a onesie and a \$20 Nanit Breathing Band, which was printed with a sequence of squares and diamonds. By analyzing the movement of pixels, the company's software can quantify every rise and fall of a baby's chest and send alerts to parents' phones if it detects danger.

Nanit was founded in 2014 by Assaf Glazer, an Israeli who had just completed a Ph.D. in machine learning and computer vision at the Technion-Israel Institute of Technology. Dr. Glazer and his wife had welcomed their first child, and he was sleep-deprived. With a friend, Irvy, who was expecting his third child, he began to dream up a device that could identify and analyze sleep beyond the rudimentary baby monitors then on the market.

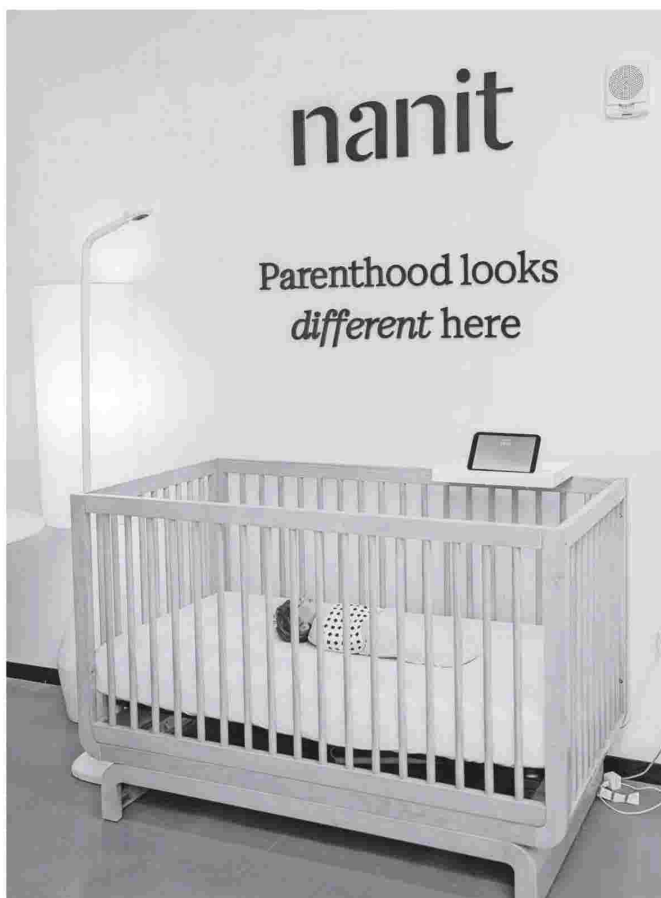
"Nanit" was conjured with words like "nanny" and "nano" in mind and was meant to evoke "nannytech," a technology for parents," Dr. Glazer has said. (He is now the chief executive of Vintal, a food tech start-up in Israel.)

Since 2024, Nanit has been led by Amushka Salinas, 44, the former president of the Bank of America. She oversees some 150 employees, most of whom are parents, who work under the tagline, "Turn second-guessing into: 'I've got this.'" When we met at Nanit's office, Ms. Salinas was wearing an Aura ring and was also testing a Whoop band and she spoke earnestly about how Nanit is "effectively the child answer" to such devices.

"What's happening with adult tracking is beginning to trickle down now in a much more meaningful way to kids," said Ms. Salinas, who has two of her own. "Kids aren't really starting to wear Apple Watches and things like that until around age 10 for the most part, sometimes a little younger. So we really think of that zero-to-10 for Nanit as kind of the place that we live."

Sleep tracking and optimization will remain the base of Nanit's business, Ms. Salinas said. But already, the app offers some health features, such as automatically detecting and recording audio of coughs that can be shared with pediatricians. The company sees growth potential in giving its app the ability to weigh in on speech and motor development, which Nanit's camera could track ambiently. Hypothetically, Ms. Salinas said, the app could flag a delay and offer parents tips for improvement, like reading more bedtime stories.

Company executives seem to have absolute conviction in the benefits of their technology. Mr. Irvy, the chief technology officer, shared more ideas. What if a 4-year-old were diagnosed with a medi-



cal condition, and unique patterns from the Nanit could help explain it? "Maybe you have a super introverted kid and you want to understand if some of the motion patterns when they were babies kind of predicted that," he said. "It doesn't have to be a bad thing."

To bear the companies' tell it, the benefits of embracing babytech are life-changing. Nanit has claimed that its users get 36 extra nights of sleep a year, because parents feel more confident shifting babies to their own rooms earlier, and that its monitoring can prevent a baby's skull from getting flat. The company has paid for studies on new parents' sex habits and suggested that buying a Nanit can lead to more intercourse. Owlet and Huckleberry claim that more than 90 percent of their customers enjoy better sleep.

"Parents are losing a little bit of the muscle of their own confidence and decision-making."

Kurt Workman, the chief executive of Owlet, which he co-founded in 2012 in Utah, told me he's noticed parents are asking "way fewer questions on how the data can be useful, and what it could mean, and is it safe." The company, which is public, had revenue of \$106 million last year and says that more than 2.5 million people have used its products. "We have parents who are like, 'I know I can put my baby to sleep when their heart rate goes below this level, and they'll stay asleep,'" said Mr. Workman. "We're already starting to hack that."

In 2021, the Food and Drug Administration sent Mr. Workman a warning letter after finding that Owlet had violated a federal law with marketing that veered into the realm of medical devices: Ads for Owlet's Smart Sock product had promised the device would alert parents about dangerous changes in their children's pulse rates and blood

nanit
Parenthood looks different here

Above, a lifelike baby doll greets visitors to Nanit's office in Manhattan. "What's happening with adult tracking is beginning to trickle down now in a much more meaningful way to kids," said Amushka Salinas, left, Nanit's chief executive.

ond-floor nursery (and eventually killed) while five adults were in the home. A few years later, Zenith Radio Corporation introduced the first commercial baby monitor. The "Radio Nurse" was designed to be "on guard" for babies and the sick and elderly. An instruction manual read: "If the baby cries — if the invalid wants a glass of water — if there is a fire — if an intruder enters — YOU KNOW IT INSTANTLY!" Nanit, Owlet and their competitors still operate in this space. The comedian John Mulaney recently riffed on his toddler son's sleep setup, saying his bedroom looked like a "C.I.A. black site," with a blackout tent over his crib. "I don't know why we have 24-hour CCTV footage of my son's crib. He's not going anywhere — he sleeps in a bag," he said.

One person who remains oblivious to all this parental anxiety is my older daughter. The Nanit is just a feature in her room. She understands that she can speak to my husband and me through the device, whose four red lights blink to power its night vision, and that we can see her at night through our phones. I imagine that she would develop sharper feelings about the camera if it started to play an extended role in her life, for years to come.

Nanit believes that one solution for that, as it looks to extend its presence in children's bedrooms beyond toddlerhood, is new covers, known as "Canopies," that can make the monitor look like a bunny, a bear or an elephant. Ms. Salinas said that making the camera look like a little friend or toy can "generate a lot more love" for it. But she added, "Each family is going to have to decide on their own if their child is OK with having the camera in the room as they get to the age that they're making their own decisions."

In her view, this is the start of a new future, a library of health data from cradle to grave. "The adoption curve accelerated significantly over the last few years," Ms. Salinas said, "and I expect that to continue — such that it'll be almost every parent that will have some product like Nanit that will help them have much richer insights on their child and who they're becoming."

Even before I first met Ms. Salinas, I had been wondering when to remove the Nanit from its perch above my older daughter's bed. She may simply outgrow it before my husband and I come to a formal opinion on privacy versus convenience. These days, she no longer naps, and in the mornings she is as likely to greet us in our own bed as the other way around. There's still joy on her face, and I make sure to see it there, rather than on a screen.

BABY MONITORS have their roots in fear. In 1932, American parents were horrified to learn that Charles A. Lindbergh's toddler son had been taken from his sec-

Distinguishing slop from human endeavor

TECH FIX

BY BRIAN X. CHEN

Recently, as I was scrolling through my phone, I realized I was suffering from a new kind of fatigue: slop-induced burnout. Almost all the posts I was reading on social media were riddled with bullet points, emojis and em dashes. They clearly looked like the work of a chatbot.

