



Drawing lines

India and China must be transparent about the talks on boundary dispute

Following Tuesday's talks between the Special Representatives (SRs) on the boundary question, India and China have agreed to substantial outcomes on managing the disputed border. According to an eight-point consensus released on Wednesday, both countries have agreed to advance discussions on "an early and substantial harvest of boundary delimitation". They have agreed to hold next month a meeting of an expert-level mechanism on trans-border rivers and to maintain communication on sharing hydrological data, which India has been pushing for. Two additional meeting points to hold talks between top military commanders will be set up, along with two new channels of hot-lines in the Eastern and Middle Sectors. National Security Adviser Ajit Doval and China's Foreign Minister Wang Yi reaffirmed the efforts taken over the past two years to keep the peace along the Line of Actual Control, and committed to continuing the on-going normalisation in relations. That the NSA's visit to Beijing took place before India hosts the BRICS Summit, on September 12, underlined both sides' keenness to continue with this process of re-engagement, with the expected visit of Chinese President Xi Jinping after a gap of seven years. An October 2024 meeting between Prime Minister Narendra Modi and Mr. Xi kick-started this calibrated effort towards normalcy, and a 2025 meeting in Tianjin helped continue the momentum. It is apparent that both sides see continued engagement at the highest level as key to sustaining this process of normalisation.

The dual tracks of the SR meetings and the Working Mechanism for Consultation and Coordination on border affairs, a body comprising diplomats and military officials, have worked well towards keeping the borders generally stable over the past two years. The latest outcomes will certainly help in keeping the peace. Less clear is how both sides intend to take up the task of border delimitation. Neither side has explained which parts of the border they plan to delimit, or whether they are reconsidering the 2005 agreement on Political Parameters and Guiding Principles, under which the SRs were tasked with first agreeing a framework to settle the boundary. While both sides in Beijing reaffirmed the 2005 agreement, Article 10 of its text notes that it is only on the basis of the framework that both sides can delineate the boundary. Tangible progress on the border dispute must certainly be welcomed. However, agreements made without public visibility, notwithstanding their merit, may invite suspicion. As India and China continue negotiating their long-running boundary question, it is imperative that they bring their publics along.

Grounded

Chennai needs more runways, not just new terminals

The Tamilaga Vettir Kazhagam (TVK)-led government, in dropping the ₹27,400-crore greenfield airport project at Parandur near Chennai, appears to have considered the opposition to the project without weighing the consequences. The decision follows an electoral promise made by Chief Minister C. Joseph Vijay, who had visited the protesters in January 2025 to express his solidarity. The government says the move is aimed at protecting the interests of farmers and local residents. It has also cited the presence of waterbodies and has alleged commercial motives behind the site selection under the previous DMK government. Notwithstanding these official reasons, all valid to varying degrees, it became clear from the day Mr. Vijay became Chief Minister, on May 10, 2026, that the decision was merely a formality. In fact, much before the announcement, on August 24, work on the project had come to a halt. However, the move is likely to have adverse consequences for Tamil Nadu. The move risks creating a general perception that Tamil Nadu is unstable in its infrastructure policy, which the TVK government should have avoided, given its goal of making the State a \$1.5 trillion economy by 2036.

While Mr. Vijay has spoken of identifying a new airport site, his proposal for a Terminal 5 at the existing airport is necessary and welcome. However, it is common knowledge that a greenfield airport will take years to materialise, even with unwavering government attention — the idea for a second airport had been under consideration for over 25 years. At one stage, the Union government had wanted it to be developed on a build, operate and transfer mode. Unfortunately, the project was caught in the game of political one-upmanship between the two Dravidian majors. Meanwhile, Bengaluru and Hyderabad have had new second airports since 2008, despite regime changes. Passenger traffic here has grown at Tamil Nadu's expense — at an annual average rate of 10% during 2016-26 compared with 2.4% in Chennai. Parandur received the Union government's final nod in July 2024, after much groundwork. When the State government is not the ultimate authority in airport site selection, it would not be appropriate to attribute motives to the DMK. Land for any mega project has always faced landowner resistance and the TVK regime may experience this while identifying a new site. No development project can take place without disturbing the environment and certain sections of society. Even Amsterdam's busy Schiphol airport sits over an area that was once a lake. At the existing airport in Chennai, a runway was affected by the severe floods in 2015. What policymakers should bear in mind is the need to balance development and climate change challenges. Chennai needs more runways, not just new terminals.

The high cost of India's private health-care boom



Chandrakant Lahariya

Practising physician specialising in preventive and cardio-metabolic medicine, whose upcoming book, 'Pill-Free: You Don't Need Everything You Have Been Prescribed', will be released in September 2026

For crores of Indian families, the financial shock of hospitalisation — especially in a private hospital — begins even before treatment is complete. The Parliamentary Standing Committee on Health and Family Welfare, in its 176th Report tabled in Parliament on August 7, 2026, noted that the average cost of hospitalisation is ₹50,508 in a private facility, compared with ₹6,631 in a government facility. For childbirth, the average out-of-pocket medical expenditure in private facilities is ₹37,630, against ₹2,299 in public facilities.

Some of the contradictions

The committee has made 368 recommendations, including standardised package rates and mandatory pre-treatment cost estimates. Among the widely reported proposals is that basic room tariffs in metropolitan private hospitals should not exceed the average tariff of three-star hotels that are nearby. It has also suggested that large corporate hospitals earning from medical tourism, foreign patients and high-net-worth individuals should cross-subsidise poorer Indians and reserve beds for Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) beneficiaries at regulated rates. Yet, there is a contradiction. India wants more private and foreign capital in health care, particularly in Tier-2, Tier-3 and rural areas, while simultaneously asking the government to review foreign direct investment rules related to the acquisition and management of existing hospitals.

There is a strong case for continued investment in Indian health care. Hospitals require substantial capital. Land, equipment, intensive care units, digital systems, laboratories and trained personnel are expensive. Public hospitals cannot currently meet all demand for secondary and tertiary care. Private hospitals therefore fill an important gap. Foreign investors and private-equity funds can bring capital, managerial capacity, technology and the capacity to expand hospital networks. India also needs investment in pharmaceutical and medical-device manufacturing. If regulation becomes excessively restrictive or unpredictable, some investment may move elsewhere. This could slow capacity expansion and delay the development of better health-care infrastructure in cities and districts where need is genuine.

However, in all sectors, capital comes with expectations of returns. In health care, it creates a special concern because patients are not ordinary consumers. A patient rarely decides independently whether an MRI is required, whether hospital admission should continue for two more days, or whether a procedure is necessary. Health care is shaped by what

The country needs private capital to expand health care, but investment cannot be allowed to shape clinical decisions, pricing and access in ways that make care unaffordable or unnecessarily intensive

economists call information asymmetry: the provider knows more than the patient. Therefore, when financial incentives become too strong, they can influence not just the price of care but also how much care is delivered.

A closer look at private care

This is where the role of private equity and venture capital in health care deserves closer attention. Corporate hospital groups increasingly compete for well-known specialists, sophisticated technology and premium infrastructure. These can improve quality, but also create a high-cost ecosystem. Hospitals that pay very high salaries to senior specialists and super-specialists, acquire expensive equipment and operate under pressure to increase revenue must eventually recover these costs. Revenue targets, procedure-linked incentives, higher occupancy expectations and higher revenue per bed can gradually influence institutional behaviour. Most doctors act in patients' interests. Yet, systems shape behaviour. If hospitals and doctors are rewarded for doing more, the direction becomes predictable.

The result is not only higher cost but also a worrying medicalisation. Lab investigations may detect abnormalities that would never have caused harm. More screening can lead to unnecessary follow-up tests. A patient who could be managed as an outpatient may be admitted. Caesarean sections, angioplasties, intensive-care admissions, diagnostic packages and long lists of medicines must therefore be seen not only as individual clinical decisions but also within the incentive structure of the health system. This does not mean these interventions are usually unnecessary. It means that a system rewarding interventions and procedures needs strong safeguards against unnecessary prescriptions, surgeries, investigations and medications.

That is why a review of FDI in the acquisition of existing hospitals is justified. Domestic investors can be equally profit-oriented, while foreign investment can create valuable capacity. The more useful question is about what an investment does to the health system. Does it create new beds or simply acquire existing ones? Does it improve competition or lead to market concentration? Does it enter an underserved district or add another high-end facility in a metro? If an investor receives concessional land, tax benefits or other public support, are there enforceable obligations related to affordable beds or participation in public insurance schemes? India should encourage greenfield investment and manufacturing, while scrutinising acquisitions that reduce competition or raise the risk of excessive pricing.

Price regulation also needs to be approached carefully. The proposal to link hospital room charges to nearby three-star hotels is easy to

understand, but cannot by itself solve the affordability problem. A hospital room includes nursing, infection-control and emergency support that a hotel room does not. More importantly, if one component of the bill is capped, hospitals may increase charges elsewhere. India's experience with coronary stent price regulation showed that government intervention can reduce excessive mark-ups. But hospital care is more complex; what matters is the total cost of an episode. Package rates, transparent estimates, billing standards and audit mechanisms are therefore more useful than isolated caps on individual components. There is also an established approach to such payments: Diagnosis-Related Groups (DRG). A DRG is a patient-classification system that standardised hospital reimbursement by paying a fixed, predetermined amount for an inpatient stay based on the diagnosis and procedures, rather than reimbursing each service separately.

Focus on public health

There is a larger policy question. India cannot regulate its way out of weak public health care. If government hospitals remain overcrowded, understaffed or difficult to access, citizens will continue to depend heavily on private providers. Experience from OECD countries has shown that one effective form of regulation is a strong public health system that provides a credible alternative.

Public hospitals must therefore become a genuine option, not merely the last resort for those who cannot afford private care. Primary health care needs strengthening so that disease is prevented, detected and treated early. Insurance systems, including AB-PMJAY, should reward appropriate care rather than simply higher volumes of procedures. Clinical audits, evidence-based treatment protocols and transparent billing can protect both patients and doctors from commercial pressures.

The Parliamentary Committee is right to focus attention on affordability and to question whether the current pattern of investment in private health care aligns with public interest. Price caps and an FDI review are reasonable starting points, but India needs a wider conversation about the kind of health-care system it is building. Private investment will remain essential, and profit by itself is not the problem.

The problem begins when the pursuit of returns starts a key influence. A health-care system should attract capital, but its clinical priorities must still be set by medical need. The true measure of India's health-care progress will not be how much money flows into hospitals or what is the annual compounded growth rate in medical tourism, but whether Indian citizens can enter them with confidence that they will receive what they need. No more, no less.

Making India's food system climate-proof cannot wait



Elisabeth Faure
Country Director, UN World Food Programme in India



Purvi Mehta
International expert on nutrition-sensitive agriculture, food systems and climate-resilient development

India's food security journey is undoubtedly one of the most significant agricultural transformations in the world. From dependence on food aid in the 1960s, the country has emerged as a major food producer, built substantial buffer stocks, and created a legal entitlement to subsidised foodgrains for around 800 million people through the National Food Security Act (NFSA), 2013. This achievement rests on decades of public investment in improved seeds, irrigation, procurement, storage, price support and public distribution. The task now is to protect and strengthen that achievement amid a changing climate and increasingly frequent extreme weather events.

Climate change threatens food security globally. For India, the policy challenge has evolved beyond producing enough food to ensuring affordable, nutritious supply for 1.4 billion people despite rising temperatures, erratic rainfall, extreme weather, and water scarcity affecting production, storage, transport, and consumption.

The advantages

India has the initial advantage to address this challenge. Foodgrain production reached more than 350 million tonnes in 2024-25, including record output of rice and wheat. The Public Distribution System (PDS), supported by digitisation and the One Nation One Ration Card (ONORC), has expanded the reach and portability of food entitlements. These foundations provide the production capacity and administrative depth and expertise needed to support the transition towards a climate-resilient food-security framework.

India's evolving food-systems approach recognises that climate risks span the entire value chain. Heat reduces wheat yields, erratic monsoons cause floods and droughts within seasons, groundwater depletion weakens irrigation buffers, and extreme weather damages storage and transport infrastructure. These cascading effects create market volatility and limit household access to nutritious foods.

The rice-wheat system has served India well, but national procurement remains concentrated in a few crops and geographies. Several of these areas also face serious groundwater stress. This model emerged as a rational response to the production constraints of an earlier era. The opportunity now is to build on its achievements by progressively diversifying procurement across crops and regions, while making the system more responsive to climate and natural-resource considerations. The procurement may gradually expand across geographies and commodities, with price support aligned to encourage crops suited to local water and climate conditions. Millets, pulses, oilseeds and other nutri-cereals can reduce risk concentration while strengthening dietary diversity. Cereals such as rice and wheat will remain essential, but a broader procurement base can create a more resilient national portfolio.

Along with the procurement, the PDS can progressively reinforce a diversified food basket. A carefully designed inclusion of locally appropriate millets and pulses would strengthen the connect between food security with nutrition, water conservation and climate adaptation.

On climate information

Forecasts from the India Meteorological Department may be linked more directly with procurement, buffer-stock and contingency decisions. The NFSA's monitoring framework can also include indicators for heat, water stress, storage exposure and supply-chain resilience, alongside coverage and offtake. Farmers require practical tools for managing risk. Climate-resilient seed varieties, micro-irrigation, watershed development, precision farming, digital advisories and weather-indexed insurance may reduce variability and support better decisions. Public-private collaboration would also help accelerate research, certification and last-mile delivery, while public safety nets can ensure that smallholders and climate-exposed regions are not left behind.

Along the entire food supply chain, flood-resilient warehouses, storage systems suited to higher temperatures, expanded cold chains and more robust transport links are necessary for protecting grain and perishables. This is particularly important if the food basket becomes more diverse. Adaptation incentives and standards can therefore cover procurement, storage, logistics and market stabilisation, not production alone.

Down the line

Financing climate-resilient food systems requires green bonds, adaptation finance, insurance, and investment in resilient agricultural value chains. Integrating food systems into India's net-zero pathway — with measurable emission reductions, carbon sequestration, and resilience targets — enables coordinated action across agriculture, water, energy, transport, and nutrition, while unlocking climate finance for sustainable transformation.

India's traditional buffer stock offers a useful principle for this transition. The country can explore building a broader "climate buffer", combining diversified crops and procurement regions, resilient infrastructure, climate information, insurance and improved water management. Just as grain reserves reduced the risk of poor harvests, this portfolio may reduce the systemic risks created by a less predictable climate.

Climate-resilient food and nutrition security is not a departure from India's established approach. In fact, it is its logical next phase, and India already possesses many of the institutions, capabilities and policy setup needed to advance it. This may include shifting the national framing from "food security" to "sustainable food security", embedding climate risk management as a first-order design parameter in NFSA planning and monitoring, rather than an externality managed after the fact. The existing long-term vision and institutional commitment can now ensure that India's food systems remain nutritious and sustainable in the decades ahead.

LETTERS TO THE EDITOR

Border talks with China

A clearly demarcated and mutually recognised India-China boundary is indispensable for transforming a contested frontier into a zone of stability and predictability. Yet, cartographic negotiations must be accompanied by sustained

diplomatic engagement, military confidence-building measures and strict adherence to previously negotiated agreements. India must remain vigilant against unilateral alterations of the status quo while demonstrating strategic patience and diplomatic dexterity.

Beijing, too, must recognise that durable peace cannot be predicated on ambiguity or coercive posturing.

Nagarajamani M.V.,
Hyderabad

Rainwater management
India needs a new approach to managing rainwater — one that does not merely

drain water, but captures, conserves and puts it to productive use. The installation of scientifically designed honeycomb sponge manholes along roads across the country could become an important component of such a national water-management

strategy. Honeycomb sponge manholes can be designed to receive and temporarily store rainwater, allowing it to percolate into the ground in a controlled manner and contribute to groundwater recharge. This system could function as a decentralised rainwater-harvesting

network beneath our streets. India should consider pilot projects in cities that regularly experience severe urban flooding.

Richard Hay,
Kochi, Kerala

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

Restoring lakes by going beyond quick fixes

Covering nearly 6% of the planet's surface, wetlands – including urban lakes – are among the most productive ecosystems on Earth. They store a disproportionately large share of the world's carbon, offer outstanding terrestrial forests per unit area. Beyond carbon sequestration, they contribute immensely to biodiversity, climate regulation, and human well-being. Yet today, lakes are disappearing at an alarming pace. Many of our remaining urban wetlands are either biologically dead or heavily eutrophic. In losing them, cities are systematically eroding their natural defences against climate change, undermining public health, and threatening the very foundations of urban livability.

The widespread destruction of water bodies is a direct consequence of rapid, unplanned urbanisation. As land pressure intensifies in crowded localities, developers and municipal bodies view these natural landscapes as vacant land rather than critical ecological infrastructure. This mindset makes lakes highly vulnerable to encroachment and systemic disappearance.

Compounding this physical destruction is a deep-rooted institutional and public apathy. Heavily polluted water bodies have become convenient spots for untreated sewage, industrial effluents, and municipal solid waste. This collective inaction reveals a grim truth: lakes are dying not only because they are encroached upon, but because they are taken for granted.

The sheer volume of data capturing this damage is overwhelming. Reports by the Controller and Auditor General (CAG) have flagged large-scale shrinkage in J&K, including over 500 lakes since 1967. Down south, the crisis is equally acute. Hyderabad lost roughly 61% of its lake area since 1979, with 268 water bodies completely disappearing between 2002-2012 as detailed in one study. As cities



Mohan Chandra Pargaien
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grapple with intensifying heat islands and unpredictable urban flooding, there is a desperate need to treat these lifelines as 'urban climate buffers' and 'sponge systems' rather than as liabilities.