This month, my suspicions were confirmed by a web tool that is getting buzz: Pangram, which uses artificial intelligence to detect when words were generated with chatbots. Users can simply paste in a block of text for Pangram to scan, and the tool calculates a percentage indicating how much of the text was churned out by a bot or written by a person.

I tested Pangram, which costs \$20 a month, for about a week and tried all sorts of experiments to challenge the system. I fed it personal essays alongside text generated with chatbots instructed to imitate my writing. I also uploaded social media posts from LinkedIn and Reddit that I suspected were A.I.-generated. In dozens of tests, the detector never failed at distinguishing slop from human writing.

Though Pangram is one of many A.I. detectors that have hit the market in recent years, the product stands out because of its accuracy. Pangram says its technology can accurately identify 9,999 out of 10,000 times whether text was A.I.-generated; an independent study by the University of Chicago also found that the tool was near-perfect with text. In contrast, past A.I. text scanners made glaring errors, including the misidentification of writing by famous authors like Charles Dickens.

At the rate that slop is proliferating on the web — some studies say 50 percent of online articles are now artificially generated — A.I. detectors could become the next staple app, akin to antivirus software, that people will need to shield themselves from phony, low-quality information online.

Technology for scanning A.I. content, however, still has a long way to go. Like other A.I. detectors, Pangram isn't very good at other jobs: identifying A.I.-generated images, which are a more potent medium for spreading misinformation online.

Here's what you need to know.

HOW A.I. DETECTION WORKS

In the same way that A.I. chatbots excel at analyzing patterns in our creations to replicate writing and imagery, detectors like Pangram analyze data collected from A.I. models to decipher the characteristics of A.I.-generated writing and pictures.

For detecting A.I. writing, the methodology is not as simple as looking for em dashes and bullet points. Every A.I. chatbot, such as Claude, ChatGPT and Gemini, follows a "decision tree," where each word chosen is a decision that leads to another, said Max Spero, a founder of Pangram. Accurate detection of A.I. writing is rooted in understanding how each A.I. model's decision tree works, which involves gathering an enormous amount of data on each model, he added.

"We're reverse-engineering their stylistic fingerprint," Mr. Spero said.

With A.I.-generated images, there are telltale signs, like textures inside pixels that look rough when they should be smooth, over-saturated colors or inconsistencies in lighting.

Some companies behind A.I. picture generators, including OpenAI, Anthropic and Google, also embed invisible fingerprints, known as watermarks, in an image's metadata, which can reveal to detectors that something is generated with A.I.

Watermarks are also coming soon to A.I.-produced writing. Anthropic announced last week that it planned to embed an invisible watermark in writing produced by its Claude chatbot to help people detect its A.I.-generated text. The move was a response to European Union regulations requiring transparency of A.I. content; other A.I. companies are expected to follow suit.

TESTING WORDS

I ran about 50 tests on Pangram's word detector. I tried pasting passages of my personal writing with some A.I.-generated sentences sandwiched in between. Pangram correctly detected that the prose was mostly human

generated and highlighted the few sentences that a chatbot had produced. I also tried the opposite: sprinkling some of my writing within paragraphs of A.I. slop. Again, Pangram correctly called out my writing as human and said the rest of it was A.I.

I tried uploading publicly available passages from Dickens. Pangram concluded they were 100 percent human-written.

I scanned a handful of LinkedIn posts that appeared to have been written by a machine. Pangram revealed that one tech worker had written the introductory sentence of his post but used A.I. to generate the rest. (I messaged the worker, who sheepishly confirmed this.) The experience felt empowering.

PICTURE IMPERFECT

I took a different approach to testing A.I. photo detection: I uploaded 20 A.I.-generated images that had been widely shared online and debunked by news outlets into Pangram and Hive Detect, a similar A.I. image detector. My sample size was small, but Pangram and Hive Detect failed so quickly that I didn't see a point in continuing. (My colleague Stuart Thompson did a more comprehensive test of A.I. image scanners this year.)

Hive Detect incorrectly identified eight of the A.I.-generated images as real, including a recent deepfake that made the actress Zendaya appear to be

pregnant, a picture of Senator Mitch McConnell at a hospital bed and a photo depicting a street sign in San Francisco that suggested it was OK to steal goods under \$950 from stores.

Pangram incorrectly identified two A.I. images, including the one of Mr. McConnell and the phony sign in San Francisco. But the tool also declined to scan four images that looked violent or were too low quality to make a guess.

Both detectors correctly flagged some famous faces, including a photo portraying the wedding of Zendaya and her "Spider-Man" co-star Tom Holland, a photo of President Trump holding a girl during his visit to China and a photo of the Clintons partying with Jeffrey Epstein.

Hive said that in some of my tests, such as the photo of Mr. McConnell, I may have scanned a copy of the image shared on social media lacking details of the original, which could lead to an incorrect result. My concern with this rationale is that by the time most people see A.I. slop online, the image is either a screenshot of the original or has been automatically shrunk down by the social media platform. If that's all it takes to thwart A.I. detectors, the technology is pretty unhelpful.

Mr. Spero of Pangram said he was surprised that his tool had failed to flag the image of Mr. McConnell but added that A.I. image detection was a new, unfinished feature for the product. In his company's tests of 43 A.I. images, he said, Pangram correctly identified 41.

THE BOTTOM LINE

Despite Pangram's issues with spotting A.I. imagery, its proficiency in detecting bot-produced words will make it very useful for sniffing out annoyances like A.I.-written email scams, phony online reviews and uninteresting LinkedIn posts.

A.I.-produced photos, which spread rapidly online, remain a much greater problem. Many Farid, a professor at Dartmouth in New Hampshire and a founder of GeoReal Security, a company that verifies the authenticity of digital content, said he had run his own quick experiment with Pangram's image scanner. He uploaded five A.I.-generated warning photos, and Pangram flagged three.

Dr. Farid said distinguishing fake and real photos was extremely hard because an image could be distorted and manipulated in many different ways. In his research, visual A.I. detectors generally were still too flawed.

For now, he suggested that people rely on trusted media outlets for real information.

"Stop getting your news from social media," Dr. Farid said. "An assumption that most of what you are seeing is likely is probably pretty good right now."



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EDITORIALS

Another millionaires tax referendum? We have some questions we'd rather ask Chicago voters

The Chicago Board of Education adopted a \$10 billion budget last month that banks on \$150 million in state funds that may never materialize. Now, school board members have placed two advisory questions on the November ballot aimed at putting pressure on city and state officials to pony up.

One question will ask voters whether they support a state-wide millionaires tax. A second question about imposing financial penalties on owners of vacant lots also was approved at an Aug. 13 meeting.

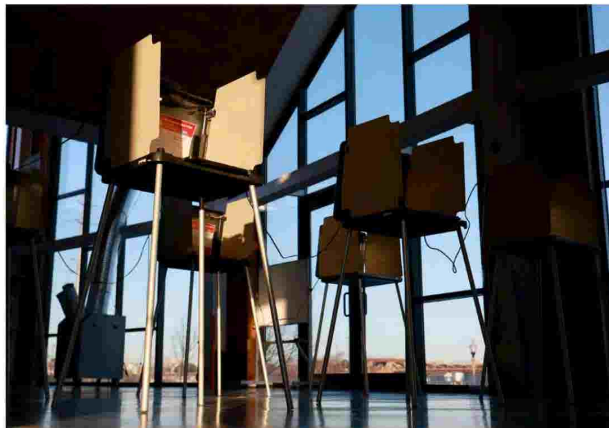
Nonbinding referenda, also referred to as advisory questions, have no legal weight and the outcomes don't change policy. But they do provide some value for voters and elected officials alike. For us regular folks, we get the opportunity to share our opinion on important issues. That sends a signal to the people calling the shots, helping inform policymaking.

But another millionaires tax referendum? We've been down this road before.

Springfield earlier this year considered putting a constitutional amendment for a millionaires tax on the November ballot and took a pass. There is little mystery about how Chicago would vote on a millionaires tax — it's popular here.

But it is hardly the only issue that matters to voters. You'd be hard-pressed to figure that out based on the ballot alone, and that's by design.

Government bodies can place authorized advisory questions on the ballot through a vote. If an ordinary person — or a group of concerned citizens — wanted the same opportunity to place a reasonable question before Chicago voters, Illinois law requires citizen petitioners to



An empty voting booth on March 17 at the Boathouse, Park #571 in Chicago. ANTONIO PEREZ/TRIBUNE

collect signatures equal to 8% of the votes cast for governor in the municipality in the preceding gubernatorial election. In Chicago, that's well over 50,000 signatures.