Taken for granted

Half a century ago, land in Indian cities was relatively affordable, urban expansion was moderate, and lakes were respected for their functional civic assets. Today, land prices have multiplied manifold in the past five decades. In cities such as Hyderabad, Bengaluru, and Mumbai, peri-urban land that once served as agricultural fields or natural lake catchments has mutated into prime real estate. This exponential spike has transformed lakes into a perceived "opportunity cost." Encroachment becomes economically incentivised, leading to wetlands being filled, fragmented, and repurposed for housing, highways, and commercial complexes.

India's recent achievement of expanding its tally of designated Ramsar sites reflects a formal, high-level recognition of wetland conservation. However, international designations must not be mistaken for local conservation success. On the ground, the reality remains fiercely complex, plagued by ambiguous boundaries, ongoing encroachment, and disrupted catchment areas. While initiatives such as the Atal Mission for Rejuvenation and Urban Transformation, the Jal Shakti Abhiyan, and Mission Amrit Sarovar provide useful policy skeletons, their on-the-ground impact is routinely diluted.

This failure stems from fragmented accountability, weak inter-departmental coordination, and a deeply flawed tendency to prioritise beautification over genuine ecological recovery. Municipal bodies often prioritise visible beautification over ecological repair – promenades, lighting, and fencing – while ignoring feeder channels, catchments, and water quality.

In cities such as Hyderabad, Bengaluru, and Mumbai, peri-urban land that once served as agricultural fields or natural lake catchments has mutated into prime real estate

Real restoration demands raw institutional intent, as demonstrated by a recent Telangana initiative – the newly formed Hyderabad Disaster Response and Asset Protection Agency (HYDRAA). The agency has actively reclaimed encroached lakebeds, cleared illegal structures within Full Tank Level zones, and initiated restoration work across dozens of water bodies. Crucially, by desilting long-blocked feeder channels and restoring natural hydrological flows, the agency nearly doubled the water spread of the severely choked Nalla Cheruvu from 16 to 30 acres.

In parallel with State action, grassroots citizen movements have also shown exceptional results from community involvement. Passionate "lake champions" in Bengaluru and Hyderabad have successfully revived dry water bodies such as in Puttenahalli, Jakkur, and Kudikuma. But these successes remain too isolated. Without institutionalised legal backing, sustained state funding, and unwavering statutory enforcement, local wins will remain exceptions rather than becoming a replicating model.

Beyond quick fixes

India's urban future is shaped by a complex crisis of land, law, and governance. Resolving this crisis requires deep structural reform over cosmetic fixes. First, water bodies must be formally integrated into city planning. Second, lake boundaries and catchments need absolute legal protection, with strict, consistent penalties for encroachments. Streamlining fragmented governance under unified, accountable authorities is vital. Finally, citizen engagement must be institutionalised within governance frameworks to ensure permanent local ownership. Cities that reduce lakes to landscaped backdrops will eventually pay the price in floods, heat stress, and water scarcity while those that restore them as living ecosystems will secure their resilience in a warming, water-stressed future.

Bengaluru's risk-averse force

Police have been cautious in their approach to protests, irrespective of who is in power

STATE OF PLAY

K.V. Aditya Bharadwaj

The Bengaluru City Police recently registered a *suo motu* FIR against a woman for holding a placard which read "Umar Khalid Zindabad", "Sharjeel Imam Zindabad" at a students' protest. Neha Bora, National President of the All India Students' Association, during her visit to Bengaluru last week, slammed the Congress government in Karnataka for its action and said that parties who claim to be against the Bharatiya Janata Party (BJP) must lead by example rather than pay lip service.

This is not an isolated incident. Even as senior Congress leaders Sonia Gandhi and Priyanka Gandhi have been vocal about Israel's war on Palestine, the Bengaluru Police booked three *suo motu* FIRs against pro-Palestine demonstrators. Two of these have been quashed by the High Court of Karnataka. Police even disrupted multiple indoor meetings where pro-Palestine films and issues were being discussed. While no police permission is needed for indoor meetings, the unwritten rule in Bengaluru seems to be that the local police need to be kept in the loop.

Extreme caution

Irrespective of the party in power, the Bengaluru City Police have been accused of being "risk averse" regarding protests and dissent. The police have often weaponised the Licensing and Regulation of Protests, Demonstrations and Protest Marches (Bengaluru City) Order, 2021, which mandates that all protests can be held only at Freedom Park.

The order came in response to a *suo motu* PIL taken



up by the High Court over protests causing traffic disruptions. Significantly, it also came close on the heels of protests against the Citizenship (Amendment) Act, during the BJP's tenure, when the pavement outside a mosque called Bilal Bagh turned into a site of protest. Several activists argue that protests being restricted to Freedom Park are ghettoised and invisibilised. A campaign to reverse the 2021 order, after the Congress came to power in 2023, has not yielded any results.

The police argue that they did not allow pro-Palestine protests, for if they had, right-wing groups too would have held pro-Israel demonstrations and the situation may have escalated. Recently, stand-up comic Kunal Kamra had to shift his stand-up show at a venue in Whitefield, after a little-known Hinduva outfit opposed it. Earlier, shows by stand-up comic Munnawar Faruqi were cancelled twice during the BJP regime following a similar campaign.

Azim Premji University recently lodged a criminal complaint against its own students for holding a discussion on the 1991 Kargil-Poshpora incident in Kashmir without prior approval from the administration, after activists from the Akhil Bharatiya Vidyarthi Parishad barged in and vandalised the University's campus. Persistent campaigns by Hinduva groups prompting the police to either deny permis-

sion or try to make venues

back are not uncommon. In a rare instance, recently, the police gave security for a discussion on Umar Khalid's book at the Bangalore International Centre, after the organisers refused to back down despite a campaign. However, the police registered a *suo motu* FIR against a woman for holding a placard hailing Umar Khalid, following a shrill campaign by Kannada television news media.

A slow approach

Despite the Congress coming to power with a thumping majority in 2023, a rare feat in Karnataka in decades, it has been slow in countering the Hindutva agenda, for fear of what has been called "playing into the hands of the BJP".

For instance, following the new Home Minister Priyank Kharge's face-off with the Rashtriya Swayamsevak Sangh (RSS) over it not being registered and that it should take government's permission before using public spaces, the State Cabinet recently approved the Karnataka Regulation of Use of Government Premises and Public Property Bill, 2026. However, it was not tabled in the just-concluded legislature session. Even as Mr. Kharge insisted on the RSS taking permission for their Vijaydashmi route march in his constituency Chittapur in 2025, the RSS was allowed to hold route marches in 100 places to mark its centenary.

Neither has the Congress repealed the two "communal laws" – the Karnataka Prevention of Slaughter and Preservation of Cattle Act, 2020, and the Karnataka Protection of Right to Freedom of Religion Act, 2022 – it promised to roll back in its 2023 manifesto.

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Deletions in recent SIRs suggest arbitrary application of reasons

In Karnataka and Telangana, the draft SIR rolls reveal that deletions for which reasons were marked as 'Shifted' and 'Absent' have been applied erratically

DATA POINT

Pon Vasanth B.A.

The draft electoral rolls released after the enumeration phase of the Special Intensive Revision (SIR) exercise in Telangana and Karnataka have not only raised concerns of aggressive deletions, but analysis indicates wide variations and arbitrariness in the reasons given for the deletion of names.

The two States have seen the highest share of deletions in the draft SIR rolls among the major States. Telangana and Karnataka, which had 3.38 crore and 5.54 crore electors before the SIR respectively, saw roughly one-fifth of their rolls getting culled. The *Hindu* has reported on the alarming levels of deletions in many of the constituencies in the two States. A reason-wise analysis of the data showed extremes in the application of the four broad reasons cited for deletions – Shifted or Permanently Shifted, Absent, Deceased, and Duplicate.

Before discussing the apparent arbitrariness of the application of these reasons, it is to be noted that the Election Commission (EC) has not offered clarity in any of its SIR-related notifications about when the officials – particularly the Booth-level Officers (BLOs) working on the ground – should mark an elector as 'Shifted' and when as 'Absent'. The EC's Manual on Electoral Rolls (2023), which is supposed to be the rule book to follow for all types of electoral roll revision, states that "an absentee voter is that person who is found to be absent for a limited period from place of his ordinary residence where he is enrolled as an elector. An absentee may be with family or without family. But his name cannot be deleted, as in the existing law, a person absenting himself temporarily from his place of ordinary residence shall not, by reason thereof, cease to be ordinarily

resident therein." This definition raises the question as to whether an elector found to be 'Absent' during enumeration should be deleted in the first place.

Interestingly, the EC has never officially made public the breakdown of 'Shifted' and 'Absent' in total deletions. It has combined the two categories and presented only the aggregate numbers for every State where the SIR has happened. The breakdown has been derived by journalists and members of the civil society by processing the thousands of lists containing details of deleted electors.

Table 1 and Table 2 show a few constituencies from Telangana and Karnataka, which stand out as examples of the inexplicable application of reasons for deletions.

For instance, both Jubilee Hills and Nizamabad (Urban) are urban constituencies of comparable size in Telangana. Of the 1,79,510 names deleted in Jubilee Hills, 1,48,859 (83%) were marked as 'Shifted', but only 15,000 were found to be 'Absent'. In Nizamabad (Urban), however, of the 83,282 deletions, officials found 50,307 to be 'Absent'. The outlier case was the reserved constituency Nakrekal (SC), where 20,169 names were deleted, but not a single person was found to be 'Absent'.

In Karnataka, Hebbal saw 1.3 lakh deletions, of which an astounding 1.14 lakh (87%) were marked as 'Shifted', but only 287 were found to be 'Absent'. The Hubli-Dharwad-East constituency, in contrast recorded, roughly 25,000 of its 47,000 as 'Absent'. Bommanahalli saw 2.65 lakh deletions, which is 54.8% of its electorate. However, only about 9,700 were found to be deceased.

Table 3 and Table 4 show the wide variations between different categories of reasons for every 1,000 electors deleted in the draft rolls. A coherent and uniform application of a well-defined enumeration exercise is unlikely to show such extremes.

Extremities in deletions

The tables capture the seeming arbitrariness in the reasons used for deletion of large number of electors in Telangana and Karnataka. The values in Tables 3 and 4 are reason-wise numbers, calculated as deletions per 1,000 electors in the rolls before SIR.

TABLE 1: A few constituencies in Telangana that reveal implausible variations in the reasons for which electors were deleted

Constituency	Electors before SIR	Deletions (%)	Shifted (%)	Absent (%)	Deceased (%)	Duplicate (%)	Why is it odd?
Jubilee Hills	4.07 lakh	44.1	82.9	8.4	4.6	4.1	Of 1.78 lakh deletions, 829 per 1,000 were 'Shifted', but only 84 were 'Absent'
Nizamabad (Urban)	3.08 lakh	27.0	18.1	60.4	6.4	14.5	Inverse of Jubilee Hills. Of the 83,000 deletions, 604 per 1,000 were marked as 'Absent', but only 181 as 'Shifted'
Nakrekal (SC)	2.59 lakh	7.8	58.0	0.0	32.3	9.6	20,169 deletions, but not a single one was found to be 'Absent'
Palakurthi	2.61 lakh	7.6	42.4	1.5	39.4	16.7	8,000 of roughly 20,000 deletions were 'Deceased' – highest in the State
Sanathnagar	2.54 lakh	44.9	82.7	9.8	3.7	3.8	Inverse of Palakurthi. Of the 1.14 lakh deletions, only 40 per 1,000 were 'Deceased'
Ramagundam	2.14 lakh	14.4	28.6	1.0	15.4	55.0	Highest proportion of 'Duplicates': 550 per 1,000 deletions
Malkajigiri	5.13 lakh	37.6	77.3	12.9	8.3	1.4	Inverse of Ramagundam. Of the 1.93 lakh deletions, only 14 per 1,000 were 'Duplicates'

TABLE 2: A few constituencies in Karnataka, where similar patterns of drastic differences in the reasons could be observed

Constituency	Electors before SIR	Deletions (%)	Shifted (%)	Absent (%)	Deceased (%)	Duplicate (%)	Why is it odd?
Hebbal	3.02 lakh	43.2	87.2	0.2	8.7	3.8	1.3 lakh deleted, 870 per 1,000 marked as 'Shifted', but only 2 per 1,000 'Absent'
Hubli-Dharwad-East	2.28 lakh	20.6	15.4	53.3	20.4	10.9	Inverse of Hebbal. 533 per 1,000 marked as 'Absent', but only 154 per 1,000 as 'Shifted'
Aralakudi	2.37 lakh	9.7	40.1	3.3	46.3	10.3	Nearly half of roughly 22,000 deletions were marked as 'Deceased'
Bommanahalli	4.85 lakh	54.8	50.3	37.7	3.7	8.3	Inverse of Aralakudi. Saw 55% of its electoral rolls culled, but only 37 per 1,000 deletions were marked as 'Deceased'
Kanakagiri	2.32 lakh	10.2	46.9	0.7	20.6	31.7	7,500 of 23,000 deletions marked as 'Duplicates' – highest share of 'Duplicates'
Rajajinagar	2.1 lakh	47.9	82.2	7.3	8.3	2.2	Inverse of Kanakagiri. One lakh deletions, but only 2,200 marked as 'Duplicate'

TABLE 3: The reason-wise variations in deletions in Telangana between urban and rural constituencies

Urban (33 constituencies). Values per 1000 electors pre-SIR				
Reason	Average	Min	Max	Max / Min
Deceased	28.86	16.42	48.10	2.9
Duplicate	22.29	5.29	78.99	14.9
Shifted	239.04	41.17	371.59	9.0
Absent	67.82	1.38	163.20	118.0

Rural (86 constituencies). Values per 1000 electors pre-SIR				
Reason	Average	Min	Max	Max / Min
Deceased	27.09	14.72	44.26	3.0
Duplicate	19.18	5.03	44.24	8.8
Shifted	62.10	18.33	123.94	6.8
Absent	13.14	0.00	88.93	n/a (min = 0)

TABLE 4: The reason-wise variations in deletions in Karnataka between urban and rural constituencies

Urban (57 constituencies). Values per 1,000 electors pre-SIR				
Reason	Average	Min	Max	Max / Min
Deceased	32.90	14.02	57.46	4.1
Duplicate	30.07	5.07	92.80	18.3
Shifted	205.68	31.69	393.36	12.4
Absent	61.44	0.95	206.60	217.3

Rural (167 constituencies). Values per 1,000 electors pre-SIR				
Reason	Average	Min	Max	Max / Min
Deceased	28.46	14.55	52.44	3.6
Duplicate	14.39	4.09	36.04	8.8
Shifted	63.94	18.34	246.04	13.4
Absent	9.90	0.01	60.21	7450.0

FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO AUGUST 27, 1976

Chances on life on Mars

Pasadena, California, August 26: America's Viking-1 Mars probe has sent back another clear reading that there could be life in the Martian soil but space scientists said they were still sceptical about the results.

The Viking project biologist, Dr. Orman Horowitz, said the latest readings sent yesterday "certainly increase the chance" that there are microscopic forms of life in the red Mars soil.

According to results announced at a press conference here all three biological tests in the tiny Viking laboratory now show there could be life on the planet.

"I really don't understand it, but I'm overwhelmed," said the Viking project scientist, Dr. Gerard Sofer.

The latest experiment was a controlled test on a Martian soil sample which had already signalled it could contain as many living organisms as soil in the Antarctic region on earth. Under the test, the soil sample is cooked to a high temperature to kill any organisms in it.

If the sample is dead when it is retested – as happened with the controlled test announced on Tuesday – then the chances are that the initial readings were caused by biology and not by chemistry, scientists say. Dr. Horowitz said: "if we had observed these results in laboratories on earth we would have concluded that it was weak but definitely positive biological signal."

A HUNDRED YEARS AGO AUGUST 27, 1926

Entrance into the Army

Simla, August 26: A communique stays: – With the object of obtaining some idea of what suitable material for the army is to be found in Indian universities, a sub-committee of the Indian Sandhurst Committee, consisting of Lieut-General Sir Andrew Skeen, Chairman, Dr. Ziauddin Ahmed and Captain Bala Sahib Daffe, recently made a tour of representative universities in all parts of India.

Bombay, Poona, Madras, Calcutta, Benares and Allahabad universities were visited. The Punjab University could not be seen on this occasion as its vacation is now in progress.

During the course of this tour, it became apparent that the method of obtaining entrance to officer ranks was still comparatively little known in spite of the announcements on the subject which have appeared in the press from time to time.

Text & Context

THE HINDU

NEWS IN NUMBERS

Value of U.S. imports on which Canada has imposed tariffs

20 in \$ billion. Canada hit back at the U.S. on Tuesday with retaliatory tariffs on about \$20 billion worth of annual imports and rolled out aid for businesses and workers, matching the latest duties imposed by the Donald Trump administration dollar-for-dollar. REUTERS

Persons named by India for AFC U20 Asian Cup Qualifiers

23 India on Wednesday named a 23-member squad for the upcoming AFC U20 Asian Cup Qualifiers in Tashkent, after omitting eight players who were called for the national camp. The qualifying tournament will be held in the Uzbek capital from August 31 to September 6. PTI

Amount requested by Italy from EU's SAFE defence funds

8 in € billion. Italy has requested €8 billion from the European Union's SAFE funding programme, a source said on Wednesday, confirming earlier media reports. The SAFE instrument is a joint borrowing scheme backed by the EU aimed at boosting the bloc's defence capabilities. REUTERS

Private pharmacies under RGHS scheme facing action

215 Authorities have temporarily suspended 215 private pharmacies from processing transactions under the Rajasthan Government Health Scheme (RGHS) for alleged negligence and delays in dispensing medicines, officials said on Wednesday. PTI

Number of major South Delhi flyovers repaired by PWD

3 The Public Works Department (PWD) is planning to undertake repair and maintenance work on stretches of three major South Delhi flyovers, including Nehru Nagar, the AIIMS loops and Barapullah Phase 1, officials said on Wednesday. PTI
COMPILED BY THE HINDU DATA TEAM

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Why was Parandur airport scrapped?

What were the main objections to the Parandur site? How much land had been acquired? What approvals had the plan secured? Why does Chennai need another airport? What will Terminal 5 add to Chennai airport's capacity? How soon can Chennai get a second airport?

EXPLAINER

Sunita Sekar

The story so far:

Four years after it was announced, one of the most anticipated and controversial projects for Chennai city, the second airport proposed at Parandur, has now been scrapped by the Tamil Nadu government. Tamil Nadu Chief Minister C. Joseph Vijay announced in the State Assembly on August 24 that the government would drop the project and look for an alternative site to build Chennai's second airport.

Meanwhile, the Airports Authority of India will construct Terminal 5 in the northwestern area of the airport, which passengers will be able to access via an elevated corridor. The existing Chennai airport at Meenambakkam handles 30 million passengers a year. With the ongoing construction of Terminal 3, which will also handle international flights along with Terminal 2, the airport's capacity will increase to 35 million passengers a year. If Terminal 5 is also completed, the airport's capacity will rise further to 55 million passengers a year.

When did the search begin?

The plan for a second airport for Chennai dates back to 1998, when the Ministry of Civil Aviation announced that the project was under consideration. The then Chief Minister, M. Karunanidhi, wrote to Prime Minister Atal Bihari Vajpayee, requesting him to expedite the project's clearance. A site 10 km south of Meenambakkam was earmarked for the airport, which was to be developed under the Build-Own-Operate-Transfer model.

A year later, the Centre gave its nod for the project, which was planned to come up on 3,000 acres at an estimated cost of ₹2,000 crore. However, the project did not take off. In 2007, the Tamil Nadu government announced yet again that a second airport would be built, this time



The Tamil Nadu government revived the plan for a second airport in 2022 and announced that it would be built at Parandur in Kancheepuram district. B. VELANKANNI RAJ

over 4,820 acres at Sriperumbudur, with four runways. The site was emerging as a strong industrial and manufacturing corridor, and an airport there was seen as strategically important for the city's growth. But the project was embroiled in controversy, drawing fierce opposition from political parties and farmers who objected to their land being taken over for the project. The project too failed to progress, and the following decade saw only the existing airport at Meenambakkam undergo Phase I and Phase II modernisation.

The Tamil Nadu government revived the plan for a second airport in 2022 and announced that it would be built at Parandur in Kancheepuram district. Farmers in Ekanapuram, who faced relocation if the project became a reality, began staging protests.

In early 2025, a year after launching his party Tamilaga Vettri Kazhagam, Mr. Vijay visited the project site at Parandur to show solidarity with the protesting farmers. He announced earlier this week that the government would no longer pursue the

Parandur airport project.

Why did Parandur face opposition?

After the project was announced in 2022, landowners in several villages in and around Parandur opposed it, saying it would severely affect their livelihoods. Villagers in Ekanapuram also warned that the project could lead to an environmental disaster. Activists echoed these concerns, pointing out that the proposed site is interspersed with several water bodies. They said the construction of the airport could not only inundate nearby villages but also increase the risk of flooding in Chennai.

How far had the project progressed?

Over the last four years, the Tamil Nadu government secured some major approvals required to commence the project, including site clearance and in-principle approval from the Ministry of Civil Aviation.

Of the 5,846 acres required for the project, the government completed the acquisition of 1,802 acres. The State government, however, had not obtained

environmental clearance or floated bids to find a private operator.

Why does Chennai need another airport?

Nearly a decade ago, Chennai was the third-busiest airport in the country, after New Delhi and Kolkata. However, privately managed airports in Bengaluru and Hyderabad have recorded significant growth over the past decade and have overtaken Chennai to become the country's third- and fourth-busiest airports, respectively.

Bengaluru, in particular, has raised the benchmark for passenger experience, while adding direct flights to Paris, Amsterdam, Munich, Vietnam, Tokyo and the Maldives. Chennai airport, however, has yet to secure direct flights to any of these destinations. Passengers have also raised several concerns about the airport in recent years, including delays in opening a second cab pick-up point and completing Terminal 3, among others.

Industry experts have repeatedly stressed that an airport should no longer be viewed merely as transport infrastructure, but as an economic engine that can draw investments, companies and employment for a city and the State.

With Tamil Nadu turning into a \$1.5-trillion economy in the next 10 years, world-class airport infrastructure is the need of the hour, experts say.

What happens next?

With the Parandur airport project scrapped, the Tamil Nadu government is back to searching for an ideal site for Chennai's second airport. However, experts point out that finding a location without farmlands and water bodies in and around Chennai will be far from easy and that one must also look at the availability of airspace before arriving at a location.

Even if the process begins now, the earliest Chennai could get a second airport would be in five to seven years, depending on how quickly the clearances are granted by the Centre.

THE GIST

▼ Tamil Nadu has scrapped the Parandur airport plan after sustained opposition from farmers over land acquisition, livelihoods and the site's water bodies, and will look for an alternative location.

▼ Chennai's existing airport capacity is being expanded to 55 million passengers with Terminal 3 and the proposed Terminal 5, but experts say a second airport is crucial to support the city's economic growth.

▼ The government now faces the challenge of finding a site with minimal impact on farmlands and water bodies, with a new airport unlikely to be ready for at least five to seven years.

How can States use disaster funds for heatwaves?

Heatwave funding expands, but States must strengthen planning and implementation to use it effectively

Shravan Prabhu

In August 4, the Ministry of Home Affairs told the Lok Sabha that heatwaves and lightning had been added to India's list of notified natural calamities, taking the total list to 14.

The change follows a recommendation by the Sixteenth Finance Commission (FC-XVI) and operational guidelines issued on June 30. Along with the 2024 amendment to the Disaster Mitigation Fund guidelines, the update means heatwaves are now eligible for the full State Disaster Risk Management Fund pool.

Disaster finance in India

Under Article 280 of the Constitution, the Finance Commission recommends arrangements for disaster management funds. The FC-XVI recommended ₹2.04 lakh crore for State disaster funds in the five years between 2026-27 and 2030-31,

nearly 28% more than the previous Commission's allocation.

Of the total fund, ₹1.6 lakh crore goes to the State Disaster Response Fund (SDRF) and the rest to the State Disaster Mitigation Fund (SDMF). The SDRF is meant for response, relief, and reconstruction immediately following a disaster; the SDMF is meant to fund interventions to reduce the risk of a climate event from turning into a disaster, in the longer term.

These funds are available to all States. The FC-XVI has determined the inter-State distribution using a formula comprising a disaster risk index, which takes into account the frequency and intensity of different hazards along with exposure and vulnerability and expenses incurred by States during the previous commission's tenure. The FC-XVI recommended ₹79,406 crore for national disaster funds over the same period and which States can seek when a disaster is severe enough to exceed their own resources, like Kerala

did following the Wayanad landslides in 2024.

Heat has thus far occupied an awkward position in the disaster finance system. A State could notify a heatwave as a 'local disaster' and use the SDRF – but only up to 10% of its annual allocation and after setting separate norms such as the amount of compensation for loss of lives or damage to crops. Other notified disasters such as floods and cyclones faced no such ceiling. The new notification removes this asymmetry.

India's exposure to extreme heat is growing. The author used 35 indicators across climate change, exposure, and vulnerability to estimate that more than 57% of Indian districts, home to roughly three-fourths of the Indian population, face high- to very-high heat risk. The number of hot days per year has increased. The incidence of very warm nights and relative humidity has also risen, reducing the human body's ability to recover after hot days.

What States can fund

The National Disaster Management Authority has asked all States, districts, and cities to develop heat action plans (HAPs), which map heat risk and vulnerability and identify short-, medium-, and long-term interventions. Thus far, 300 cities and districts across 23 heatwave-prone States have HAPs.

Implementation, however, has lagged because of limited technical capacity, competing priorities, and inadequate funding. A 2023 review of HAPs also found that 79% of the plans asked city departments to self-allocate funds.

The new Central notification provides States with two clearer financing options. Under the SDRF, they can provide relief and compensation for heat-related losses. And through the SDMF, they can finance longer-term risk reduction such as cooling shelters and early-warning systems. The respective State Disaster Management Authorities and State Emergency Operations Centres will be the nodal agencies responsible for both funds' corpus.

Next steps

First, heat planning must expand. Twelve States have already notified heatwaves locally but only some 300 cities and districts have HAPs, leaving around 4,800 urban local bodies and 800 districts without them. Heat-specific SDMF guidelines are still awaited, but existing guidelines require risk and vulnerability

assessments before any projects are proposed – precisely the groundwork HAPs are meant to provide.

Second, plans must become fundable projects. States need model mitigation proposals suited to local climate and geography. Many local bodies lack the technical capacity to prepare such proposals. Research institutions, NGOs, and philanthropy could provide technical support and risk capital to help convert plans into appraisable projects.

Third, health surveillance must improve. Relief payouts will now depend on accurate loss-and-damage data. The Health Ministry's current surveillance system covers over 51,000 reporting units and recorded 4,853 heatstroke cases and 20 confirmed heatstroke deaths between March 1 and July 26. But it misses the wider burden from heart, lung, and kidney conditions worsened by heat.

Fourth, States should link heat solutions to other government development schemes by identifying convergence, and use fast, pre-agreed tools like parametric insurance, which pays out automatically once a set temperature threshold is crossed. Similar tools already operate for other hazards; Nagaland, for example, has rainfall insurance that pays out when rainfall levels cross a set threshold. (Shravan Prabhu is Programme Lead at Council on Energy, Environment and Water (CEEW) and Coordinator of the GHHN South Asia Heat & Health Hub)

BIBLIOGRAPHY



GETTY IMAGES



How India's scam towns built a thriving industry around fraud

Three books trace the journey of India's cyber fraud industry, from Jamtara and the Mewat belt to global scam operations in Southeast Asia; they examine how cheap mobile data, penury, greed, rapid digitisation and weak law enforcement have allowed the industry to grow and adapt

Aroon Deep

Many people, especially in urban areas, have realised the perils of picking up calls from strangers and giving them their bank account or other personal details after being lured by tempting offers or frightened by threats. Responding to this surge in cybercrime, the government mandated telecom operators to replace caller tunes with public service announcements warning all to be on guard. A 2020 Netflix series set in Jamtara in Jharkhand had some success; now, we have the first of what is likely to be a subgenre of books studying these scammers' techniques.

While the scams have caused great distress to those who have lost their hard-earned savings, they have enriched dreams of youth beyond their wildest dreams in many villages, from Jamtara to the Mewat belt spanning Rajasthan, Haryana, and Uttar Pradesh. In hitherto forgotten areas, where generations have lived in squalor, palatial houses have cropped up where roads barely reach, and the land isn't arable.

Motorcycle showrooms with thick order books have emerged, selling models that would otherwise only sell more than once a week in tier-1 showrooms. And it did not take ChitradEEP Chakraborty, author of *Jamtara Calling* (Rupa Publications), more than an hour to find someone who was willing to describe the entire ecosystem that allows fraudsters to con unsuspecting victims and make them

part with their savings.

The art of adapting

The book is a good entry point into the way 'scamming towns' work. Much of it is about an extended field trip in Jamtara, with a cab driver turning fixer. Chakraborty sparks up lengthy conversations with key operators, while pretending to be an executive from a telecom operator (he doesn't say which one, but it isn't hard to hazard a guess). The days-long outing, which he chronicles in this slim volume, sketches a town where desperate circumstances and sudden digitisation gave birth to a cottage industry that operates with impunity. So much impunity, in fact, that nearly every operator he recalls meeting spills out the secrets of his tradecraft — it is usually a man — after a little more than a friendly introduction and a cup of tea.

What Chakraborty finds is that "cybers," the shorthand that scammers have adopted in this region, constantly adapt to changing circumstances. Scams take place in phases, since awareness about them is spreading fast. In response, their techniques get more sophisticated. When scammers realise that their method of tricking people to give up their one-time passcodes has stopped working, they move on to convincing people, using an ingenious math-based exploit, to give up their ATM cards' PIN instead. And when that stops working as well, they pretend to be retired Army personnel and start hawking non-existent furniture and bikes on platforms such as OLX and

Quikr. He finds that the local police are happy to turn a blind eye to the whole sordid business as long as they get a share in the profits. But that isn't the case when scammers make the mistake of fooling a Member of Parliament or a senior bureaucrat; in those cases, the police storm the town and arrest the odd lynchpin. But cases hardly stick, given the clogged criminal justice system and the ability of the nouveau riche scammers to hire expensive legal representation.

Beyond call scams

In *Bharat Bluff* (Roli Books), another breezy read, Soumya Gupta takes a macro view of the economic and legal conditions that permit the industrialisation of scams. For instance, India still does not have a stringent data privacy law in force (the Digital Personal Data Protection Act, 2023 comes into force next year). She also examines the broader sweep of dishonesty on the Indian internet, from fake identities on Instagram targeting well-off liberals to Chinese loan apps charging usurious interest (if at all the loans are legitimate to begin with).

Snigdha Poonam's *Scamlands* (Penguin Viking) widens the scope of studying this fraud. She applies a quasi-pop anthropological lens on the hustlers of Jamtara and elsewhere, refining an approach that she had used with great success in her 2018 book, *Dreamers*. *Scamlands* takes an expansive and meditative approach, trying to probe into the inner lives of the newly rich and their devastated victims alike. The book also

takes the reader around the world through the globalised pig-butcherer industries — large-scale, tech-enabled financial fraud operations — in Southeast Asian countries such as Myanmar, Cambodia, and Laos, and their victims in the U.S.

The "cybers" in all three books cause tremendous damage. In one instance, they leave two members of a family dead and one aimlessly exploring Jamtara in search of answers. The books' response to the question of motive boils down to opportunity (enabled by cheap mobile data), penury, and greed. While Chakraborty attributes some of their eventual capture to unlucky encounters with powerful victims, Poonam's reporting suggests that successfully duping the rich and famous became a coveted status symbol.

There are enough explanations to go around for how the scam industry grew so massive — on the victims' end, an unfamiliarity with the rapidly evolving internet; on the perpetrators' end, entire villages left behind with little by way of social mobility; and a weak rule of law that makes it difficult to dismantle the industry and deter would-be cybercriminals.

While the books, particularly Gupta's and Chakraborty's, offer in-depth advice on how to avoid falling prey to scams, perhaps the best way to do so is to understand how the ecosystem came about and persists. After all, learning about fraud is in and of itself a cautionary tale.



FROM THE ARCHIVES

Know your English

S. Upendran

"Hi, come on in. Nice pair of jeans. Where did you buy them?"
"At Jeansworld. And they cost me only Rs. 150."
"Is there a sale going on?"
"No, no sale. I exchanged my old pair of jeans with this new pair."
"For a new pair?"
"What?"
"You don't exchange something 'with' something. You usually exchange something 'for' something."
"My father is planning to exchange his old scooter for a new one. How does that sound?"
"The example is an excellent one. But do you seriously think someone will pay money for that rusty old thing?"
"Well, I'm not really sure."
"I have a feeling that your father will have to pay money to get rid of it!"
"My mother would agree with you. She's been asking him to get rid of the old scooter for about ten years now. But he keeps telling her that he can't. Apparently it was a gift from his father. Anyway, how about this example? The old farmer exchanged his wheat for oil."
"Good! Now then, how about..."
".... listen, does this mean it's wrong to say 'exchange with'?"
"Of course not. You can use both 'exchange with' and 'exchange for'. What you have to remember is you 'exchange something for something' and you 'exchange something with someone.'"
"In other words, you use 'exchange with' to indicate trading between people, not between things."
"Here's an example. The two students exchanged coats with each other."
"Sujatha exchanges books with many of her friends. How does that sound?"
"Fine. I exchange greetings with Ajit on 1st January. That's the only time I ring him up."

"That's understandable."
"There are lots of people who want to talk to him. Many people think he's very intelligent."
"Those people must be crazy. You know, sometimes I think people are not really interested.... That reminds me, what is the difference between 'some time' and 'sometime'?"
"Well, 'some time' is normally used to indicate some amount of time. The duration could be very short or long. It could be five minutes or ten years. For example, I need some time to finish writing this letter."

"Karthick always makes it a point to spend some time with his grandparents during the summer."
"As a child, Padma spent quite some time in Gwalior. Her Hindi is excellent."
"In all these examples, would it be wrong to use 'sometime'?"
"Yes, it would. 'Sometime' is normally used to refer to indefinite time in the future or the past. For example, 'Pramod will be arriving sometime next month.'"
"So, what you are saying is that Pramod will be arriving next month, but you don't know when. That is, you don't know the date and the time."