We understand that some signature threshold makes sense to weed out unserious questions, but the current rules present a formidable barrier for ordinary citizens and should be re-evaluated.

Wouldn't it be more useful to gauge the voting public's thoughts on important issues of the day?

Here are some of the questions that we think should be put to voters:

■ When Chicago faces a budget deficit, should city leaders be required to identify spending

reductions before proposing new taxes or fees?

Budget deficits are a perennial problem in Chicago (and Illinois), whether it's the school district or the city itself. Budget season brings with it the well-warranted concern that more tax hikes are on the horizon. That's not a healthy ecosystem for regular folks and businesses. We'd be interested to see where voters fall on this question, because we suspect many people would be motivated to send a message to officials that it's time to tighten the proverbial belt instead of constantly asking taxpayers for more.

■ Should Chicago be required to seek voter approval before increasing its property-tax levy

above the rate of inflation?

Just like budget season, property tax season comes with a near-guarantee that parts of the city will see their bills go up. Over the past three decades, total property tax levies in Cook County rose at roughly twice the pace of inflation and considerably more than average wages, according to research released in March by Cook County Treasurer Maria Pappas. Ouch.

■ Should Chicago reduce taxes, fees and regulatory barriers to encourage construction of more housing and help address the city's housing affordability problem?

Buyers and renters alike are struggling with housing costs, while Chicago isn't building

enough new homes to meet demand. If we need more housing, voters should be able to offer guidance on solutions that would encourage shovels in the ground.

■ Should Chicago Public Schools close or consolidate severely underenrolled schools and redirect the savings toward students in remaining schools?

Now here is a question whose answer we'd genuinely like to know. Chicago Public Schools has about 50 schools deemed "severely underutilized," meaning student enrollment is at 33% of capacity or less. That carries significant challenges not only for student well-being but also significant costs. The Civic Federation reported that the average per-student operating cost among severely underutilized high schools is nearly \$36,000 annually, \$12,338 more than is spent on average at efficient schools.

■ Should the state of Illinois be allowed to impose new mandates on Chicago without providing the money necessary to pay for them?

Unfunded mandates aggravate officials in nearly every city and village across the state. Especially in Chicago, where the city last year had to swallow a state pension-sweeter law that added more than \$11 billion to the city's preexisting mountain of pension liabilities. If Chicago school board members really want to send a message to Springfield, this is a good one to tackle.

We aren't suggesting we know how Chicagoans would answer all of these questions. That's precisely the point, and exactly why advisory questions exist in the first place. This tool should be used to tell politicians something they didn't already know, not used as a prop to rally support for something they've already decided.

Brandon Johnson does the right thing on pensions

We don't know if Chicago's current-year budget shortfall has changed appreciably from a month ago, when the city's chief financial officer at the time said the full advance pension payment that had been budgeted might not be made.

But it's good news nonetheless that Mayor Brandon Johnson last week assured bond investors that his administration indeed will follow through before the year is out.

It seems like Johnson and the City Council majority bloc that passed the 2026 budget over his

objections have been continuing to wage that battle ever since, it's because they have. One of the key areas of disagreement between the two sides was whether to continue to plow more than the minimum the law requires into the city's four dramatically underfunded pension funds, a practice begun under Mayor Lori Lightfoot.

Johnson last year initially proposed lowering the advance payment to \$121 million from about \$260 million the year before. But the council majority then on the full \$260 million. Then the administration made

just \$130 million of the budgeted \$260 million in January and said it would pay the remainder later in the year. So aldermanic opponents of the mayor reacted strongly when Steven Mahr, then Johnson's acting CFO, hedged last month on whether the city would make good.

Mahr left his post late last month, and his permanent replacement, former Fitch Ratings Senior Director Ashlee Gabrysch, starts later this month.

So the city's annual meeting with the investment community came at an inconvenient time

given the personnel upheaval on the fifth floor. Johnson, in his address, quickly ended the uncertainty, saying the city was only waiting for Cook County to distribute delayed property tax revenues to make the payment.

"Because of property tax delays from the county, it's a question of when, not if," he said.

Alders who pushed last year for the full amount weren't giving Johnson kudos. "It took sustained pressure from our coalition to move him to action," 39th Ward Ald. Samantha Nugent said in a statement. "That's not leadership.

It's catch-up."

We suspect she's correct. And it's a credit to that aldermanic bloc, which includes council members of all ethnicities from every side of the city, that it's hung together in the face of frequent mayoral criticism and pressure.

But the outcome still is positive and worthy of note. The last thing this administration should be doing at a time when Chicago's credit rating is hanging by a thread is give analysts more fodder for future downgrades to add to the four Johnson already has amassed on his three-year watch.

ON THIS DAY 6 YEARS AGO: FOXX'S TRAIL OF MANIPULATION IN SMOLLETT CASE

We don't know why Cook County State's Attorney Kim Foxx went to bat for TV actor Jussie Smollett. But now, with Monday's release of a damning statement from special prosecutor Dan Webb, we have an independent review examining how Foxx blew this case. She cut a special deal for a celebrity defendant and misled the public numerous times about her actions. Worse, she made a mockery of a prosecutor's supposedly equitable treatment of all defendants.

After investigating for nearly a year, Webb cleared Foxx and her office of potential criminal conduct and said he found no sign that anyone tried to improperly influence Foxx and her colleagues. ... Otherwise, we see confirmation of what we suspected at the time: the tale of a county prosecutor who cheated the public of a fair and just legal process and shredded her credibility in a failed effort to make a high-profile criminal case disappear.

Webb's statement, released ahead of a fuller report, blows holes in Foxx's defense. Webb doesn't cite mere mistakes or miscalculations. He lays out a pattern of lies, improper steps and evasions by Foxx's office that appear designed to get the result

for Smollett she wanted while shielding her office from criticism. ...

When Foxx dropped the charges, she bypassed familiar procedures and requirements by not requiring Smollett to admit guilt or pay a significant fine.

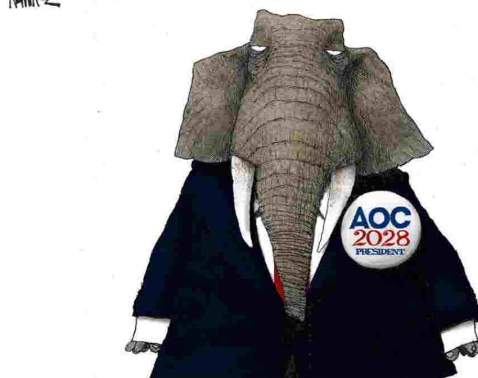
Other attorneys in the criminal justice system were shocked by the kid glove treatment, Webb found, considering that nothing had changed in the prosecution's case in the days after the indictments came down. Foxx's office provided no warning to the public, or the Chicago Police Department, that it was dropping the charges. ... The damage Foxx has done to her integrity and her office is real. How do citizens continue to trust what Kim Foxx says?

The people of Chicago and Cook County deserve a justice system that gives defendants equal treatment. Kim Foxx instead gave a sweet deal to a celebrity defendant charged with 16 felonies. Then she was untruthful about the path leading to that decision. That's the stark takeaway that everyone following this case should ponder. Did she forfeit the trust of Cook County residents? And for what?

Tribune editorial board,
Aug. 18, 2020

EDITORIAL CARTOON

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OPINION

Women's sports need more than fans. They need more players

By Lindsay Davenport
SPECIAL TO THE TRIBUNE

Women's sports have never been more popular with spectators. WNBA franchise valuations are soaring. The most recent March Madness and Winter Olympics both broke viewership records for women's events.

Participation among younger girls has surged in recent years — fueled by the visibility of megastars such as Simone Biles, Serena Williams and Caitlin Clark. But the opportunity now is to make that momentum last beyond adolescence, when school teams disappear and women lose the structures that made sports a regular part of their lives.

Too often, participation fades just as the lifelong benefits begin. According to the Centers for Disease Control and Prevention, nearly half of American women aren't getting enough leisure-time physical activity to meet basic health guidelines. And today, adult men are nearly twice as likely as women to have played a sport in the past year.

Women ought to be playing more sports because even just a couple of hours a week can provide significant benefits for physical health, mental health and overall well-being — and they're fun and social and can be played at any stage in life.