"That's right. The sentence gives you a general idea as to when Pramod is arriving, but it does not specify when exactly. Would it be possible for me to come and see you sometime tomorrow?"
"The Guptas have been married for 25 years. They have been married for quite some time."
"I hope to get married sometime next year."
"No girl in her right mind would marry you."

Published in *The Hindu* on October 9, 2001

THE DAILY QUIZ

On August 27, 410 CE, the three-day sack of Rome by the Visigoths came to an end, shocking the ancient world; how much do you know about the sack and its significance?

Prathmesh Kher

QUESTION 1

Who led the Visigoths who sacked Rome in 410 CE?

QUESTION 2

For approximately how long had Rome avoided being sacked by a foreign enemy before 410 CE?

QUESTION 3

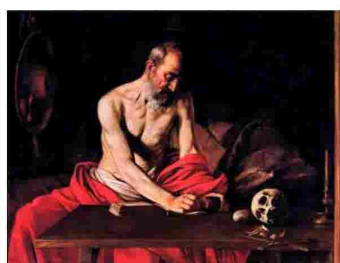
Which Roman emperor was ruling the Western Roman Empire when Rome was sacked?

QUESTION 4

Which city served as the capital of the Eastern Roman Empire at the time?

QUESTION 5

Which Christian theologian wrote *The City of God* in the aftermath of the sack of Rome, addressing arguments that the rise of Christianity had contributed to Rome's troubles?



Visual Question:

Identify the Roman writer who described the catastrophe with the words, "The City which had taken the whole world was itself taken." PUBLIC DOMAIN

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

1. In which year was it held? **Ans: 1881**

2. Out of the four, how many Grand Slam tournaments were not affected by cancellation due to World War I and World War II, nor interrupted by the COVID-19 pandemic in 2020? **Ans: U.S. Open**

3. The U.S. Open became the first Grand Slam tournament to award equal prize money to men and women, with that year's singles champions. In which year did this happen? **Ans: 1973**

4. In 2006, the U.S. Open introduced instant replay reviews of line calls, using the Hawk-Eye computer system. It

was the first Grand Slam tournament to use the system. The Open felt the need to implement the system because of the controversial quarterfinal match at the 2004 U.S. Open between which players? **Ans: Serena Williams and Jennifer Capriati**

5. Who are the current men's singles and women's singles champions? **Ans: Carlos Alcaraz and Aryna Sabalenka**

Visual: Identify this U.S. Open record holder. What record has she held? **Ans: Molla Mallory; she is the record holder in women's singles**

Early Birds: Tamal Biswas | Sukdev Shet | Tito Shiladitya | Lalchand Bhutani | Sitaram Saharaj

Word of the day

Rebarbative:

synonym of tending to repel

Synonyms: irritating, annoying, disturbing, aggravating

Usage: *His rebarbative manner annoyed everyone.*

Pronunciation: /ˌriːbərˈbeɪtɪv/

International Phonetic Alphabet:

/ˌriːbərˈbeɪtɪv/

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

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

IN 1932

BECAUSE THE TRUTH INVOLVES US ALL

Language & religion diktats shrink Mumbai

TWO STORIES are unfolding in Mumbai on the watch of the Devendra Fadnis government. Since his first term in office, the Chief Minister has become the face of a welcome governance and infrastructure-building push in the country's financial capital. The other story is disquieting by itself, and also potentially undermines the gains of the first — take the Maharashtra Freedom of Religion Act, which comes into force this week. Christian pastors across the Mumbai Metropolitan area have asked congregations to submit a "self-declaration" that they attend prayer meetings of their own volition — this is because the Act comes against the backdrop of harassment of congregants and disruption of meetings by groups like Bajrang Dal and VHP. In the aftermath, the police's one-sided action. Over the last month, seven out of the nine RTIs registered have been against those who organised prayers — and two against the Bajrang Dal. The Act is draconian, and flies in the face of the Supreme Court ruling in *Rev. Stanislaus v. State of Madhya Pradesh* (1977), which laid down the parameters for the constitutionality of laws against conversion. The recent spate of anti-conversion laws in several states reverse the burden of proof. The Maharashtra law prescribes harsh punishments, asks for intimation to the district magistrate in advance and allows parents, siblings and relatives, not just the individuals involved, to complain to the police. In this context, the "self-declaration" is a form of insurance against a law that is all too vulnerable to misuse.

Fadnis rose to prominence as a young leader in a state where politics and governance are often overshadowed by nativism and overtaken by parochialism. He seemed to acknowledge that ease of doing business requires a more governance-oriented approach by a state with a light touch. But the recent push to force auto and taxi drivers in Mumbai to learn Marathi is another symptom of the backsliding. It sends out the message that the government is focusing more on a narrow and performative politics of identity even as it takes a toll on the city's economic activity, and undermines citizens' right to work and mobility. The fact that members of a minority community that is part of the fabric of Mumbai feel the need to sign pre-emptive declarations is a stain on the Constitution's promise of freedom of conscience and the right to practice and propagate religious belief. It is now for the government and ruling party to ensure that these fears are allayed. The financial capital of the country cannot flourish if it tries to dictate the language the people speak and what they believe.

A death at IIT-Delhi, many invisible struggles

BY ALL accounts, Rishikesh Kumar from Bihar was a bright young man who had made it to IIT-Delhi in pursuit of a dream. Physics fascinated him; poetry offered another outlet for his creativity. Yet beneath the promise and ambition was a young man struggling with mental-health challenges. His death, allegedly by suicide on August 22, has once again brought into focus the helplessness that can lurk beneath the surface of hyper-competitive institutions. Kumar's death was the eighth such incident at the campus since 2023.

Over the last five years, the IITs have been proactive in acknowledging that success does not always translate into comfort and belonging. Measures such as supernumerary quotas for women and athletes in undergraduate courses to enhance diversity, and the creation of posts such as the dean of student well-being, recognise that the pressures within elite campuses are shaped as much by the collision between identity and expectation as by an intensely competitive environment. The pressure does not end with securing a place at an IIT; for many, it simply changes form — from the struggle to get in, to the struggle to keep up and fit in. A 2023-24 IIT-Delhi committee described a culture of post-coaching burnout and alienation among students. It is this contradiction that parents and educators must address with urgency. How can environments be built where ambition and well-being go hand in hand, where counselling creates safe spaces, where empathy shows youngsters how to regulate their response to life's vagaries? The road ahead must involve a rethinking of the culture of competition itself, so that institutions do not merely produce high achievers, but are home to thriving young people.

Following protests, IIT-Delhi has set up a committee to conduct a probe into Kumar's death. But the questions go beyond the campus. Far too often, mental health is looked at through the prism of individual histories. But for young people who have demonstrated remarkable fortitude in coping with pressures along their journey to some of the country's premier institutions, what explains their inability to deal with what follows? It is this contradiction that parents and educators must address with urgency. How can environments be built where ambition and well-being go hand in hand, where counselling creates safe spaces, where empathy shows youngsters how to regulate their response to life's vagaries? The road ahead must involve a rethinking of the culture of competition itself, so that institutions do not merely produce high achievers, but are home to thriving young people.

Dolly Parton pushed her way in, and stayed

FOR OVER half a century, the force called Dolly Parton, who died at 80 after a brief battle with cancer, was not just a global star, she was that instantly recognisable artist who looked indestructible. Before she marched into living rooms all over the world, she was everywhere — on radio, TV, stage and films. She always showed up with that trademark over-the-top aesthetic — towering blonde hair, theatrical make-up ("I apply it with a trowel," she'd say) and rhinestones. Beneath the spectacle, however, was razor-sharp wit, enormous ambition and an instinct for survival. "Just because I am blonde, I don't think I am dumb," she sang in her 1966 single 'Dumb Blonde'.

Growing up in the Smoky Mountains, the fourth of 12 children in a family with little of music, Parton sang from the time she could. By four, she was harmonising with her siblings, by seven she was playing the guitar and writing songs and soon performed publicly. After high school, she moved to Nashville, the heart of country music. This was the '60s, and in country music, women were still treated as second-class citizens. But Parton pushed her way in and became a household name with musician Porter Wagoner's nationally syndicated TV show. But Parton wanted more. She decided to leave, crossed over to LA and to pop and reached a much larger audience with 'Here You Come Again' (1977), which won her a Grammy. Then came the songs that made her immortal: 'Jolene', 'I Will Always Love You', 'Coat of Many Colours', among others. She never retired.

Her final personal wish was to be laid to rest in a "beautiful bed of plush cotton". She felt she deserved comfort after a lifetime of wearing heavy rhinestones. She always knew exactly what she wanted.



P R KUMARASWAMY

AHEAD OF the October 27 Knesset election, it appears that Israeli Prime Minister Benjamin Netanyahu will go to any lengths to return to office. The controversy over building 1,200 housing units in E-1 is just the latest example. East 1, or E-1 for short, is a small piece of territory, about 12 square kilometres, in the West Bank. It is part of the municipal limits of the settlement of Ma'ale Adumim and lies east of East Jerusalem. Ma'ale Adumim was established as a settlement in 1975, when Yitzhak Rabin was prime minister, and was upgraded to city status in 1991. With close to 35,000 Israeli citizens (2015 figures), it is one of the largest Israeli settlements in the occupied territories.

Since the Oslo Accords of 1993, there have been plans to connect Ma'ale Adumim to Jerusalem's municipal boundaries. The purpose was twofold: To provide territorial continuity between the two and to expand and consolidate Jerusalem's demographic and strategic security.

Under the Tabá Agreement of September 1995 (signed just weeks before Rabin's assassination), the E-1 enclave was part of Area C, where Israel has complete security control. The area is largely uninhabited and covers

about 12,000 dunums, or about 12 square kilometres. Since January 1994, weeks after the signing of the Declaration of Principles with Palestinian leader Yasser Arafat, various Israeli governments have toyed with the idea of establishing a settlement in E-1. Under the Clinton Parameters of December 2000, E-1 was supposed to be part of a swap deal in which Israel would annex Ma'ale Adumim, including E-1, in return for withdrawing from 94-96 per cent of the West Bank. To curb Israeli efforts, the Palestinians have been building individual housing units in the area, which Israel periodically demolishes. Israel's prolonged reluctance to pursue new settlement activity has largely been shaped by American and international criticism.

The latest effort comes amid the forthcoming election. While Likud, led by Netanyahu, still leads the opinion polls, several surveys indicate a dip in the party's seat count. From 32 seats in 2022, pollsters predict a range of 20 to 32 seats, with most forecasting seats in the 20s. Centre-right and right-wing parties appear to be the main challengers at Netanyahu's expense. According to observers, Itamar Ben-Gvir, the leader of the ultranationalist and pro-nuclear anti-Arab Otzma Yehudit (Jewish Power) party, is the real challenger to Netanyahu.

As the minister of national security and a member of the security cabinet, Ben-Gvir has been a key factor in Netanyahu's hardline security stance since October 7. While Israel's response to Hamas, Hezbollah, and the Islamic

A victory of the right-religious coalition is essential to his political future. Losing a few seats to the far right is preferable to handing them to the centre-left Opposition

Republic of Iran has delivered tangible short-term military gains, Netanyahu is struggling to translate them into political gains. Israel is more secure today than in October 2023. The disarmament of Hamas and Hezbollah has become a precondition for peace, stability, and the reconstruction of the Gaza Strip and Lebanon, respectively. Except for Iran, no major power endorses, let alone contributes to, the survival and strengthening of the "Axis of Resistance". Under President Ahmed al-Sharaa, Syria is no longer the conduit for Iranian arms supplies to the Shia militant groups in Lebanon.

Yet, if the opinion polls are any indication, the military "victory" is proving insufficient to win more votes for the Likud. Within the party, Netanyahu has established unchallengeable authority over seat allocations. Out of the top 30 seats, he managed to reserve 11 for candidates considered loyal to him. This pushed several other Likud figures to the margins, with no real chance of entering the Knesset.

However, securing broader endorsement of his leadership among the Israeli population is more challenging. A considerable segment of the population has not forgotten his role, or lack thereof, in the October 7 terror attack. Several senior military and security figures admitted responsibility and resigned. This has not been the case for the political leadership. PM Netanyahu has not taken any direct personal responsibility for Israel's 9/11 moment. True to his style, he has shifted the blame and has not

gone beyond saying that "everyone, from the top to the bottom, shares responsibility".

Above all, Netanyahu and his cabinet have consistently resisted public calls for a national inquiry commission headed by the sitting president of the Supreme Court (equivalent to the Chief Justice of India). In the past, Israel had two such commissions, led by Shimon Agranat (over the Yom Kippur War of 1973) and Yitzhak Kahan (over the Sabra and Shatila massacre of 1982). Under Israeli law, everyone, including the prime minister, would have to testify under oath and could be cross-examined. So far, Netanyahu has been dodging this. However, should he feel it necessary, he might reverse course and make it an electoral promise.

The new settlement construction in E-1 is part of Netanyahu's efforts to shore up support for his political alliance. A victory of the right-religious coalition is essential to Netanyahu's political future. Losing a few seats to the far right is preferable to handing them to the centre-left Opposition. One should view Netanyahu's reluctance to endorse and embrace the American disarmament plans for the Gaza Strip in this context. Appearing weak or submitting to US President Donald Trump's diktats will cost him more votes than a defiant posture. Thus, despite the near-unanimous Arab-European chorus against his E-1 plans, Netanyahu is driven more by electoral calculations on an issue that has remained dormant for over three decades.

The writer teaches contemporary Middle East at Jawahar Nehru University

Rural India needs jobs, not wage guarantees



PURVI MEHTA

SEVERAL REPORTS earlier this month noted a nearly 50 per cent drop in employment generated under the Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin), or the VB-GRAM-G. The scheme, launched last year as a successor to the two-decade-old Mahatma Gandhi National Rural Employment Guarantee Scheme, guarantees 125 days of rural wage employment, faster payments, and a technology-enabled delivery system built for a Viksit Bharat. It is the world's largest public works programme, backed by a budget of Rs 95,692 crore.

The initial dip is too early to judge the scheme's efficacy. The low numbers do pose a more important question, however: Is a wage-guarantee model, however well designed, the right instrument for rural India in 2026? Public employment guarantees have a long lineage, from Depression-era America to empires who commissioned public works, including temples, to generate wages. The logic was straightforward: When private employment cannot absorb surplus labour — because industry is nascent, services are thin, and agriculture is overcrowded — the state must step in as an employer, providing wages through public works to prevent destitution. That logic held force in India when manufacturing was underdeveloped, and the services boom was an urban phenomenon. For rural households, a guaranteed unskilled wage job was often the only buffer between subsistence and distress.

But the India of 2026 is seeing sustained industrial expansion and a rapidly diversifying rural non-farm sector, and has a digital economy that has reached deeper into villages than most of us appreciate. Rural users now account for the majority of the country's roughly 950 million active internet users. That connectivity has translated into consumption. Rural FMCG demand, for example, has been growing at roughly four times the rate of urban demand and is projected to reach \$220 billion, a nearly tenfold rise from a decade ago. India's rural markets are no longer passive recipients of government programmes.

Nearly 64 per cent of India's population and roughly two-thirds of its 378 million young people live in rural areas. Wages create livelihoods, not careers. The rural youth today are more educated, more connected,

and more exposed to opportunity than any previous generation, but they are also less willing to queue for 125 days of manual wage labour on public works when better alternatives exist or could exist, especially closer to home. This arguably could be the real story behind VB-G RAM-G's disappointing opening month.

The question is no longer how to guarantee more days of wage labour, but how to create genuine, durable employment in sectors that already sit close to rural India's comparative advantage. Sectors that convert local resources, local produce and local labour into local livelihoods while leveraging on the increasing global connectivity.

Food processing is one example. The sector is projected to nearly double from its current size by 2030, built substantially on raw materials that rural India produces — milk, fruit, grain, spices. Renewable energy offers another example: India's clean-energy targets could generate over 44 lakh jobs by 2030, with local, decentralised and labour-intensive production. Strengthening the ecosystem of rural manufacturing and service industries — not necessarily giant factories, but clusters of SMEs producing textiles, farm equipment, healthcare devices, renewable-energy components, construction materials and consumer goods — offers the kind of localised but large-scale rural employment a public-works scheme tries and often fails. Rural healthcare, agri-logistics, and small-scale manufacturing round out a portfolio of sectors where demand, resources and workforce already co-exist in rural India. Capital, skill, and market linkages, not manual labour opportunities, are what Viksit Bharat demands.

This is not an argument for abandoning income support for India's most vulnerable rural households. That safety net remains necessary, but it should no longer be the principal mechanism of rural employment policy. The next iteration of India's rural employment architecture cannot simply focus on executing the old idea better. It must revise the idea itself. Wages are a short-term transaction. They buy a household immediate relief. Jobs provide the nation with a future workforce. Viksit Bharat will outgrow its need for wages as welfare; it will demand productive jobs.

The writer is a senior agriculture industry adviser. Views are personal

May we live a hundred autumns



SHASHANK R. JOSHI

LAST WEEK in my OPD, two lives sat side by side. One was 42 — diabetes, high blood pressure, fatty liver — already carrying three medicines. The other was 89, from a quiet village near Ratnagiri. Clear eyes, unburied gait, not a single tattoo. She walked three kilometres every morning as naturally as she breathed. I asked her, "What is your secret?" She smiled, touched the small *tulsi* plant carefully placed in her cloth bag, and answered in the sort of certainty that those who have never doubted the old ways: "Doctor, *hurey yeh rishi-muni ne padhe hi likh diya hai. Jot sa radah shatam* (may we live a hundred autumns)." In that single prayer, the entire science of longevity was already present.

We speak with wonder of Okinawa, Sardinia, and Ikaria. Yet across our own land, living Blue Zones — where people live long, healthy lives — have never disappeared: The high villages of Himachal, where apricots, glacier water, and daily walking at altitude shape both body and mind; the coastal belts of Kerala, nourished by coconut, fish, and turmeric; the Jain communities of Gujarat, who still honour early dinners, weekly fasting, *sattvik* food, and the quiet strength of *sangha*. No gym, no calorie apps. Only a way of life the Vedas and Ayurveda described, which never truly let us go. Science confirms these five pillars the rishis gave us. First, *aahara* — food as sacred offering. *Annam Brahma* (food is Brahman). Eat what is fresh, seasonal, and *sattvik*. Millets, dal, a measured spoon of ghee, vegetables first, the evening meal completed before the night deepens. This rhythm lowers the markers that shorten life time.

Second, *vihar* — movement as living. *Shatramadyan khala dharm sadhanam* (the body is the first instrument of dharma). Walking, climbing, squatting, tending the earth. This is not "exercise," but refusing the stillness that modern life mistakes for rest. Third, *nidra* — sleep as the body's deepest medicine. Rise in *Brahma Muhurta*. Sleep with the turning of the Sun. Seven to eight hours of unbroken rest. When sleep is broken, insulin resists, blood pressure rises, and immunity weakens. Fourth, *sanga* — companionship as longevity. *Sangachchhadhwam* (walk together). Those woven into family, neighbourhood, and even live longer. Fifth, *sadhana* — stillness as healing. Ten minutes of prayer, *japa*, or *anulom-vilom*. Breath that is regulated softens cortisol and cools the fires of chronic inflammation.

In the clinic, I write two prescriptions. One is of medicine — metformin, statins, insulin when required. The other is of life: Walk 10 minutes after every meal. Receive 15 minutes of morning sunlight. Honour protein and fibre on every plate; let sugar and maida recede. Keep the same hours of sleep and waking. Offer one deliberate act of gratitude or prayer each day. This is not a turning away from modern medicine. It is a necessary companion.

Laboratories across the world search for the secret of a long and healthy life. India has kept it alive in its kitchens, temple courtyards, village paths, and in the quiet discipline of its grandmothers. Longevity is not the mere addition of years to life. It is the addition of life to years. As the Rig Veda prayed, and as our elders still embody: *Sarve bhavantu sukhinah. Sarve santu nriyamah. May all be happy and free from disease. This is the living meaning of *Mayi saradahi shatam*.*

The writer is a Mumbai-based endocrinologist

40 YEARS AGO

August 27, 1986



Five killed in Pakistan violence

THE KILLING of five persons, including two policemen, in a self-immolation bid by two Pakistan People's Party militants, and the burning of a railway station shattered the eerie silence in the volatile Sindh province, according to latest reports. The agitation by the 10-party alliance of the Movement for the Restoration of Democracy assumed a new dimension when two PPP workers set their clothes alight in Dadu, one of the worst-hit towns in the nearly two week-long violence.

Search for survivors

RELIEF TEAMS searched for survivors from the toxic gas disaster at a volcanic lake in

western Cameroon that killed at least 2,000 people and left the area looking like it was hit by a "nuclear bomb". The President, Paul Biya, said the death toll could be higher, but that most of the gas appeared to have dissipated from around Lake Nyos, where an explosion at the bottom of the lake loosened a huge pocket of gas that swept through lake-shore communities.

Informer shot at in Punjab

A POLICE informer was shot at and injured by a wanted terrorist, Bhola, who escaped despite being fired at by security men in Amritsar. Five suspected terrorists were taken into custody in Faridkot and Amritsar districts. The situation in the curfew-bound

town of Giddarbaha was stated to be tense but under control. Four have been rounded up in connection with the killing of three persons in a car near Moga. A police spokesman said in Faridkot. He said the "real culprits" were expected to be nabbed soon, following the interrogation of the four persons.

More customs, excise reliefs

THE FINANCE MINISTRY announced more concessions in customs and excise duties in response to industry representations during open house meetings. The ministry decided to extend the concessional rate of 55 per cent *ad valorem* customs duty for project imports to railway electrification projects under the World Bank loan agreement.

Young found their voice. Opposition needs to find its language



THAROORTHINK
BY SHASHI THAROOR

AS COMMENTATORS analyse the significance of the Gen-Z revolt in Indian politics, the signals sent by the ensuing by-elections in Bankipur and Dattia, and the unsettling indications that the seemingly invincible BJP cannot take its electoral assumptions for granted anymore, not even in the Hindi heartland, it's time to also examine the lessons the rest of us can learn from the events of recent weeks.

The Cockroach Janta Party movement emerged not from the traditional bastions of caste or communal solidarity, nor even from the more modern phenomenon of the laptops of established political strategists, but from a moment of condescension that struck a raw nerve across India. When Chief Justice of India Surya Kant seemingly dismissed unemployed youth and social media activists as "cockroaches and parasites" he unwittingly handed a frustrated generation its defining label.

Conceived as a satirical digital counter-offensive, the movement swiftly evolved into a nation-spanning political force. By channelling the deep-seated anguish of millions of young Indians over rampant exam paper leaks, arbitrary test cancellations, and chronic underemployment, the CJP achieved what mainstream political coalitions had struggled to accomplish for years: It seized the national narrative, ignited similar protests across the country, and forced a major government retreat, culminating in the resignation of the education minister.

For India's institutional opposition parties, this episode serves as a wake-up call for our current strategies to mobilise the young, offering us object lessons in modern civic mobilisation. We have all tried to seize the moment, and the stirring sight of Rahul Gandhi accompanying a pellet-gun victim to a police station to demand the filing of an FIR shows that he has heard the call. His current campaign among the

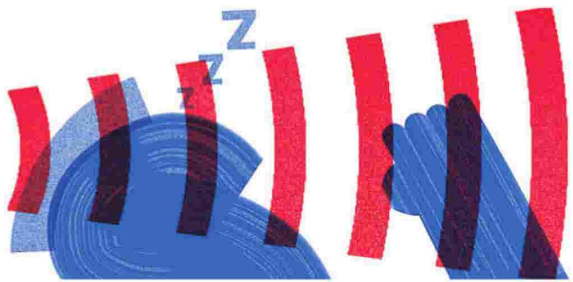


ILLUSTRATION: C.R. SAKSHUMAR

youth has seized the national imagination.

The earlier slowness of mainstream opposition parties to tap into this groundswell reveals a persistent blind spot in traditional Indian politics. For over a decade, opposition rhetoric has oscillated primarily between caste-based electoral arithmetic and abstract defenses of secular constitutionalism. While both remain crucial axes of political struggle, they missed the immediate, material anxieties of India's growing middle class and aspiring youth. The young people who filled protest spaces like Jantar Mantar and flooded digital platforms were not animated by high-level political posturing. Instead, they were anguished by a specific breakdown that touched their daily lives: Years of lost educational effort, the mounting financial strain placed on their families by a predatory coaching ecosystem, and a climate of official apathy that routinely dismissed their frustrations as lazy internet outpourings. When traditional leaders attempted to raise these issues, their critiques were largely discounted as standard partisan opportunism, whereas the CJP spoke not as a power-seeking party (in fact, despite its name, it is not a party at all), but as the authentic collective voice of the aggrieved.

At the root of the Opposition's inability to capture this energy lie severe institutional bottlenecks, particularly the gatekeeping inherent to top-down, quasi-feudal party hierarchies. For a first, ordinary

At the root of the Opposition's inability to capture this energy lie severe institutional bottlenecks, particularly the gatekeeping inherent to top-down, quasi-feudal party hierarchies

talented young person without a political lineage or financial resources, like most in Jantar Mantar, there is no clear path to entering mainstream politics via the Opposition, and even entry through established students' organisations or youth wings of such parties rarely offers meaningful agency. Young workers in established parties are frequently reduced to staging pre-approved photo opportunities in which they stand behind the entrenched leadership, amplify senior leaders on social media, or supply attendance numbers and logistical muscle for rallies. The top-down "high command" culture in all Opposition parties denies them any substantive role while they are still young and "junior".

We also must acknowledge the psychological barrier for aspirational youth, who naturally assume their own talents will always be circumscribed by the advantages enjoyed by legacy heirs and entrenched leaders, bearing well-known names and commanding political patronage networks. The CJP bypassed these barriers entirely by lowering the entry threshold to zero, embracing satirical eligibility criteria that "gamified" civic participation, and allowing young citizens to feel like co-creators of a movement rather than mere foot-soldiers. Furthermore, while most opposition parties remained limited by their conventional approaches, public relations processes and hierarchical decision-making, the CJP oper-

Centre-state compromise on mines, minerals is in tatters



ROHIT CHANDRA

IN THE 1950s, B.C. Roy made a trip to Poland to talk to coal-mining companies about bringing their technologies to India. As Chief Minister of West Bengal in a newly independent India, he had an economic vision for his state that relied on coal-based industrialisation; his vision was somewhat divergent from the Planning Commission's goals at the time. He could afford to think this way because the coal industry had not been nationalised, state governments could still make major claims on major minerals within their boundaries, and the model of industrialisation during that era relied on these natural resources.

No chief minister in India can have similar ambitions today. The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR) and its amendments have progressively dispossessed state governments of the right to exploit major minerals within their boundaries. These rights now lie with the Union government, but in return there has been an uneasy federal compromise around minerals for the last half-century: The Union would allocate mining rights for major minerals, states would be allowed to tax these minerals or the underlying land at some kind of periodically renegotiated rate.

With the recent passing of the MMDR Amendment Act, 2026 in both houses of Parliament, any vestiges of this compromise are lost now; it gives the central government control over all mineral and mineral land taxation. Effectively, it is a declaration of war on fiscal federalism writ large, and a potentially unconstitutional evasion of the 2024 Supreme Court ruling around states' rights over mineral taxation. The Act turns what was once a fiscal right of states into a discretionary allocation that can be altered by central rules at any point. For states with large mining economies, this could affect anywhere between 10 and 20 percent of their annual revenues. Ironically, the states most affected by this at the moment are currently politically aligned with the Union; one wonders how state finance ministers feel about this potential cut to their budgets.

Many MPs had asked for the Bill to be referred to a standing committee. Instead, the MMDR amendments have become the latest case of fiscal myopia and corporate lobbying short-circuiting necessary parliamentary deliberation. Despite its fiscal implications over the coming years, it was discussed for a princely total of five minutes in the Lok Sabha and 40 minutes in the Rajya Sabha. Given mounting dissatisfaction with the law, the Union government has now deployed bureaucrats and technocrats (instead of politicians) to defend it.

Perhaps there is an imaginary world where state governments are the entire problem, that ease of doing business is hobbled by them only, that the kleptocracy and fiscal profligacy of the periphery can only be reined in by the righteous fiscal discipline of the core. That certainly seems to be the current narrative. However, this does not explain why after having Union government control over multiple states, sometimes for decades, mining still evades ease of doing business.

Part of the answer to this lies in how localised mining, its impacts and its induced economies are. Because of the density of approvals, regulations and negotiations, only a few large companies in India have been able to navigate the ecosystem at scale. Mining is both essential to industrial and energy policy in India and socially and environmentally devastating. It requires delicate negotiation and repeated interaction for local communities and politicians to have any faith in mining companies; our public-sector mining companies have been much better at this than private miners. Mining should never be too easy; companies need to earn the social and political right to mine, not simply pay for a licence or lease and proceed how they want.

As this law manifests the unending fiscal hunger of the Union government, there's a lesson to be learned from how China managed its fiscal transition. In 1994, Beijing dramatically centralised its fiscal management by keeping a much larger share of overall taxes. However, it opened an escape valve by trusting provinces to financially innovate through other instruments: This included direct, unmediated access to capital markets. Such policy was crucial to the development of regional models of growth in China's provinces. India has kept all of these escape valves closed for now and its fiscal policies are steadily increasing pressures on states. Perhaps it's time to open them before overbearing fiscal dominance causes an explosion.

The writer is assistant professor, School of Public Policy, IIT-Delhi

LETTERS TO THE EDITOR

A new conversation

RAHUL GANDHI telling an auditorium of young women that they belong to themselves, not to their relationships with men, was genuinely refreshing, coming from a mainstream political stage that rarely makes room for such conversations ("In Pune, a stage and a space, new and old", IE, August 26). The Pune moment showed a real instinct for where a younger India is heading. Yet the Congress also retreated into the comfortable old habit of making a secular statement through sullen refusal rather than principled legislative action, letting the *Vande Mataram* law sail through Parliament in 15 minutes without serious opposition.

Veda Chinanand, Bengaluru

A Delhi for all

WE NEED master plans that prioritise the needs of those at the grassroots, not just the city's elite ("To build Delhi's future, learn from past mistakes", IE, August 24). Such plans must focus on growth that is public transport-led and also takes into account the neighbourhood's capacity to support more lives and livelihoods.

Rajesh Raj, New Delhi

Follow the Sun

THE AUTHORS rightly argue that India's renewable energy challenge is no longer just about producing electricity but also about connecting it effectively to the grid ("How to make a solar-heavy grid stable & affordable", IE, August 26). Their focus on flexible electricity use — such as charging electric vehicles at workplaces, using different electricity rates at different times, and increasing industrial electrification — is a practical way to reduce dependence on expensive battery storage. India should now move from simply matching electricity supply with demand to actively shifting demand to times when solar power is most available.

Bablu Kumar Gupta, Lucknow



LAILA GHEZAL AZIMI

YEKI BOOD, yeki na bood. Once, there was, and there was not. This is how stories begin in Kabul, my hometown: With an acknowledgement of ambiguity. Believe me if you will, or don't. Maybe this is a true story, maybe it is just my version of the truth. Maybe it is not even my story at all — me being Laila, an Afghan woman living as a refugee in Delhi for nearly a decade. Maybe it's a story of other women, from other times.

Once there was or there was not a girl named Laila who dreamed of riding a bicycle. Maybe that girl never existed. Or maybe she did, and she simply grew up, left Kabul, and carried her unfinished dream with her.

I wrote to a phone beep, a message from my friend Sagar, an Afghan woman now living in Canada: "So have you learned yet?" "No, not yet. I'm trying. It's hard." The difficulty wasn't in learning to ride a bicycle. Every time I lost my balance and fell, I told myself: I at least have the right to fall; many girls in my home-land don't have that right. I felt it was carrying the weight of all their dreams on my wobbling shoulders.

It is August, a time of short-lived remembering of Afghan women by people across the world. For me, it is a reminder of a month when millions of Afghan girls were forced to stop dreaming. Over 1,605 days

A bicycle in Delhi, a dream from Kabul

have passed since the ban on girls' education. Once, I used to keep count. I stopped when I realised the number would only keep rising.

I never learned to ride a bicycle as a child. But now, at 34, every morning before sunrise, I go to a park to learn. My teacher is Mehran — a 14-year-old Afghan boy who left Kabul at the age of eight. When I told him I didn't own a bicycle, he borrowed one from an Indian friend. The first day, I was more anxious than excited. Mehran kept saying, "Just keep your balance." But every time I put my foot on the pedal, I felt as if every passerby was watching me and laughing. I lost my balance and fell hard. The first thing I did wasn't check my wounds. I looked around to see if anyone had seen me fall. We had been taught that certain things weren't for women. Perhaps that's why I feared the gaze of others more than the pain of falling. "I told you not to be afraid. Everyone learns this way," Mehran said. That day I understood that the pain of falling is never as heavy as the regret of not trying.

This year marks five years since the Taliban's return. For the women of Afghanistan, these years have been a story of silenced voices, of schools and universities closed, and of the loss of the simplest freedoms. A bicycle, a book, a classroom — these simple things

have become distant dreams.

In Delhi, bicycles are mostly working-class vehicles. I often see older men riding through the streets to get to work, or to sell milk and vegetables. I rarely see young women riding bicycles, except occasionally in better-off neighbourhoods or areas where they can move around with greater security. In that sense, Delhi reminds me of Kabul. Back home, too, bicycles were mostly seen in the hands of working men. Perhaps that is why learning to ride a bicycle in Delhi felt strange to me. I was not simply learning to balance on two wheels. I was stepping into a space I had rarely seen women occupy.

Sagar told me about learning to ride a bicycle in Canada. She laughed as she told me how easy it had been, not because riding itself was easier, but because everyone around her encouraged her to try. "Laila," she said, "you remember how, back in Kabul, people would make us feel ashamed when we tried to learn something new? It was almost as if they wanted us to fail before we had even begun."

I think about her words as I return each morning to cycle. Every time I set the bicycle in motion, I feel that I'm not only learning a skill. With each attempt, it's as if the wishes of millions of Afghan girls move forward with me, here in another country.

The writer is an Afghan refugee in India

One-day breach in the island of privilege



AAKASH JOSHI

IS GURGRAM worth living in? Or, for that matter, is a fancy apartment in Korumangala or a gated colony in South Delhi? For much of the time, most of the year, those who have done well enough — thanks to circumstances, inheritance, luck, and, of course, hard work — to buy their way out of the tribulations that the majority of Indians suffer through don't — not even really ask the question. We can go from an air-conditioned private vehicle — Ubers and Olas included — to an air-conditioned office, looking at the heat, sun and those who live on the street through tinted sunglasses. Our children do not need much from the state — their school

is private, their care and that of the home often outsourced, wholly or in substantial measure, to the "help". Healthcare can be afforded and availed in private hospitals that rival hotels in their swankiness.