Sports are among the most effective forms of physical activity we have. A 25-year study by U.S. and Denmark researchers found that social sports such as tennis, badminton and soccer can add an average of nearly seven years of life expectancy to individuals' lives, compared to the life expectancy of their sedentary peers.

Even modest participation can have a measurable impact. Just three hours per week of racquet sports, for example, is associated with a 56% reduction in cardiovascular mortality and a 47% reduction in all-cause mortality.

Sports are one of the few activities that consistently combine exercise with built-in social interaction — two factors that are independently linked to better mental health.

Adults who participate in group sports report lower levels of stress, anxiety and depression over time. For women, who are diagnosed with depression at nearly twice



A Chicago Sky fan cheers during pregame activities at the WNBA All-Star Game at the United Center on July 25 in Chicago. JOHN J. KIM/TRIBUNE

the rate of men, those benefits are especially meaningful. A 2021 longitudinal study found that adults who belonged to a sport or exercise group reported significantly fewer symptoms of depression up to four years later.

Regular sports also build confidence. It may come as no surprise that 94% of women leaders in C-Suite roles played sports in college. Sports reward discipline, resilience, teamwork and strategic decision-making — even if it's just a couple of hours a week.

But the challenge isn't that women don't want to play. It's that once women leave organized sports, there are few obvious ways to return. Recreational leagues can be intimidating, are often male-dominated and require a level of skill too high for casual players.

Some sports lower those barriers more effectively than others. Tennis is one of them.

Women make up roughly 43% of all annual tennis players — one of the highest shares across popular sports — making it far more likely that a beginner can find a partner at a similar level.

It's also widely accessible: There are nearly 270,000 courts across the U.S., many of them public. The cost of entry is relatively low, too — a partner, a racquet, a handful of balls and access to a court are all that's needed to try it out.

Just as important, tennis is a sport people can play at any age. Unlike many high-impact team sports, it can be adapted to different fitness and ability levels, making it a practical long-term option for adults who want to stay active over decades.

It also bolsters community at almost any phase of life. A doubles group can become a landing place after a move, a weekly anchor amid a busy worklife or a new

social circle in retirement.

Tennis is a sport people tend to stick with. U.S. tennis participation has grown for six consecutive years, and more than 20 million players returned to the court in 2025 — evidence that once people start playing, most keep coming back.

And its health benefits might be part of the reason why. In the same long-term study, tennis was associated with a 97-year increase in life expectancy — nearly double the gain observed for many other forms of exercise. And with adult women making up roughly 80% of those with osteoporosis, tennis's natural weight-bearing style of play helps promote bone density, for early and late starters alike.

Tennis also delivers a holistic workout that is sustainable and, frankly, fun. One hour of tennis can burn from 500 to 800 calories — about the same as one hour of running on a treadmill.

And because the whole body is involved, tennis improves muscle composition, grip strength and coordination.

Women's sports shouldn't be thriving only in stadiums and on TV. As demand for jerseys and ticket prices rise, so should casual participation. And while tennis is hardly the only option, it delivers precisely what many adult women need more of: a sport that is accessible, social, physically sustainable and genuinely enjoyable.

Lindsay Davenport is a former world No. 1 on the WTA Tour, a three-time Grand Slam singles champion, a three-time major doubles champion and the 1996 women's singles Olympic gold medalist. Davenport, an International Tennis Hall of Famer, is the captain of the U.S. Billie Jean King Cup team and serves as a commentator and analyst for the Tennis Channel.

Lake swimming restores me. But a divide exists in Chicago

By Michael McColly
SPECIAL TO THE TRIBUNE

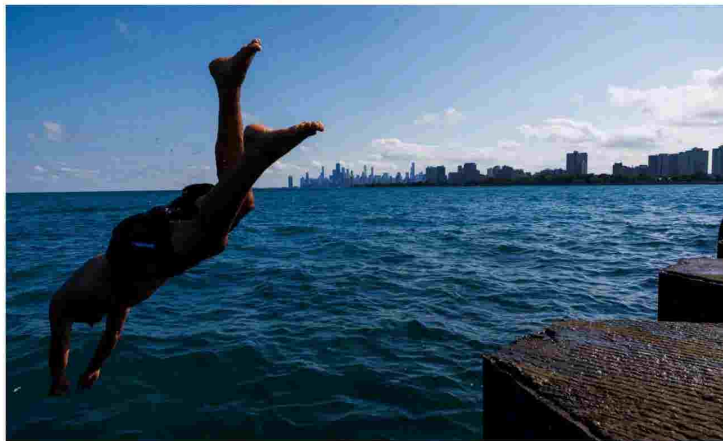
They often come to me on my swims along Chicago's lakefront, the memories of my parents teaching me to swim. As I tunneled through the calm morning water lapping the beaches of Rogers Park, it is as if my parents have returned to swim by my side, still needing to watch over me.

Though I learned to swim in the lakes and ponds of Indiana, it was here in Chicago where I became a lake swimmer, a member of a unique tribe for whom swimming is more than just an exercise. It is something closer to a spiritual practice, a ritual to observe in the sanctuary of Lake Michigan.

I remember the day I was initiated into this tribe. It was a late October afternoon while I was walking along the lakefront at Promontory Point in Hyde Park, stopping and staring at the lake, as I often did in those first months after moving to the South Side to attend divinity school. Well off shore, heads were bobbing in the undulating waves. I couldn't believe that anyone would be swimming in such cold water and so far out.

Alarmed, I looked around thinking I should alert someone and call the police. But slowly the four swimmers made their way in and hoisted themselves up onto the rocks. To my shock, they were not young. I watched them in awe towel off and dress, two sturdy women with thick arms and their partners, two husky men with gray hair sticking out of their broad happy chests. When I asked if the water was cold, a man dismissed my worry with a wave of his hand and proudly informed me, "Cold? Nah. Good for you!"

From the South Side to the North Side, from the beaches and concrete boardwalks between, I have taken refuge in this lake, swimming to think and not think, to escape and to remember, but mostly to be healed by the curative powers of this body of water the Ojibwa aptly named Michigami, or "great water," so great in fact that it is visible from the moon.



I am not alone among my tribe who swim to maintain their health and sanity. We who live with chronic conditions, suffer from trauma and work the steps of recovery, we swim to feel our agency, we swim to feel our joy and we swim to feel our bodies alive.

Exercise physiologists are discovering what swimmers have always known: Swimming, particularly in fresh water, is a perfect exercise with multiple benefits for the mind and body. Engaging almost every muscle in the body, swimming develops core strength and flexibility, expands lung capacity and respiration, enhances stamina and cardiovascular health, aids in the function of the immune system, helps in weight management and is easy on the joints. Swimming also reduces stress as rhythmic breathing and movement trigger the release of brain chemicals such as endorphins and dopamine, which provide a sense of euphoria and well-being.

But as summer brings domes of heat over this city of bricks and concrete, not all Chicagoans can find relief and pleasure in the cool waters of Lake Michigan or in the neighborhood pools far from the beaches. For most residents here as well as across the country, swimming is an exclusive type of recreation, not just because people don't know how to swim but because they have never had the opportunity to learn. Structural inequalities and socioeconomic factors continue to determine who can enjoy the benefits of recreational swimming and who cannot. And this explains part of the reason why swimming as a form of recreation is on the decline across the U.S.

According to surveys taken by the American Red Cross and the Centers for Disease Control and Prevention, well over half of adults in the US (56%) have never had formal swimming lessons and can't pass a basic skills test. For Black and Hispanics adults, the

percentage is much higher. There is a gender gap, too, with women less likely to have learned how to swim than men.

For many children in Chicago as well, swimming lessons are a luxury that their parents can't afford. In a study done by Lurie Children's Hospital a few years ago, researchers canvassed parents in all 77 neighborhoods and found that 46% of children had never been exposed to water safety or swimming lessons. This is a tragedy, as learning to swim for children not only aids in their physical and emotional development but is also a lifelong skill that will benefit them as well as their children in the years ahead. Moreover, with drowning deaths on the rise among those under the age of 19, at nearly 900 deaths every year, learning to swim can be a matter of life and death.

When I am not swimming in the lake, I join my fellow lap swimmers at the nearby YMCA. There, I have taught swimming to chil-

dren and adults. What joy there is in witnessing children learning to swim, their fears and struggling little bodies giving way to confidence and smoother strokes. But working with adults of every age, gender and body type, I was moved and inspired in ways I didn't expect. When a woman, who'd told me it had always been her dream to learn how to swim, finally made it across the pool by herself, her triumphant tears sent a shiver down my spine.

And while teaching swimmers to float, my hand holding them up, I realized I was passing on the lessons I had learned from my mother years ago in the shallows of an Indiana lake.

Michael McColly, a Chicagoan, is the author of the book "Walking Chicago's Coast: A 63-Mile Journey to the Indiana Dunes." He also is a former instructor in the creative writing graduate program at Northwestern University.

Sohibul Sky, 35, swims in Lake Michigan near Montrose Harbor on Aug. 28, 2025, in Chicago. ARMANDO L. SANCHEZ/CHICAGO TRIBUNE

OPINION

Israel can no longer deny the shift in US politics



Daniel DePetris

When an Israeli prime minister jets into Washington for a meeting with the president of the United States, the red carpet is typically rolled.

But when Israeli Prime Minister Benjamin Netanyahu visited President Donald Trump on July 29, that was not the welcome he received. Instead, the veteran pol, who was in town for U.S. Sen. Lindsey Graham's memorial service, kept his head down, afraid of further irking an American commander in chief who has often expressed displeasure toward Israeli policy in the Middle East.

This anecdote underscores a fact that is becoming increasingly undeniable for Israel: The country is no longer immune from criticism. Congressional candidates who in the past would have been ostracized as extremists for even suggesting a modest cut in U.S. military aid to Israel are now in the mainstream, ousting more establishment politicians in primary races. Progressive candidates in the Democratic Party have kicked out big-money incumbents in deep-blue New York City, Colorado and Michigan, where Abdul El-Sayed bested an opponent who had a much larger campaign war chest courtesy of the American Israel Public Affairs Committee, better known as AIPAC.

Even the Democratic political establishment is beginning to see which way the wind is blowing. Senate Minority Leader Chuck Schumer, one of the most stalwart allies of the Jewish state in Congress, lambasted Netanyahu on the Senate floor during a March 2024 speech and encouraged Israelis to elect a new government. Rahm Emanuel, a former congressman, White House chief of staff and mayor of Chicago, made a stop at Tel Aviv University in July to excoriate Netanyahu for turning Israel into an international outcast.

The politicians are not leading the way here. Rather, they're merely following where the American electorate is trending. If the polls are any indication, Americans in general are disgusted with Washington's Israel policy. There is a significant shift away from the unconditional support U.S.



Israeli Prime Minister Benjamin Netanyahu, left, and CIA Director John Ratcliffe arrive for the funeral of Sen. Lindsey Graham, R-S.C., at Washington National Cathedral on July 28. ALEX BRANDON/AP

administrations of both political parties have offered Israel since its founding in 1948. One July survey from the AP-NORC Center for Public Affairs Research finds that 58% of Democrats, including 51% of Jewish Democrats, believe the U.S. is too supportive of Israel — up 13 percentage points from January 2024. Asked by Quinnipiac University whether the U.S. was giving Israel too much support, 48% of Americans replied in the affirmative, the highest number since the question was asked nearly a decade ago. Netanyahu is particularly loathed; nearly half of Americans believe he should be arrested on war crime charges if he entered the United States.

Netanyahu may take comfort in the fact that it's just Democrats souring on Israel rather than America's two-party system writ large. However, though the Republican Party remains highly sympathetic toward Israel, even this support isn't as monolithic as it may seem. The generational divide within Trump's MAGA movement is notable. In total, only 11% of Trump voters view the U.S.

as too closely aligned with Israel's current government. Yet for those below the age of 35, the figure nearly triples to 32%.

The Trump administration, of course, continues to argue that Israel has no greater friend than the current occupant of the Oval Office. But sometimes being a friend means speaking hard truths when Israeli policy goes astray or outright jeopardizes what Washington seeks to achieve in the Middle East.

In terms of rhetoric, one can make an argument that Trump is far tougher on the Israelis than Joe Biden ever was. When in September Israel tried to assassinate a top Hamas official in Qatar, the country that was mediating talks to end the war in Gaza, Trump rightly condemned the attack, scolded Netanyahu for his stupidity and forced him to apologize to Qatari Prime Minister Sheikh Mohammed bin Abdulrahman Al Thani when the Israeli premier was in the White House. This June, when the Israeli air force bombed Beirut and risked collapsing Washington's peace talks with Iran, Trump

called Netanyahu and screamed at him.

Vice President JD Vance, a prospective 2028 Republican presidential candidate, has gone even further than Trump at times by alleging publicly that Netanyahu's government is deliberately trying to torpedo the Trump administration's diplomatic efforts in the Middle East. He's onto something. When Trump signed the memorandum of understanding with Iran, right-wing allies of the Israeli government took to the airwaves to ridicule the Americans for lifting sanctions on the Iranian oil industry and potentially unlocking billions of dollars in Iranian assets. Vance didn't appreciate the noise and took to Joe Rogan's podcast to wave his finger.

"There are some people within their system, we know beyond a shadow of a doubt, who are manipulating and trying to change American public opinion to keep the war going on indefinitely," Vance said.

Vance has had a consistent rejoinder far those in Israel who continue to oppose the admin-

istration's negotiations with Tehran: If you don't have a workable alternative, then stop talking.

None of this is to suggest the U.S.-Israel relationship is in danger of a complete rupture. The Democratic Socialists of America may be on the upswing, but that organization's position on Israel — in effect treating it as a revisionist state a la North Korea — still holds little traction on Capitol Hill.

However, the frequent U.S. military supplemental packages for Israel, the \$3.8 billion a year in U.S. defense aid to the Israeli armed forces and the unflinching U.S. diplomatic endorsement of whatever Israel chooses to do in the Middle East are now the politics and policy of yesterday. Anybody hoping that a Netanyahu defeat in October and the emergence of a less controversial successor will reset the table is likely fooling themselves.

The U.S.-Israel relationship is bound to be normal rather than extraordinary. Get used to it.

Daniel DePetris is a fellow at Defense Priorities and a foreign affairs columnist for the Tribune.

Voice of the People

I may move on from Bears

For 20 years, I've followed the Chicago Bears, with only seven winning seasons to show for it. During that same period, a neighboring team, whose name I shall not mention, enjoyed 20 winning seasons, playing in the same weather. But I stuck with the Bears, not based on winning seasons, but because of good memories (especially the Dennis Green rant) and with hopes for the future.

That's why I am disappointed by the Bears management's arrogance in the new stadium location search, playing one site against the other. The priority was to determine which package of incentives contributed to the best bottom line for the team, without considering the fans, who buy tickets and watch games.

And I am angered by George McCaskey's recent comment that Bears fans need to make an adjustment to the Indiana stadium location. I've commuted to that area and don't think that it is a good location for entertainment venues.

I know that players and sometimes teams move. I remember the Browns, Rams, Titans, Raiders and, yes, the Colts. There are other winning football teams to follow.

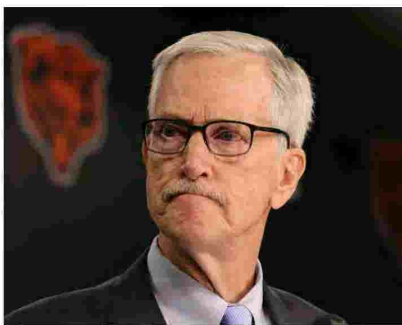
I might move on, and yes, I'll adjust.

— Alan McCurdy, South Elgin

Let Bears go to Indiana

Professional sports teams and their owners are worth billions of dollars, with the net value of the Chicago Bears and the McCaskey family valued at \$8.2 billion and \$1.2 billion, respectively. Yet they have petitioned the state and city to foot the bill for their proposed stadium. Why can't they foot the bill? I'm sure they would get tax breaks from the state.

But think about it. When they remodeled Soldier Field, they picked out the design (a bad one), and they could have made changes to keep up with the times, and they could have put a dome on the stadium. But no, they'd rather cry about the costs, which they



Bears Chairman George McCaskey speaks Thursday during training camp at Halas Hall in Lake Forest. BRIAN CASSELLA/CHICAGO TRIBUNE

could foot easily.

When the Cubs and the Ricketts family asked for money from the state and city, they were told no. Yet, they have made changes to Wrigley Field on their own. Why can't the Bears do that?

If they want to move to Indiana so badly, they should lose the right to keep "Chicago" in their name. Perhaps the Hammond Hoosiers would be more appropriate.