Lives of luxury that would be unfathomable to most of our counterparts in the West, made possible by being well off in a poor country. We complain, of course, but deep down, we are bound to realise that for all the whingeing about bad roads and poor systems, life isn't all that bad. Sometimes, though, this island of privilege is breached, if even for a few hours or a day or two at most.

The harrowing tale of Siddharth Kasid, reported in this newspaper, will resonate with many. The 39-year-old resident of Uniwold Gardens, Gurugram, who works at an investment bank, was forced to wait through waist deep water to rescue his

daughter and other children stranded on the highway. Their school bus, among several others carrying children as young as four and five years old, was not moving for hours — thanks to the flooded roads that are a consequence of Gurugram's poor civic infrastructure. Kasid summed up his ordeal with the following conclusion: "Gurgaon is simply not worth living in anymore. We don't want to live here. My family goes

For the many who live on the roads that are now flooded, traverse them in public buses, and walk the terrible footpaths, the monsoon havoc is just a different degree of what they face every day

through this hell every single year despite the high taxes we pay to the government and the hefty rents. We are now seriously mulling moving out of Gurgaon once this academic session ends."

The parent's anger is understandable. Like so many of us, he faced the brutality of life in India not as routine but as a rupture. He was shocked at the fact that "in my professional life, I manage a team of 45 people, and we make sure there is basic courtesy and communication; here, the authorities should never be too easy; companies need to earn the social and political right to mine, not simply pay for a licence or lease and proceed how they want."

His colony, like many others, is green, well-constructed and has many amenities

within its gates. But sewage and stormwater drains, roads and public infrastructure are not private goods. For the many who live on the roads that are now flooded, traverse them in public buses (even the Metro is sometimes too expensive for working people in NCR) and shared rickshaws, and walk the terrible footpaths, the monsoon havoc is just a different degree of what they face every day. Their children, too, are stuck in more ways than one.

None of this is to say that the government should not provide basic infrastructure or not be held accountable. For that, though, people with a voice and privilege will have to stop walling themselves off. Or just move because we can afford to.

The writer is associate editor, The Indian Express. aakash.joshi@expressindia.com

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If there are questions of current or contemporary relevance that you would like explained, please write to explained@indianexpress.com

• HEALTH

How AI can help target protein that contributes to pancreatic cancer

Annav Chandrasekhar
Bengaluru, August 26

RENOWNED US-BASED medical centre Mayo Clinic recently announced that it has co-developed a cancer treatment with Bengaluru-based artificial intelligence (AI) startup Savathi AI Technology, under an intellectual property sharing arrangement. This treatment targets a specific protein called GIPCI that, in certain circumstances, can contribute to the growth of many different types of cancer, including pancreatic cancer — one of the deadliest forms of cancer. The findings were published in the scientific journal *Cell Reports*.

A difficult target

GIPCI does not cause cancer on its own. Experts from Savathi AI said when there is a problem in the expression or signalling of this protein in the body, then cancer cells can use the "pathways" associated with this protein to grow excessively or invade other parts of the body.

Pancreatic ductal adenocarcinoma (PDAC) — the most common type of exocrine pancreatic cancer — remains highly aggressive, with a five-year survival rate under 13.3% owing to late diagnosis, rapid progression, and therapeutic resistance. GIPCI, which is overproduced in PDAC, drives tumour growth and resistance to chemotherapy but has remained "undruggable" due to its PDZ domain.

The PDZ domain is made up of amino acids (also the building blocks of proteins) and is found in the signalling proteins of bacteria, yeast, plants, viruses, and animals.

On why this protein is so hard to target during treatment, Savathi CEO Parag Tipnis told *The Indian Express*: "Its PDZ domain interacts with multiple proteins through broad, shallow surfaces, making it difficult for conventional small molecules to bind effectively. It is also a signalling hub, so blocking one pathway may not be enough to stop the others that remain active."

DEADLY DISEASE

● Pancreatic ductal adenocarcinoma is the most common and aggressive type of exocrine pancreatic cancer.

● It has a five-year survival rate under 13.3% owing to late diagnosis, rapid progression, and therapeutic resistance.

The treatment

Using advanced computational modelling, machine learning, and predictive analytics, a selective and specific small molecule inhibitor of GIPCI was identified, targeting its PDZ domain. This molecule inhibitor is called GIPCI.

Savathi's founder Gurram Kishan told *The Indian Express*: "We started with around 40,000 molecules and progressively narrowed them down to five candidates, of which two were synthesised and tested. Generative AI helped us design the initial molecules, while predictive AI was used to assess properties such as toxicity and absorption." "We then used molecular modelling and quantum chemistry to identify the molecules most likely to bind GIPCI, ultimately leading us to the final candidate," Kishan added.

Timeline for human use

Savathi AI began work on discovering the molecule in 2023, completing their research in about five months. The Mayo Clinic then continued its research, which included animal trials. According to Kishan, if the treatment turns out to be suitable for human use, it could be in use after about three years.

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• LEGAL

OBC creamy layer: Why govt wants clarity from top court on 'rules of the game'

Amaal Sheikh
New Delhi, August 26

THE SUPREME COURT Tuesday agreed to constitute a Special Bench to hear the Centre's plea seeking clarification on whether its March 2026 verdict on OBC creamy layer criteria applies to the Civil Services Examination (CSE-2025), whose results were announced five days before the judgment. The dispute focuses on what happens when a court changes the legal position after an examination process has largely concluded.

The case

The case originated from a Department of Personnel and Training (DoPT) letter of October 14, 2004, clarifying an Official Memorandum (OM) of September 1993 on the creamy layer criterion for OBCs. The creamy layer refers to the economically, socially, and educationally advanced members of the OBC category who are excluded from gov-

ernment reservation benefits.

The 1993 OM had excluded income from salary and agricultural sources from the income/wealth test used to determine creamy layer status. The 2004 clarification, however, said the salary income of employees in PSUs and the private sector would be a criterion. This, however, began to be applied rigorously only from CSE-2015.

Since then, around 100 candidates who possessed caste certificates issued by competent authorities and cleared the CSE have found their OBC claims rejected by the DoPT on the creamy layer ground. Most of them are parties in different petitions before the SC and various High Courts. The petitioners argue that this was "hostile discrimination" between the wards of government servants and those of PSUs or private sector employees.

In its judgment on March 11, 2026, the SC ruled that income cannot be the sole criterion for determining the creamy layer among OBCs. The top court had set a six-

month timeline (until September 11) for implementation of its verdict, which the Centre had appeared set to enforce until its plea on Tuesday.

If the judgment is implemented in full, its benefits would extend not only to candidates appearing in future examinations but also to those affected in earlier cycles. It could hence lead to revised ranks for some.

'Rules of the game'

One of the settled principles in service law is that the criteria governing a selection process cannot be changed midway through the process. The Supreme Court has described this as the "rules of the game" doctrine.

A Constitution Bench of the Supreme Court in *Tej Prakash Pathak v. Rajasthan High Court* (2024) held that "the rules of the game, meaning thereby, that the criteria for selection cannot be altered by the authorities concerned in the middle or after the process of selection has commenced".

The principle exists to protect candidates who enter a recruitment or admission process based on a particular set of rules. Once the process begins, courts have generally been reluctant to let authorities introduce new criteria or change existing ones midway.

Recent NEET matter

In January 2026, the Supreme Court applied the same principle to an admissions dispute in *Divyot Sekhon v. State of Punjab*. The case concerned admissions to MBBS and BDS courses under Punjab's sports quota. After the prospectus had been issued and candidates had applied, the state widened the eligibility criteria for the quota.

The court held that "it is well-settled that the rules of the game cannot be altered once the game has begun", adding that the principle was "just as applicable to admission processes to educational courses as it would be to recruitment processes".

Having found the revised criteria un-

lawful, the court then turned to the question of relief. Ordinarily, it noted, it could have directed the entire merit list to be redrawn. However, it declined to do so, observing that such an exercise would affect candidates who were not before it and would "unsettle settled matters".

The Centre's plea

In its application before the SC, the government has argued that the March 11 judgment "altering settled positions" on creamy layer criteria was delivered five days after the final result of CSE-2025 had already been declared. It has said that CSE-2025 "stood substantially concluded prior to the pronouncement of the judgment" and is presently at the "terminal stage of service allocation".

The Centre further argued that a "mechanical or unqualified application of the ratio of the said judgment, with retrospective effect, to the already-concluded selection process of CSE-2025" would create "a peculiar and acute anomaly amounting to discrimi-

nation inter se candidates of the very examination cycle sought to be benefited".

According to the government, reopening category-wise merit lists at this stage would have a cascading effect on training schedules, batch strength, cadre allocation, seniority, and pay fixation.

The case also resembles the considerations that pushed the court in *Diviot Sekhon* not to redraw an entire admission list after finding the governing rule unlawful. But in that case, the court moulded the relief in a manner that avoided disrupting students who had already secured admissions and were not before the court.

The Centre's plea has asked the court to clarify that the March 11 judgment should not be applied "with retrospective effect" to the "already-concluded selection process of CSE-2025" so as to "unsettle completed admissions in higher educational institutions, completed academic sessions, degrees already conferred, or settled rights of students".

• GEOPOLITICS

Strikes to sanctions: The limits of US moves on Iran



EXPERT EXPLAINS
BASHIR ALI ABBAS

SENIOR RESEARCH ASSOCIATE, COUNCIL FOR STRATEGIC AND DEFENSE RESEARCH, DELHI

ON MONDAY, the US threatened to impose severe sanctions on any country or entity that maintains economic ties with Iran.

US Treasury Secretary Scott Bessent, who announced 'Operation Economic Outcast', termed it "Economic D-Day", a reference to the June 1944 Allied offensive against Nazi-occupied France.

The US has issued fresh sanctions against Iran's digital assets, technology, gold, aviation and shipping sectors, with the Office of Foreign Assets Control sanctioning "nearly 60 entities, individuals, and vessels in multiple jurisdictions that enable the Iranian regime's recklessness". These include sanctions against firms across countries such as China, UK, France, Singapore, UAE and Ukraine.

In the hours following the announcement, Pakistan's Chief of Defence Forces, Asim Munir, made his second trip to Tehran since the March war. Islamabad described the visit as part of its efforts to "promote regional peace and stability". *Al Arabiya* also reported that Munir spoke to US President Donald Trump in the lead-up to the visit.

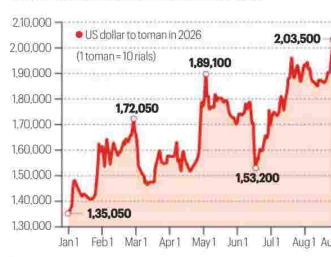
These interlinked developments came at a time when the US appears to be shifting away from its military strategy that has failed to dislodge the Iranian regime. Both countries are entering a *de facto* ceasefire following the expiry of the interim peace framework's 60-day implementation period. What do these developments mean for any future US-Iran negotiations?

D-Day sanctions

The US's new 'Economic D-Day' sanctions are only the latest in a series of sanctions regimes that Washington has had in place against Iran since 1979, the year of the revolution. President Trump intensified these sanctions through his "maximum pressure" campaign in his first term (2017-2021). While the Joe Biden administration diluted this campaign's measures, the second Trump administration renewed them.

• IRANIAN CURRENCY IN FREEFALL

One US dollar now costs 2 million rials in Iran.



In February 2025.

This meant that by the time the US attacked Iran a year later, the Iranian economy was reeling from inflation crossing 50% (near hyperinflation), national per capita income dropping to about \$5,000, rising youth unemployment and the rial in near free-fall. The currency has now fallen to around 2 million rial per US dollar.

Hence, despite the US's aggressive framing of these sanctions, they only represent the intensification of its historic economic outlook towards Iran.

On August 25, US Secretary of State Marco Rubio reportedly said Washington was pivoting from strikes to sanctions, indicating an apparent US disinclination to resume military action. This comes even as Iran continues to strike tankers passing through the US-backed southern channel near Oman in the Strait of Hormuz.

Limited effects of sanctions

Historically, US sanctions on Iran have proven to have limited deterrence effect. Despite their adverse economic effect, the principal affected party is the citizenry of Iran with government actors consolidating power further as the sole arbiters of resources.

It was the George Bush administration that shifted from blanket sanctions to targeted financial and sectoral ones in 2005 and 2006. President Barack Obama expanded and intensified this targeted approach through the Comprehensive Iran Sanctions, Accountability, and Divestment Act in 2010.

Trump, however, triggered a reversal

War and peace

The US has issued fresh sanctions against Iran's digital assets, technology, gold, aviation and shipping.

Meanwhile, Pakistan's Chief of Defence Forces, Asim Munir, made his second trip to Tehran since the March war as part of efforts to 'promote regional peace'.



A market in Tehran's Grand Bazaar. AP

through the Countering America's Adversaries Through Sanctions Act sanctions regime in its first term.

Now, the imposition of the D-Day sanctions reflects the limits of military means as an effective coercion instrument against the Islamic republic. But they also represent a large-scale unlearning of Washington's lessons from its history of economic coercion against Tehran. Iran has near-continually been the most heavily sanctioned country in this century. Its sustained ability to both prevent regime collapse as well as to militarily respond to American attacks successfully in 2026 have already proved the ineffectiveness of Washington's historic economic measures.

Tehran's popularisation of a "resistance economy" has meant that the current Iranian generation has been forced to largely normalise living conditions under external economic duress (supplemented by internal corruption).

While this has indeed meant frequent popular pressure on the regime through demonstrations, the current war-time conditions and mood of national solidarity mean that the Trump administration's nationwide economic targeting will only harden Tehran's resolve. Arguably, such conditions can also help the Iranian government find greater public acceptance for increased austerity measures to absorb the impact of the new sanctions.

It is worth remembering that the new American sanctions are not occurring in a pre-February 2026 reality — when the regime did have any organic trigger for na-

tional solidarity, was reeling from the effects of the December-January anti-government demonstrations and was negotiating with the US for nuclear concessions in exchange for relief from existing sanctions.

Rather, Iran's solidified control over the Strait of Hormuz following the US-Israeli war has left it with economic leverage to meet economic coercion. It is arguably the adverse impact on energy shipping through the narrow waterway that was among the prominent triggers for the pivot Rubio referred to.

Renewal of mediation?

For Iran, the D-Day sanctions do not represent any new US posture, apart from Washington's reduced appetite for military exchanges. Rather, it hardens Iran's learning that escalation is the only way to deal with Washington's attempts to undermine its bargaining power.

Indeed, Tehran's escalatory actions since the war began — from strikes on Gulf countries to attacks on shipping, especially vessels following the US-approved route — have improved Iran's bargaining position in negotiations for a final deal.

For Washington, the new economic measures (despite their effects being old) allow the Trump administration to project strength and cushion its potential return to negotiations with Tehran after military failure. Iran itself specifically requires the US to return to the framework and uphold Article 5 — which provides for joint Omani-Iranian administration of Hormuz. This was among Iran's demands from the US, conveyed through Munir, as reported by the Islamic Revolutionary Guard Corps-affiliated *Tasnim News*.

In any case, Iran and Oman are continuing to discuss Article 5's implementation. On Tuesday, the Omani Foreign Minister asserted that both sides expected to announce a joint temporary transit corridor through the Strait of Hormuz and joint mine clearing operations soon. US President claimed on the same day that the Strait had been cleared of all mines. On Wednesday, Iran and Oman reached agreements on their share of Hormuz and revenues.

Iran will feel the need to continue proving its readiness for continued fighting (at least until the US mid-term elections in November), alongside indirect negotiations with the US. Ultimately, while D-Day sanctions or fresh US strikes on Iran might trigger a resumption of war, both sides remain focused on bettering their bargaining positions.

• UNDERLIES

● Critics question whether the H-1B programme is being used for its original purpose — allowing companies to fill specialised jobs for which sufficiently skilled American workers are unavailable — or as a route to access cheaper foreign labour.

The Labour administration argues that some companies, particularly in tech, have continued to hire H-1B workers while laying off American staffers.

rective, relying on provisions of the Immigration and Nationality Act that allow the president to restrict the entry of foreigners deemed detrimental to US interests.

This June, a US federal court ruled that the \$100,000 payment functioned as a tax, not merely an entry restriction. Since the Constitution gives Congress the power to levy taxes, the court held that the immigration provisions cited by Trump did not clearly authority the President to impose such a charge. Upon appeal, the First Circuit Court of Appeals in July refused to pause the lower court's order.

The biggest difference in the new approach is the legal route. Instead of relying primarily on presidential authority to restrict entry, DHS is invoking its statutory power under Section 286 of the Immigration and Nationality Act to set fees that recover the costs of immigration adjudication and naturalisation services. It is also going through notice-and-comment rulemaking rather than imposing the fee directly by proclamation.

That does not necessarily insulate the policy from another lawsuit, however. DHS itself acknowledges that it has not histori-

cally charged one narrow class of immigration applicants to fund such broad costs across multiple agencies, including programmes with which H-1B employers may have no direct connection.

Impact on Indian workers

US Citizenship and Immigration Services (USCIS) data show that people born in India accounted for 7% of all approved H-1B petitions in FY2024. People born in China come a distant second, hovering at the 12-13% mark since 2018.

Between October 2022 and September 2023, 72% of the nearly 4 lakh H-1B visas issued went to Indian nationals. During the same period, top four Indian IT majors with a presence in the US — Infosys, TCS, HCL, and Wipro — got approval for around 20,000 employees to work on the H-1B visa, as per USCIS data.

Industry body Nasscom has urged Washington to weigh the programme's role in filling short-term skills gaps, while pointing out that Indian technology companies have expanded local hiring in the US and reduced their dependence on H-1B workers.

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Economy

THURSDAY, AUGUST 27, 2026

IN THE NEWS

GOYAL TO VISIT US FOR G20 MINISTERS MEET



COMMERCE AND INDUSTRY Minister Piyush Goyal will visit the

US in late September to attend the G-20 Trade Ministerial in Milwaukee and hold bilateral talks with USTR Jamieson Greer, with trade pact issues to figure in the discussions, an official has said.

EXPORTS TO TOP \$25 BILLION IN AUGUST 1-21



THE NATION'S merchandise export during August 1-21 is estimated to rise by 15% to more than \$25 billion, an official said on Wednesday. During April-August 21 this fiscal, the exports crossed \$200 billion, the official said. The commerce ministry will release the exports and imports data for August formally next month.

Ex-Powergrid chief Tyagi elected as member of CIGRE

R K TYAGI, director general of the Power Foundation of India (PFI) and former chairman and MD of Powergrid, has been elected as a member of the Administrative Council of the International Council on Large Electric Systems (CIGRE). The election took place during the ongoing CIGRE Session in Paris.

Centre set to sell onions at ₹ 35/kg in Delhi

THE CENTRE WILL begin retail sale of onions at a subsidised rate of ₹35 per kg in the national capital from Thursday, in a bid to check prices that have surged to ₹55-60 per kg in several cities across the country.

Rice exports to 26 markets top 3 year average

India's rice exports to 26 priority markets exceeded their three-year average in the five months following the 2025 Bharat International Rice Conference.

AGENCIES

JAPANESE FIRMS INVEST OVER ₹1 LAKH CRORE IN INDIA IN 10 MONTHS

Japan may meet ₹7-L crore India pledge in 4 yrs: Goyal

MUKESH JAGOTA
New Delhi, August 26

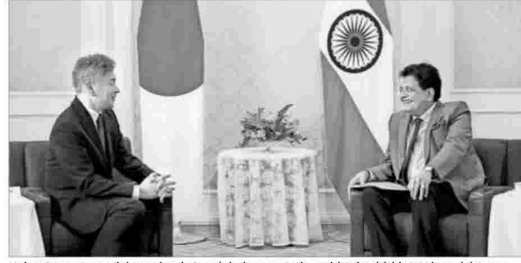
JAPANESE FIRMS HAVE pumped over ₹1 lakh crore into India in just 10 months, fulfilling nearly 15% of Tokyo's 10-year, 10-trillion-yen investment pledge announced in 2025, Commerce Minister Piyush Goyal said on Wednesday.

Speaking to reporters in Tokyo, Goyal expressed confidence that, at the current pace, the entire ₹7 lakh crore (10 trillion yen) commitment will be realised within three to four years, well ahead of its decade-long target.

"Last time, Japan set a target of investing 5 trillion yen in India over 10 years and achieved it within five years," Goyal noted, adding that the rapid capital deployment prompted the doubled target set in 2025.

Prime Minister Narendra Modi has set an ambitious goal of doubling the footprint of Japanese enterprises operating in India from 1,500 to 3,000. Goyal urged Japanese firms to expand beyond traditional sectors into manufacturing, financial services, insurance and pension funds to leverage India's scale alongside Japanese precision engineering.

Addressing the India-Japan



Union Commerce Minister Piyush Goyal during a meeting with Mitsubishi UFJ Financial Group (MUFG) Deputy Chairman Yasushi Itagaki, in Tokyo on Wednesday

...proposes India-Japan 'Shark Tank style series

COMMERCE MINISTER PIYUSH Goyal on Wednesday proposed an India-Japan startup pitching series, on the lines of the popular 'Shark Tank' format, to connect young startups from the two countries with investors and

potential business partners.

Goyal said such pitching sessions could be organised virtually, leveraging digital connectivity, to facilitate greater interaction between Indian and Japanese startups.

—PTI

Startup Roundtable in Tokyo, Goyal proposed establishing a Deep Tech Capital Corridor to mobilise patient capital for

early-stage research, deep-tech innovation and commercialisation. Along with capital linkages, the minister also sug-

WOMEN EMPOWERMENT



Delhi Chief Minister Rekha Gupta with beneficiaries during the official launch of the Delhi Lakshmi Yojana welfare scheme at Talkatora Stadium, in New Delhi, on Wednesday. Around 2,500 women received approval letters under the scheme to get ₹2,500 monthly assistance from September 1.

Hormuz crisis adds \$22.5 bn to fossil-fuel import bill

SAURAV ANAND
New Delhi, August 26

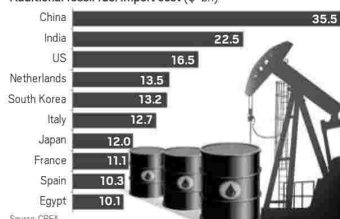
INDIA PAID AN additional \$22.5 billion for fossil-fuel imports between March and August 2026 as the Hormuz crisis drove up oil and gas prices, making it the second-most affected importing country globally after China and adding a fresh burden to the country's energy import costs.

China faced the highest additional cost at \$35.5 billion, followed by India at \$22.5 billion and the US at \$16.5 billion. The Netherlands paid an extra \$13.5 billion, South Korea \$13.2 billion, Italy \$12.7 billion and Japan \$12 billion.

Crude oil alone accounted for \$164 billion of the additional global cost, with prices averaging a 35% premium over pre-conflict market expectations. Refined fuels saw even sharper increases. Diesel and gasoline prices were 59% higher, adding \$74 billion, while gasoline prices rose 43%, adding another \$36 billion.

SOARING COST

Additional fossil fuel import cost (\$ bn)



Source: CREA

Six months after the Hormuz crisis began on February 28, disruptions to global shipping and energy markets have added more than \$330 billion to fossil-fuel import bills, equivalent to around \$55 billion a month, the Centre for Research on Energy and Clean Air (CREA) said in a report. It termed this the largest sustained fossil-fuel price shock since the 1990 Gulf

War. The estimate compares what importing countries actually paid for seaborne crude, fuels and gas with what markets had expected before the conflict. Importantly, it excludes higher freight charges and war-risk insurance, along with pipeline gas, coal, fuel oil and naphtha, meaning these costs are not captured in the headline estimate.

SAURAV ANAND
New Delhi, August 26

INDIA'S LANDED COSTS for lithium iron phosphate (LFP) battery cells and containers were 13-23% higher than China's after-tax prices in July, as freight, duties and other import-related expenses added to costs amid a rapid expansion in grid-scale energy storage.

Landed LFP cell prices in India stood at \$62.67 per kWh (about ₹5,944-6,423 per kWh) in July, compared with about \$54.5 per kWh (around ₹5,209 per kWh) in China. This meant an additional cost of \$7-12 per kWh (approximately ₹671-1,150 per kWh) for Indian buyers.

According to a report by JMK Research & Analytics and IEEFA, a similar price differential was seen for assembled AC containers. The report attributed the gap to freight, duties and other import-related costs, and said local cell and pack manufacturing would help developers "avoid this import surcharge and reduce their reliance on Chinese supply."

IMPORT PREMIUM

India's landed LFP cell prices were 13%-23% above China's after-tax prices in July, adding \$7-\$12 per kWh in import costs

314Ah LFP cell prices in China fell 1.4% in July to \$54.5 per kWh, helped by lower lithium carbonate prices and ample supply

India commissioned about 8,236 MWh of BESS capacity in April-July FY27, alongside 250 MW of pumped hydro storage

Separate filings mandatory for foreign firms, says govt

MANU KAUSHIK
New Delhi, August 26

THE GOVERNMENT HAS clarified that there is currently no automatic data-sharing mechanism between the Ministry of Corporate Affairs (MCA) and the Reserve Bank of India (RBI) for the registration of foreign companies. In a frequently asked questions (FAQ) document on the registration of foreign companies and subsidiaries of foreign bodies corporate, the MCA said the documentation requirements of the two regulators are different.

RBI approval, therefore, does not replace separate MCA filings and documentation. The clarification comes as foreign companies operating in India are required to comply with both the Companies Act and foreign exchange regulations.

The ministry said the National Single Window System (NSWS) can help foreign companies identify the approvals they need, but it does not replace MCA filings or approvals from sectoral regulators. Foreign companies must continue to file Form FC-1 along with the necessary regulatory approvals, including those required from the RBI under the Foreign Exchange Management Act (FEMA).

The MCA has also clarified that a foreign company can operate outside the exclusive categories of branch office (BO), liaison office (LO) or project office (PO) under the Foreign Exchange Management Act

REGULATORY CLARITY

■ No auto-sharing: MCA says RBI approvals do not automatically flow into MCA registration filings



■ Foreign entities must file Form FC-1 with required regulatory approvals, including under FEMA

■ The National Single Window System can flag approvals but does not replace MCA or sectoral filings

■ Foreign companies need a resident representative for legal notices, not necessarily an Indian director.

■ An India-incorporated firm remains an Indian company even if wholly owned or acquired by a foreign entity

(FEMA). If a foreign company's presence in India falls outside these categories, the Registrar of Companies (RoC) may seek clarification on the nature of the establishment, it said.

Typically, a foreign company establishing a physical presence in India without incorporating an Indian subsidiary uses one of these FEMA structures. However, a large majority—estimated at 85-90%—of foreign companies still prefer to establish a separate Indian subsidiary. Such a structure provides greater operational flexibility, permits manufacturing activities and can offer access to lower domestic tax rates.

"A foreign company under the Companies Act is not required to fall exclusively into BO/LO/PO categories under FEMA, though most do," the MCA said in the document.

The ministry has further clarified that a foreign company does not need to appoint an Indian director. It must instead appoint one or more persons resident in India who can receive legal notices and other official communications. An Indian-incorporated company, however, must have at least one director who is resident in India, irrespective of the person's citizenship. "The law requires an authorised representative resident in India, not necessarily an Indian citizen or director," it said.

The MCA said that an Indian company does not become a "foreign company" simply because it is wholly owned by an overseas entity. A foreign entity that incorporates a subsidiary in India creates an Indian company, rather than a foreign company under Section 2(42) of the Companies Act.

Sugar prices rise to ₹65/kg in retail market

PRESS TRUST OF INDIA
New Delhi, August 26

SUGAR PRICES ROSE for the second day in a row on Wednesday by over ₹1 per kg in the retail market due to an uptick in festive demand, according to government data. Retail prices of the sweetener continue to be high despite a nearly 20% decline in ex-mill rates after the government's decision to allow imports of 1 million tonnes of raw sugar.

As per the data compiled by the Department of Consumer Affairs (Price Monitoring Division), the all-India average rate of sugar is ₹65.05 per kg on August 26 against ₹63.97 per kg on Tuesday.

The current average price of sugar is 34% higher from ₹48.68 per kg a month back, while the rate is 41% more than the year-ago level, when sugar was available at ₹46.27 per kg. The data showed that the maximum selling price on Wednesday was ₹76 per kg, while the modal rate was ₹65 per kg. The wholesale price of sugar also rose marginally to ₹60.36 per kg.

SAURAV ANAND
New Delhi, August 26

DANISH COMPANIES ARE eyeing a greater role in India's naval shipbuilding and maritime security ecosystem, as New Delhi steps up investments in naval capabilities and Denmark looks to expand cooperation in shipbuilding, naval systems and maritime technology.

"Security and defence, including on the naval side, will form a more integral part of the partnership," Denmark's Ambassador to India Rasmus Abildgaard Kristensen said during an interaction with reporters. The two countries recently held their first maritime security dialogue in Copenhagen, involving representatives from India's Ministry of External Affairs, the Indian Navy and Denmark's defence establishment.

Danish companies are already supplying equipment to the Indian Navy. Kristensen said Denmark has strong capabilities in radar and other naval sys-

MARITIME EXPANSION



■ Denmark sees scope for deeper naval shipbuilding & maritime-security cooperation

■ Danish firm Terma already supplies about 60% of India's coastal warning radars

terms, with Terma accounting for around 60% of India's coastal warning radars. The opportunity could widen as India expands its naval capabilities and the two sides move cooperation into more "trust-based" areas.

A Denmark-India feasibility study is also examining oppor-

tunities in naval and commercial shipbuilding, while Denmark is looking to facilitate engagement between its defence firms and Indian naval stakeholders.

Kristensen said Denmark's experience with modular naval vessels and the greater use of civilian or dual-use components could also be relevant for India. Using more civilian components in naval vessels can bring costs down because of economies of scale and make spare parts easier to source.

The envoy pointed to Denmark's modular approach to frigates, where equipment can be changed depending on the vessel's requirements. "This kind of modular thinking brings down the cost and gives more functionality to the navy," he said. The push comes alongside growing commercial shipbuilding cooperation. Shipowners have already commissioned around 10 vessels in India, totalling about 40,000 tonnes, and more orders are expected as firms look to diversify.

India's lithium battery costs 23% above China

SAURAV ANAND
New Delhi, August 26

INDIA'S LANDED COSTS for lithium iron phosphate (LFP) battery cells and containers were 13-23% higher than China's after-tax prices in July, as freight, duties and other import-related expenses added to costs amid a rapid expansion in grid-scale energy storage.

Landed LFP cell prices in India stood at \$62.67 per kWh (about ₹5,944-6,423 per kWh) in July, compared with about \$54.5 per kWh (around ₹5,209 per kWh) in China. This meant an additional cost of \$7-12 per kWh (approximately ₹671-1,150 per kWh) for Indian buyers.

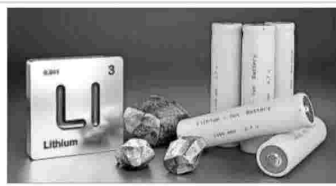
According to a report by JMK Research & Analytics and IEEFA, a similar price differential was seen for assembled AC containers. The report attributed the gap to freight, duties and other import-related costs, and said local cell and pack manufacturing would help developers "avoid this import surcharge and reduce their reliance on Chinese supply."

IMPORT PREMIUM

India's landed LFP cell prices were 13%-23% above China's after-tax prices in July, adding \$7-\$12 per kWh in import costs

314Ah LFP cell prices in China fell 1.4% in July to \$54.5 per kWh, helped by lower lithium carbonate prices and ample supply

India commissioned about 8,236 MWh of BESS capacity in April-July FY27, alongside 250 MW of pumped hydro storage



■ Domestic downstream capacity reached 6.35 GWh in July, led by Waaree ESS and Midwest Energy, but commercial cell manufacturing remains limited

The price differential emerged even as battery-cell prices softened in China. Average prices of 314Ah LFP cells, widely used in utility-scale battery energy storage systems (BESS), fell 1.4% month-on-month in July to CNY0.370 per Wh, or about \$54.5 per kWh. The decline was aided by a 10.7% month-on-month fall in lithium carbonate prices,

expectations of additional supply following the restart of Chinese battery maker CATL's Jiaxiawo mine, ample availability of 314Ah cells and stronger bargaining power among buyers.

Prices of integrated two-hour liquid-cooled AC containers, however, remained unchanged at \$85.7 per kWh (about ₹8,216 per kWh). The roughly \$30-per-kWh difference between an LFP cell and an assembled container reflects the additional equipment and services required for grid-scale deployment, including power conversion systems, thermal management, fire safety, energy management systems, commissioning and warranties.

The import premium assumes significance as India's storage deployment

accelerates. The country commissioned around 8,236 MWh of BESS capacity during April-July FY27, alongside 250 MW of pumped hydro storage. July alone saw about 710 MWh of ESS capacity commissioned.

Domestic manufacturing also expanded, with about 6.35 GWh of downstream capacity becoming operational in July. Waaree ESS accounted for 5.15 GWh through its container plant, while Midwest Energy added a 1.2-GWh integration facility. However, the report said commercial cell manufacturing in India "remains limited", leaving the country's BESS industry substantially dependent on imported cells. The Ministry of Heavy Industries has meanwhile tendered the remaining 10 GWh under the \$60-GWh advanced chemistry cell (ACC) battery production-linked incentive scheme exclusively for grid-scale storage. The tender requires domestic value addition of 25% within two years and 40% within five years.

Capex with care

Capital discipline is welcome, but must not become an excuse for excessive caution

KUMAR MANGALAM BIRLA's recent defence of corporate India against the charge that it is reluctant to invest is timely. Companies, he argues, remain strongly bullish on India's prospects; what is sometimes read as hesitation is really capital discipline. The distinction matters. The debate over the supposedly "missing" private capex cycle too often assumes that optimism must immediately produce new factories and large projects. Investment, however, is not an expression of confidence alone. It is a commercial decision based on demand, capacity utilisation, and returns. Corporate India learnt this painfully during the previous investment boom, when exuberant borrowing and poorly conceived projects left companies overleveraged, banks burdened with bad loans, and assets stranded for years.