— Janice A. Wachtler, Chicago

Tired of drama and greed

Am I the only person who thinks the McCaskey family and Bears President and CEO Kevin Warren should end this charade of a negotiation and move their beloved Bears to Hammond? Like many in the Chicago metropolitan area, I am tired of the drama and the greed.

Many NFL team owners pay for their own stadiums and leave the taxpayers out of the equation. The McCaskeys, unfortunately, seem to think that every Chicago and Illinois resident need the Bears here to survive. In a time when many citizens are just trying to make ends meet to pay their bills, provide for their children and put food on the table, the last thing

they care about is the greed of an NFL franchise.

As soon as the "Chicago" Bears leave Chicago for Hammond, a countdown will begin for the next NFL franchise to relocate to Chicago. Remember the Baltimore Colts' move to Indianapolis under the cover of darkness? Later, the Baltimore Ravens were born. There were the Oakland Raiders, then the Los Angeles Raiders, then the Oakland Raiders and now the Las Vegas Raiders. The Chargers left San Diego for L.A.

Trust me, Chicagoans, there are many NFL franchises that would love the fanbase in Chicago and be more than willing to play in Soldier Field while personally financing the construction of a new state-of-the-art stadium. The McCaskey family is just not one of them.

The McCaskeys say they want to improve the fan experience. That is a cop-out. What they want is to fleece their most loyal fans — first in tax guarantees from the state, which the residents will ultimately pay for, and second, to increase the price of a ticket.

Now I hope the Bears succeed as a team. The players are not

responsible for the whims of their ownership. They're paid to play the game and not get involved in ownership decisions. But ponder this: If the Bears move to Hammond and win a Super Bowl while they're there, that Super Bowl parade will be quite a spectacle in the downtown streets of Hammond. That's when the governor of Illinois and the mayor of Chicago will get the last laugh.

Our downtown streets are only for Chicago teams who play in Chicago. Go figure.

— Mark Zavagnin, La Grange Park

Let's just annex Hammond

How do Chicago and Illinois solve the Chicago Bears problem? Illinois first annexes Hammond, then allows Southern Illinois to be annexed by Indiana, and everybody will be happy. The Bears will still be the Chicago Bears, and Southern Illinois will not have its tax dollars go to supporting Chicago.

— Jerome C. Malon, Chicago

Donation to Northwestern

The print headline "A broken system" for the editorial on failed Illinois government rules against harassment appeared at the top of the Aug. 16 Opinion section front page. The words could just as well served as a headline for one of the Quotes of the Week at the bottom of the page, specifically the quote by Liz and Dick Uihlein who donated \$35 million to Northwestern's football program. To wit: "To us, Northwestern University is Chicago. Chicago loves sports and we need Wildcat Football to be competitive. We are pleased to support the university as it enters an exciting new era."

For Northwestern to be competitive in today's professionalized college sports business, the Uihleins' gift will not only be used to recruit for-hire college athletes,

but will also help perpetuate the myth of student athletes that degrades academic integrity.

Unfortunately, the implementation of this extraordinary gift will not enhance but will likely detract from Northwestern's reputation as a world-class academic university.

— Frank G. Spitt, former Northwestern University faculty fellow, Mount Prospect

Fighter jets as entertainment

I live in an old house directly under the flight path used by the jets performing for the Chicago Air & Water Show. When my windows rattle and my house shakes as they pass overhead, I can't shake this thought: Anywhere else in the world, that deafening roar would announce that hellfire was about to rain down on all those hearing it.

It most certainly was the last sound more than 100 Iranian schoolchildren heard before they were incinerated in February. Including these high-tech killing machines in the air show — as entertainment for public consumption — is as obscene a statement as our government could possibly make.

— Richard Wetzel, Chicago

What bus riders showed me

Friday evening, after enjoying the music of the Grant Park Music Festival, I boarded a bus to return home. While I was reaching to pull down a seat, the bus lurched, and I lost my balance. Immediately, other riders steadied me and helped me sit down. None of these people questioned whether I was right- or left-leaning, rich or poor, or Black or white, but saw me only as a person who needed a hand.

Chicago is touted as the city that works, but I prefer to think of it as a city that cares.

Thank you, Chicago.

— Mary Ann McGinley, Wilmette

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EDITORIAL

Xi Jinping tribute to Jiang Zemin reinforces unity

President Xi Jinping's tribute to former Chinese leader Jiang Zemin on the centenary of his birth, during a commemoration ceremony in the Great Hall of the People, was more than him paying his respects to a predecessor he had previously hailed as an "outstanding leader" of the nation. It can also be seen against the backdrop of a crucial year in the run-up to the Communist Party's 21st national congress, with a new line-up for some key leadership positions expected, as well as a period of intense rivalry with the United States. By honouring Jiang, Xi used the occasion to highlight party unity and continuity of party policy.

Xi led the commemoration with a 40-minute address to officials and delegates from various sectors at a ceremony that highlighted Jiang's contribution to the party and the country. Jiang's leadership during difficult times, such as the post-1989 political turmoil, the collapse of the Soviet Union and the Asian financial crisis, his steadfast support for anti-corruption efforts and his astute assessment of complex internal and external challenges all mean a lot to the current leadership. The collapse of the Soviet bloc in 1991 was a major challenge, leaving China one of the few major socialist countries in the world. It took a lot of self-belief and conviction to keep the party united and strong.

Times change, and so have the challenges facing China and its leaders. By commemorating Jiang, Xi is sending a strong signal that China's reform will continue. Nothing will change the Communist Party's deep confidence in adhering to the socialist path and its determination to make China a strong nation, which is what Jiang tried hard to do.

Xi cited a long list of Jiang's achievements, from political loyalty to the party to economic development, foreign policy and defence policy. It echoed the speech delivered at Jiang's funeral in December 2022, when Xi described him as "a great Marxist, a great proletarian revolutionary, statesman, military strategist and diplomat, a long-tested communist fighter, and an outstanding leader of the great cause of socialism with Chinese characteristics".

The theme of continuity was palpable. In his speech yesterday, Xi praised Jiang specifically for managing major risks to the country, including political and economic challenges and natural disasters. He singled out his management of the Asian financial crisis and massive flooding in 1998. He also praised the former leader for recognising the "strategic opportunity period" for China following the country's accession to the World Trade Organization, and for his tough stance against Taiwan independence.

Xi shares Jiang's unwavering belief in the cause of the party. It was during the collapse of the Soviet Union, when there was a tendency internationally to consign communism to the dustbin of history, that Jiang is credited with one of his major achievements. He realised that if a country of China's size, scale and history followed a short-sighted path and fell into chaos, all efforts up to that point would be wasted.

It was most important for the party to keep the country focused and stable, resist engagement in ideological debate and to be very committed to national development. For political survival, the party's policies had to benefit the majority of people through understanding their needs and delivering results. If not, leaders needed to admit mistakes and change course. Over the past 40 years, that is what the Communist Party has been doing. And that is why today its status as the only ruling party in China has been further enhanced and enjoys wide support.

Jiang often projected a friendly, liberal image but remained very firm in defending the national interest and safeguarding China's unity. His wisdom and diplomatic skills in boosting China's global image amid a complex international environment still matter to today's leadership.

His oversight of Hong Kong's and Macau's return to Chinese sovereignty and upholding of "one country, two systems" was testament to that.

Jiang's unwavering belief in the party's cause, decisiveness on key issues and major threats, and commitment to national unity are also hallmarks of Xi's leadership. In this regard, the commemoration reinforces the message of national unity and discipline, and rallies, motivates and mobilises party members ahead of the party congress and beyond.

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Space race needs to find room for failure

Does Beijing have adequate time to investigate the year's fourth rocket malfunction or will the backlog of delayed orbital missions force a rapid return to service?

There is something about the speed of consensus on China's rocket failures that should give us pause. Within hours of Long March-7A rocket's disintegration over the South China Sea on August 10, trade reports were pointing to an engine as the likely culprit. The China Aerospace Science and Technology Corporation (CASC) had said nothing of the kind. A Xinhua report about three hours after the launch described only "a flight anomaly" and an investigation under way.

The cause is unknown, yet explanations are fast becoming a story of their own.

Neither of the two explanations in circulation has official backing. One points to the YF-100, the kerosene-oxygen engine that powers the 7A rocket's first stage and four boosters. The engine is also used for the Long March 5, 6, 6A and 8, as well as the newer 10 and 12. The other explanation points to a possible structural failure near Max-Q, the point during ascent when the rocket faces its highest aerodynamic stress. Independent space flight trackers reached this view after studying the launch footage frame by frame.

Some trackers argue that the brief engine anomaly, seen before the break-up, happened too quickly to explain what followed. Others think an engine problem could have triggered a structural failure under heavy aerodynamic loads. But these are arguments and observations derived from the footage, rather than a confirmed finding.

Still, both explanations start with the same fact: the failure happened about 65 seconds after launch, during the burn of the first stage and four boosters.

That was well before the firing of the third stage, which uses the YF-75 engine involved in the Long March-3B failure in January. Both failures involved different parts of the rocket. The 3B failure involved the YF-75 upper stage. The 7A failure happened during the first-stage and booster burn. There is no evidence that both failures share a cause.

The 7A's only other failure came on its 2020 debut, also during the early part of the flight. It was later linked to a liquid-oxygen flow problem in a booster engine, although the exact cause was never independently confirmed. That both failures happened during the early part of the flight does not mean they had the same cause.

China's rocket failure in January this year destroyed the experimental satellite Shijian-32 and led to the grounding of both the 3B and 7A rockets, because they use the same YF-75 upper stage. That grounding lasted about five months. It delayed several high-orbit missions, including payloads whose schedules are not fully public. After which, the 3B returned to flight on June 16, and the 7A followed a week later.

“If this one runs that long, something on the 2026 manifest will have to wait”

From there, the pace picked up. The 7A flew its 16th mission that week, its 17th on July 29, and its 18th, the one that ended in fire, on August 10. Three launches in seven weeks, after a five-month stand-down, is striking. It suggests pressure to recover lost time, even if the exact reasons for that pace are not known.

China targets around 140 orbital launches this year, up by about half from last year. By the time of the accident, the country had made 56 attempts so far this year and lost four vehicles, well above the two losses last year.

January cost two rockets within 12 hours of each other, a Long March 3B and a debut commercial rocket, Galactic Energy's Ceres-2.

April cost a third, when Space Pioneer's Tianlong-3 failed on debut, in an engine-bay explosion 33 seconds into flight. These are different companies, different engines and different programme entirely. Putting all these failures down as a trend simply because they happened in the same year risks confusing different problems.

Whether any of this touches Chang'e-7, the lunar lander stacked on a Long March 5 rocket at the Wenchang Space Launch Site, is still unclear. The Long March 5's boosters also use the YF-100, which is why the latest 7A failure has raised questions about Chang'e-7. But a shared engine does not mean the Long March 5 will be grounded. Everything depends on what the investigation finds.

Blaine Curcio, who tracks China's space sector at Orbital Gateway Consulting, calls the damage "limited" and does not expect it to affect Chang'e-7's schedule, since the 7A plays a relatively narrow role in China's overall launch mix. He may be right. But nobody outside the investigation can know yet.

What we do know is simpler. After five months on the ground, the 7A returned to a busy launch schedule while delayed missions were still waiting to fly.

That raises a straightforward question for the CASC and outside observers alike. Does a 140-launch target leave enough room for a full investigation, or does the schedule depend on rockets returning to service quickly? The 3B's five-month grounding and the 7A's year-long review after 2020 suggest investigations often take longer than launch schedules would like.

If this one runs that long, something on the 2026 manifest will have to wait. Whether the CASC lets that happen, or moves the fleet again before the investigation is done, will say more about the programme than whatever caused the failure.

Tang Meng Kit is a Singaporean freelance analyst and commentator who works as an aerospace engineer



Tang Meng Kit

Long March can teach resilience

President Xi Jinping has described the spirit of the Long March as "a vivid reflection of the revolutionary character of the members of the Communist Party of China", thereby summing up the nation's resilience.

National education for Hong Kong youth currently depends on classroom instruction. Although textbooks deliver fundamental knowledge, students' comprehension might remain fragmented and abstract. They might encounter statements such as "the Red Army fears not the trials of the Long March" and learn about key events, yet they might not understand the sacrifice and perseverance involved.

Immersive study tours can bridge the gap between theoretical knowledge and practical experience. By visiting sites of revolutionary significance and

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engaging with local communities, students can cultivate a more profound understanding of the Long March and its associated values.

Four areas warrant particular focus. First, study tours should pursue three complementary objectives: knowledge acquisition, emotional engagement and value formation. The design could concentrate on site instruction at revolutionary heritage sites. Comparing revolutionary base sites of the past and their contemporary development can help students understand the nation's progression from hardship to renewal.

Second, patriotic education is most effective when it aligns with students' cognitive and emotional development. Therefore, the implementation of a tiered study-tour system is recommended. Students should be placed in programmes designed for their particular age group.

Third, to prevent the risk of study tours transforming into mere sightseeing trips, it is crucial that educational activities continue before, during and after the journey. Finally, consistent institutional support is crucial for the success of regular Long March study tours. The Hong Kong government should

coordinate efforts among district committees, district-level organisations and care teams while fostering close collaboration with educational institutions, youth organisations and mainland study tour providers.

As the 90th anniversary of the Long March is being commemorated, it remains a source of inspiration. Retracing the Long March can help Hong Kong youth understand the nation's history and clarify their responsibilities to Hong Kong and the country, so they may contribute to Hong Kong's development and support national modernisation.

Ray Gai, member of the Shandong Provincial Committee of the Chinese People's Political Consultative Conference and vice-chairman of Sham Shui Po West District Committee

Why social media ban is essential

I support a social media ban for those under 16 ("Addiction is irreversible": Hong Kong urged to ban under-16s from social media", August 8).

One only has to watch *Adolescence*, the cautionary tale about getting teens off social media, to feel the need for such legislation.

Puberty is a transformative time, marked by rapid physical and emotional changes. While it can be exciting, it often comes with its own set of challenges. Common problems teens face include bullying, negative self-image and peer pressure, all of which could be compounded by the use of social media platforms.

Those who argue that teenagers should be taught to use social media responsibly instead of avoiding them are missing the point. Algorithms are what keep social media platforms popular.

Toxic content is fed to teens on a regular basis on such platforms, potentially influencing real-life decisions and desensitising them to violence and inappropriate material. Prolonged exposure to such material could harm their mental health.

Can education alone turn the tide of the negativity fed to impressionable young minds?

Jason Tang, Tin Shui Wai

Politeness makes a beautiful city

Your correspondent proposed a "beautiful Hong Kong" campaign ("Towards a beautiful and clean Hong Kong", August 1).

To lay the foundation for such a campaign, we should start with beautiful minds.

Public education efforts should pervade television and other media and reach every household and demographic, so people know to always behave appropriately, politely and respectfully in public areas, our society continues to evolve and everyone becomes more considerate.

Bad habits can be hard to break. We could take a page from the strict smoking ban. Penalties and public awareness would help rein in the black sheep, as a glimmering new Hong Kong awaits on the horizon.

Edmond Pang, Fanling



A scene from a short play on the Long March staged recently in Jiangxi.

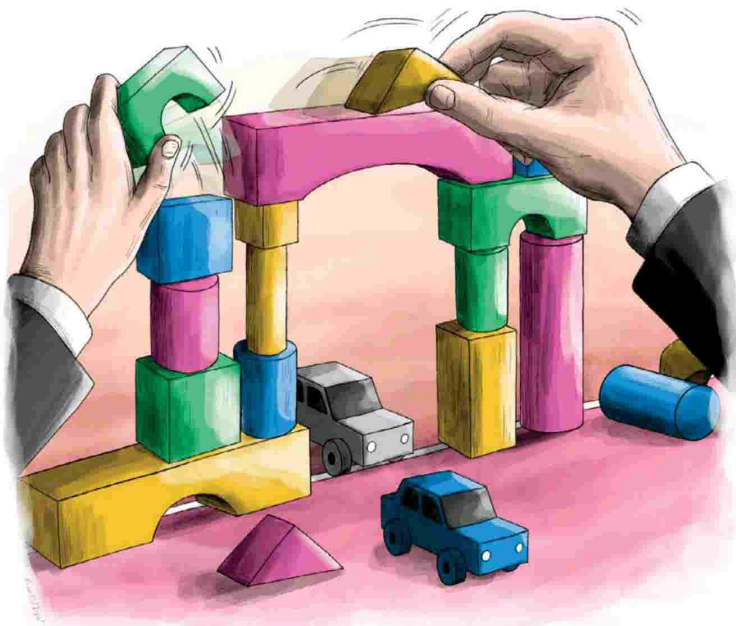


Illustration: Lau Ka-kuen

Huanggang Port sets path for future travel

Beyond faster clearance, the newly revamped Hong Kong-Shenzhen crossing point shows that borders are evolving, flexible systems, not just physical structures

The much-anticipated revamped Huanggang Port, expected to open later this year, should be seen as more than a story about faster clearance. Its deeper significance lies in a question that deserves wider discussion: if border functions can be redesigned, where should border control actually operate?

Living in the Greater Bay Area, where people and businesses move across administrative boundaries every day, I have watched the meaning of borders change. A border is no longer simply a line separating two places. It is also a system of procedures, facilities and decisions that shapes how people, vehicles and goods move.

The previous generation of border crossings was built around separation. Travellers passed through one checkpoint on one side and then moved to another checkpoint on the other side. The physical boundary and the location of border procedures were closely connected.

West Kowloon Station offered an early example of a different approach. When the high-speed rail link opened in 2018, mainland immigration and customs facilities were introduced inside a railway station located in the centre of Hong Kong.

A border function that traditionally existed at the edge of a city was brought into one of its busiest urban transport facilities.

The debate at the time was not simply about convenience. It reflected deeper questions about how a city should balance connectivity, jurisdiction and territorial boundaries. After years of operation, the station has provided practical experience in how different border systems can function within a shared transport environment.

The new Huanggang Port border crossing represents another step in this evolution. Unlike the previous arrangement, where travellers moved between separate checkpoints on the Hong Kong and Shenzhen sides of the boundary, the new port brings both sides' clearance facilities into a single building in Shenzhen.

Hong Kong's border control functions will be housed inside a facility in Shenzhen, rather than at the traditional boundary line itself. The boundary itself has not moved. What has changed is where and how its functions are organised.

This is the deeper significance of the arrangement. The reduction in

clearance time from around 30 minutes to an expected five minutes is only the visible result. The more important change is conceptual: border management does not have to follow a fixed spatial model.

Border functions can be reorganised when neighbouring cities cooperate and when infrastructure is designed around the way people actually travel.

Taken together, West Kowloon and Huanggang suggest a different way of thinking about borders. The next question is how far this thinking can go.

The Hong Kong-Zhuhai-Macau Bridge provides a more complex test. Unlike a railway station or a land port, the bridge connects three cities and serves different types of users and vehicles.

Having crossed it several times, I have noticed the bridge itself rarely feels like the main obstacle. The pressure appears when vehicles arrive at border facilities, where different procedures converge and need to be completed at the same location.

West Kowloon and Huanggang suggest a different way of thinking about borders

The bridge itself can carry substantial traffic, but border facilities at the entry and exit points can become bottlenecks where movement is interrupted.

The experience of West Kowloon and Huanggang suggests another possibility. If border functions have already moved beyond the traditional boundary line into railway stations and urban buildings, they might not necessarily need to remain tied to a single checkpoint in the future.

Many Hong Kong private cars travelling north across the bridge are not heading to Zhuhai itself. They continue towards other destinations on the mainland highway network.

With advance declarations, digital monitoring and risk-based management, it is worth exploring whether some border procedures could be organised at different

stages of a journey, including designated locations along the transport network, rather than requiring every vehicle to complete every process at one location.

The point is not that every vehicle should be checked elsewhere, and neither does it mean reducing the importance of border controls.

Different jurisdictions will continue to have different responsibilities. The broader question is whether border management should remain tied to a single physical point, or whether it can become a more flexible system designed around actual patterns of movement.

In many ways, this is a question closely connected to Hong Kong's own experience. For decades, Hong Kong's competitiveness has depended on its ability to connect with the world while managing one of Asia's busiest international gateways.

As a global city known for its openness and extensive international connections, Hong Kong has accumulated considerable experience in managing the movement of people, capital and ideas across borders.

Greater connectivity with Greater Bay Area cities does not diminish this identity. It expands Hong Kong's economic hinterland and strengthens the foundations on which the city's future depends.

In an era when borders are often associated with restriction and control, Hong Kong's experience suggests that effective border management is not necessarily about making movement harder. It is about designing systems that allow openness and security to work together.

Huanggang's importance is therefore not only that it will make crossing easier. It offers a reminder that borders are not just physical structures – they are systems that can evolve.

As the Greater Bay Area becomes increasingly connected, Hong Kong's challenge is to keep rethinking where border functions work best and how they can support the next stage of regional exchange.

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Hu Chao

It will be close to impossible to force people to 'uninstall' open-weight model apps

US is arguing over the wrong AI obstacle

Restricting access to American frontier models is no defence against open-source Chinese rivals

Last month, two Chinese companies released artificial intelligence models most people outside the industry know little about: Kimi K3 by Moonshot AI and Qwen3.8-Max by Alibaba Group Holding (which owns the South China Morning Post). The markets reacted even before publicly auditable evidence about the performance claims – detailed benchmark table, model card and licence – was made fully available.

In the weeks that followed, global chip stocks shed about US\$3 trillion in market value.

That reaction, rather than the models, is the story. Obviously, nobody was repricing Chinese engineering – the benchmarks were not yet verified. What was being repriced was scarcity: the long-held assumption that the most capable systems would remain expensive, American and controllable. Portfolios had been built on that assumption. It is worth less than it was.

Washington's instinct is to tighten: restrict access, extend export controls, build the wall higher. Nvidia CEO Jensen Huang has long been arguing the reverse, that America's real danger is not runaway machines but a failure to diffuse its technology broadly and maintain an American AI technology stack globally. He is right, though it is worth remembering he sells the shovels.

The restrictionists believe American advantage can be preserved by denial. The accelerationists believe it is being smothered by regulation. Both camps are arguing about the wrong obstacle.

There is very little regulation to blame. The United States has no comprehensive federal AI statute, despite the recent push to create a self-regulatory body in the style of the Financial Industry Regulatory Authority for frontier and AI models. Almost nothing is stopping an American hospital, insurer or car plant from deploying these systems.

They are not, and the reasons are too dull to make headlines. Patient records that cannot be transferred between two departments within the same hospital. Procurement cycles measured in quarters. Compliance teams with the authority to refuse and no mandate to approve. A radiologist who will not sign off on a scan flagged by a system no regulator has certified. Middle managers asked to automate the work that justifies their headcount.

None of this is a technology problem. All of it is a management problem, and no export control will fix it.

Economic history is unsparring. Electricity reached American factories in the 1890s but barely moved productivity for decades because the gains arrived only when plants were rebuilt around it – machinery rearranged, workflow redesigned, the old drive shaft torn out.

Computing repeated the lag a century later, a phenomenon remembered as the Solow productivity paradox. General-purpose technologies pay out when institutions reorganise themselves, not when the invention lands.

Which is why cheap models that can be easily replicated matter far beyond Washington and Beijing. A mid-sized manufacturer in Baden-Württemberg, a bank in Jakarta, an asset manager in Hong Kong: none of them needs to buy access to a frontier closed-weight American AI model. They can download an

open-weight Chinese one, run it on their servers and keep their data at home. For most of the world, the question is no longer which model to license, but whose to build on.

That is a commercial opportunity and a strategic problem. Every institution that builds on Chinese open models inherits Chinese design choices and, in time, Chinese standards. Washington cannot answer that by making American systems harder to obtain. Scarcity is what sent those users elsewhere. Lastly, it will be close to impossible to force people to "uninstall" open-weight model apps.

The useful policy questions are therefore narrow and boring. Can a public hospital buy an AI system in under a year? Do federal agencies hold data clean enough to use one? Is there a national standard for validating a clinical or credit model, so that adopting it is a defensible decision rather than a career risk?

Targeted controls on the most sensitive chips have a place. Blanket containment does not, and it buys time nobody is using.

Doom scenarios and export bans are arguments about who builds the most powerful system. That was never the contest that decided national advantage. Britain did not lead the Industrial Revolution because it invented the steam engine; it led because it rebuilt its economy around it. The advantage will go to whichever society reorganises itself around these machines fastest – the country that invented them has no particular head start.

We like to remind ourselves AI was invented to expand human capabilities, not to restrict us. AI models will never be completely free. Let us at least make it open.

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