Private capex is moving again, but the recovery needs closer examination. Much of the visible momentum comes from a few large, deep-pocketed conglomerates capable of making long-horizon bets across renewables, digital infrastructure, electronics, and advanced manufacturing. That confidence is real, but it is very different from thousands of mid-sized companies independently deciding to invest in India's future. Beyond the biggest groups, private investment remains patchier. Smaller firms face uneven domestic demand, cheap imports, commodity-price volatility, high financing costs, and geopolitical uncertainty. The capex numbers, therefore, cannot yet establish whether India Inc as a whole has rediscovered its risk appetite or whether a handful of conglomerates are making the biggest bets they can afford while others keep watching. Concentrated confidence is also more fragile than broad-based investment rooted in demand across industries and regions.

The government should therefore resist treating caution as a problem that can be solved through exhortation. Its task is to make investment rational, not cajole companies into undertaking it. Stable trade policy is essential: businesses cannot build capacity when tariffs change abruptly or unfairly priced imports undercut domestic producers. Competitive logistics, reliable power, faster land and environmental approvals, predictable taxation, and consistent regulation would reduce project costs and uncertainty. The cost of capital matters too, particularly for mid-sized firms without access to the cheapest domestic and global funding. Deeper bond markets, quicker dispute resolution, and fewer financial frictions are essential if the capex revival is to extend beyond corporate India's top tier. Stronger domestic demand is equally important. Public capex has created valuable infrastructure and supported activity, but it cannot indefinitely substitute for broad-based consumption and private investment. Production-linked incentives have delivered results in areas such as mobile phones, but they must build competitive supplier ecosystems rather than permanent dependence on state support.

Yet Birla's argument also places an obligation on corporate India. Capital discipline cannot become a respectable euphemism for excessive risk aversion. Companies cannot wait for capacity utilisation to reach its limit, demand to become certain, and every policy risk to disappear. By then, the opportunity may have passed. With leverage lower, cash flows stronger, and the banking system capable of funding sound projects, businesses have room to invest ahead of demand where India possesses durable advantages — in renewable energy, pharmaceuticals, specialty chemicals, electronics, defence, food processing, and digital infrastructure. Large companies must also draw smaller suppliers into these investment networks, diffusing technology, orders, and confidence through the economy. The true measure of a capex revival is not the value of projects announced, but how widely productive capacity, jobs, technology, and exports are created. India needs neither reckless expansion nor permanent caution. It needs capital deployed broadly, productively, and with care.

Time for a total reboot

THE RBI SUDDENLY announced that it would close the foreign currency non-resident (bank) window earlier than planned since the mop-up of dollars was more than anticipated. This set the cat amongst the pigeons with most people wondering why they had done this. Interestingly, despite inflows of more than \$50 billion in a little over two months, the reserves rose by hardly \$7 billion. Clearly, rather than seeing the incoming dollars in the spot market (which would have led to rupee appreciation), the RBI must have used these to close out some of its forward sales, earning some premium which would off-set part of the subsidy provided by the central bank on the scheme.

Thus, unlike in 2013 (the last time such a scheme was launched) when the rupee appreciated by nearly 5% over three months and nearly 9% over six months, the rupee has been largely steady.

This also suggests the RBI is more or less comfortable with the rupee's current value, which is a bit surprising since it is well known that on a real effective exchange rate basis, the rupee is over 10% undervalued. Indeed, the weak rupee is beginning to impact many of the much-heralded PLI projects, including the India Semiconductor Mission, that are part of the government's *Viksit Bharat* plan.

To my mind, this is not the kind of signal the RBI should be giving, particularly when we have just come out of the major trauma of the past few months with the rupee crashing by more than 6% since the start of the year, reinforcing the long-held belief that the rupee can only weaken going forward. The RBI should be working to prevent the build-up of a "one-way street" mentality, which is not only self-fulfilling but also creates untenable pressure on the reserves, making these kinds of expensive schemes necessary.

Significantly, "the rupee will always fail" mentality exacerbates the pressure on the rupee through leads and lags — where importers rush to hedge while exporters hold back till the last minute. Several analysts have estimated that \$150-\$185 billion of the decline in the reserves was made up of exactly such leads and lags; one author suggested a wonderfully creative way to address this — by charging an additional cash reserve ratio on import cover. This would increase the premiums on the import side, which would certainly slow down import hedging and, likely, increase export sales, which would keep the rupee from falling further, and may even lead to the much-needed appreciation.

There are many sound ideas like this being propounded by analysts, including the crying need to increase liquidity in the debt markets by changing the taxation of medium-term debt income to capital gains, which would not only increase the flow of investment to MSMEs, but would also make Indian debt more attractive to foreign portfolio investors, again easing the pressure on the rupee.

Another interesting aspect of the current scheme is that the RBI seems comfortable with investors using leverage — even RBI is announcing that it is happy to provide it. In 2013, most of the deposits were, indeed, leveraged, but it was undertaken quietly. Because of the leverage, the RBI needs to provide only a modest jump over US rates, which is good since it saves us money. It highlights the reality that NRIs, at least, are quite comfortable with India risk, at least as far as the financial sector is concerned.

Unfortunately, in the real sector which creates jobs — one of our many number one problems — India's risk appears to be almost unmountable. It is well known that over the past several years net FDI has been largely flat — in other words, global investors are really not interested in investing in India, and have not been since around 2011. Net FDI as a percentage of GDP has moved between 0.7% and 2%, averaging 1.5% over the past 16 years, sharply down from the peak of 3.6% of GDP in 2008.

Tragically, but hardly surprisingly, domestic private investment, too, has been flattening at around 12% of GDP for over a decade (as compared to 25-28% globally). Clearly, we are doing something — or several things — wrong. It's time for a complete reboot of Indian economic policy.



JAMAL MECKLAI

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BANKING REGULATIONS

INDIA ADOPTING BASEL III TO THE LETTER, RIGHT WHEN THE REST OF THE WORLD IS WATERING THEIRS DOWN

Wall Street folded, RBI held

GIVE ME A lever long enough and a fulcrum on which to place it, and I shall move the world," Archimedes famously declared. Central bankers aren't exactly known for their dramatic flair — their speeches are usually designed to cure insomnia. But they know exactly what the Greek mathematician meant: unchecked borrowing can move the global economy, usually right off a cliff.

The RBI's August 2026 consultation paper — Eleventh Amendment Directions — is a high-stakes game of regulatory poker. India is adopting global banking rules (Basel III) to the letter, right when the rest of the world is watering theirs down.

Bank safety rules come in two flavours. The clever ones say a bank should set aside less against a government bond than against a loan to a shaky startup. Then there's the leverage ratio — the sledgehammer. It doesn't care what you own. It just asks how big your pile of assets is, and how much of your own money sits underneath it to absorb losses. A hard floor beneath the everslows, which banks have always been rather good at gaming.

India's floors aren't moving: 4% for the biggest banks, 3.5% for the rest, both above the 3% global minimum and both unchanged since 2019. The drama, effective April 2027, is how you count the pile — plus a new straitjacket for Indian branches of foreign giants.

Where the RBI gets an A+

Let's be honest: almost nothing here is original. The emergency escape hatch for money parked at the central bank (reserves) is lifted from Basel. The formula for measuring derivatives' Standardised Disclosure forms? A line-for-line copy.

That's exactly the point. The RBI's great virtue is stubborn fidelity to a text widely out of fashion everywhere else. Consider the alternatives. Europe had written the escape hatch into law, used it



KRISHNAN RANGANATHAN
Former Executive Director, Nomura, alumnus of Harvard Business School, and a visiting faculty at B-schools

when Covid hit, and switched it off again in 2022 — orderly, in order, only. Britain went further, permanently taking central bank money out of the calculation in 2016 and raising its minimum to 3.25% to compensate. America had written down nothing: it improvised an emergency rule in 2020, let it lapse in 2021,

then spent years relitigating the wreckage in the Treasury market, an argument concluded only this April. That's the case for writing the fire drill before the kitchen catches fire. And the RBI adds a sensible catch: use the escape hatch, and the minimum goes up to compensate, so nobody quietly loosens the safety net.

Then there's the neat fix for "window dressing" — shrinking your riskiest short-term book the night before results day, then piling back in the morning after. The draft makes banks publish the quarter-end number, the daily average, and an explanation of why the two diverge. The RBI isn't policing this daily itself; it's putting the numbers on the table and outsourcing discipline to the market. Good luck explaining a convenient 40% dip to investors with a straight face. One loose thread: banks must clear the minimum at all times, yet measurement is quarter-end unless the RBI permits otherwise. Making averaging the

default would close that gap for nothing.

Where it gets harder

The leverage ratio is deliberately blind to risk. That isn't sloppiness; it's the design. Before 2008, banks got very good at loading up on whatever the rules treated as harmless, sovereign paper

included — which is exactly why carving out an exception for government bonds would reopen the loophole the sledgehammer slams shut. Silicon Valley Bank died in 2023 holding impeccably safe Treasuries. Zero credit risk, fatal interest rate risk. So no, the RBI isn't "penalising" banks for obeying the rule that forces them to hold government bonds. Those bonds have sat in the denominator in full since 2019. This draft doesn't touch it.

The sharper worry is harder to dismiss. Because G-secs are treated as risk-free, a bank stuffed with them looks wonderfully safe on that measure while its leverage ratio doesn't budge — so the sledgehammer bites first. Most Indian banks sit comfortably clear. Some public sector banks with heavy bond books could sit closer than they'd like.

Hence the asymmetry worry raising in the consultation: the emergency valve covers balances parked at the RBI, not gov-

ernment securities. In a genuine stress episode — exactly when the RBI would want banks hoovering up sovereign paper — no relief exists, not even temporarily. Britain's fix isn't a direct precedent, since it covers central bank money rather than bonds. But it establishes the principle: identify structural distortion, deal with it permanently, and raise the minimum to compensate. The RBI has the harder version of the same problem and has reached for neither remedy.

Second, the foreign branch rules. A branch has no shareholders and pays no dividend. "Retain 100% of earnings" really means "stop remitting profits to head office" — with tax and treaty complications the draft never addresses. Worse, a Mumbai branch's requirement is 3.5% plus whatever buffer its home regulator prescribes. Washington has just eased its own requirements, which means India's effective floor for a foreign branch has loosened without anyone in Mumbai deciding anything. A domestic override, or simply a floor beneath the borrowed number, would keep the judgement where it belongs.

Finally, the Bank of England is consulting on a lower floor paired with a buffer that can be switched off in a downturn, freeing banks to lend rather than hoard. Given the RBI's evident thinking on flexibility, the same instinct applied to buffers is a natural next question.

The verdict

The direction is undeniably right. The RBI isn't reinventing the wheel; it's enforcing global standards while its peers negotiate exemptions from them, and that stubbornness is worth its weight in gold. The unfinished business is what a consultation exists to surface.

As Archimedes might observe, a well-placed lever stabilises a structure as easily as it topples one. The RBI has built a sturdy fulcrum. It just needs to check where its thumb is.

Participation is India's problem, not growth



RAVI VENKATESAN

Chairman, Global Energy Alliance for People and Planet, and Founder, Global Alliance For Mass Entrepreneurship

Inclusion doesn't trickle down from productivity boom, it has to be engineered into it; India also needs to build livelihood systems & focus on districts for development

CHANNAVA USED to earn a daily wage, cooking and selling what she could after someone else's shift ended. A solar-powered stove and a small loan changed the arithmetic of her day — more hours to cook, a lower cost per batch, enough surplus to turn a side hustle into a business. A few villages over, Kamalava's sewing machine now runs on solar power too; she works faster and it costs her less in strain on her body. Anandi's forge, once at the mercy of an erratic grid, runs on the sun, and his blacksmith trade, the kind of work economists file under "informal, low-productivity, will disappear", is instead what feeds his family.

None of these are dramatic stories. That's the point. *Viksit Bharat*, India's ambition to become a developed economy by 2047, will not be won by a few more unicorns or a couple more world-class firms. It will be won or lost in millions of small transactions like these. India's challenge is no longer primarily to grow fast. It is to broaden who gets to participate in that growth.

That reframing changes what we should be arguing about. The first phase of India's rise ran on liberalisation, demographics, and capital. The next phase has to run on productivity — and three forces are converging to make that possible: artificial intelligence (AI), clean and distributed energy, and digital pub-

lic infrastructure. Together they could deliver India's biggest productivity leap since 1991. In Andhra Pradesh's tribal highlands, roughly 1.2 lakh coffee farmers in Paderu and Araku are being brought onto a single app that handles compliance and market access, turning subsistence growers into participants in a formal, traceable supply chain. That is productivity-led growth at the bottom of the pyramid, but it required someone to build the app and the market rails. Elsewhere, AI-based farm advisory tools have pushed the cost of getting a smallholder good agromonic advice from around \$35 a farmer down to under a dollar. Inclusion doesn't trickle down from a productivity boom. It has to be engineered into it.

The second shift is from counting jobs to building livelihood systems. Ask "will AI destroy jobs?" and you're asking the wrong question — most Indians entering the workforce over the next two decades will not hold a conventional job at all. They will be entrepreneurs, gig workers, micro-manufacturers, farmers, and women running enterprises from home. In a small town in Uttar Pradesh,

Vandana Yadav turned an idea and a state-backed loan into a working cold-pressed oil mill. That is not a hobby business — sustained by tens of millions, that is what India's employment agenda actually looks like on the ground. Mass entrepreneurship isn't a side story to India's growth. It is the central tale.

The third shift is geographic. The next trillion dollars of India's GDP cannot come only from Bengaluru, Hyderabad, the NCR, and Mumbai. It has to come from districts India. West Godavari's new entrepreneurship mission, launched in the presence of the finance minister, is targeting 5,000 new enterprises and 25,000 livelihoods over five years, building on a similar effort already under way in Visakhapatnam. The district, not the metro, is the right unit for this next phase of development.

Which brings us to who actually benefits. Rekha Sen is not a banker or a bureaucrat. She's a former self-help group member in a Rajasthan village, trained as a "Vitta Sakhi" to help other women navigate loan paperwork — and in three months she helped 15 women secure loans ranging from ₹75,000 to

₹5 lakh. More than 860 women like her are now doing this work across three states. This is what the idea of "women's entrepreneurship" is India's biggest untapped growth opportunity" looks like once it stops being a line in a strategy deck. It looks like one woman helping the next one fill out a form.

None of this happens through government support alone, and it shouldn't. Philanthropy's job is to be India's R&D incubator — absorbing the risk of testing what doesn't yet work, whether that's AI for informal workers or new models for women's market access, so the government can scale what's proven and markets can commercialise it. Business needs to show up as a capability builder, not a CSR donor: its supply chains, technology, and management talent are worth more to an ecosystem than a grant cheque. Civil society is the connective tissue that makes all of it reach the last village.

When historians look back on whether India actually became *Viksit Bharat*, they won't be checking whether GDP crossed twenty or thirty trillion dollars. They will be asking whether Channava, and the tens of millions like her, became more productive, more prosperous, and more hopeful. Get that right, and the GDP number takes care of itself. Get it wrong, and no GDP number will matter.

LETTERS TO THE EDITOR

Household savings

Apropos of "Tap household savings for growth" (FE, August 26), Indian households are shifting their savings from traditional bank deposits and physical assets towards market-linked financial assets such as mutual funds. The surge in investor base and drop in deposit shares in recent times are testimony to this. However, a lot still needs to be done because physical assets like real estate and gold still command around 70% of household savings. Schools, colleges, workplaces, banks,

and all digital platforms should explain compounding, risk diversification, and inflation in layman terms. Preferential tax treatment for long-term investments in equity mutual funds and regular SIPs should be the order of the day. Risks associated with fixed deposits and mutual funds should be explained by banks, post offices, and financial intermediaries, especially in tier-II and III cities.

—Bal Govind, Noida

H-1B fee fears

Apropos of "H-1B fee plan threatens IT

playbook" (FE, August 26), the proposed US fee of \$103,265 on new cap-subject H-1B petitions could alter the way Indian IT firms deploy talent in the US. While large technology firms may be able to absorb the additional cost, smaller companies and firms with large numbers of employees travelling from India could face considerable pressure. The move may encourage Indian IT to reconsider the traditional practice of sending employees to the US for short-term assignments. More projects could instead be handled by teams based in India, reducing costs

while strengthening India's position as a technology and delivery hub. Companies may also become more selective in sponsoring new H-1B workers and rely increasingly on hybrid models. The proposal, however, should be examined carefully for its wider implications. Excessive costs hit affect American businesses that rely on skilled foreign workers. A balanced immigration policy is essential to protect US interests without any disruptions.

—Sanjay Chopra, Mohali

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THURSDAY • AUGUST 27, 2026

Sugar trail

Crop overestimate, more than ethanol, pushing prices

The Centre's decision to allow duty-free imports of 10 lakh tonnes of raw sugar for the first time in over a decade has raked up a fresh controversy over ethanol blending. Critics blame the diversion of sugarcane to ethanol for the recent sugar price surge which prompted this move. However, the reasons for the sugar price rise this year are wide-ranging.



After normal or above-normal rainfall in the four years from 2021-22 to 2024-25, a persistent El Nino has led to South-West monsoon rainfall falling short of the Long Period Average by about 13 per cent this year. With yields also being impacted by red rot fungus and pest attacks, domestic sugar output (after diversion of cane to ethanol) is expected at about 279 lakh tonnes for this sugar season (October 2025 to September 2026) down from between 300 and 360 lakh tonnes between 2021-22 and 2023-24. This output was just about sufficient to meet domestic consumption of 280 lakh tonnes. While such deficits are usually covered by carried-forward stocks from the previous season, low output in 2024-25 (262 lakh tonnes) had drawn down the opening stocks for the 2025-26 season.

Sugar exports since then have aggravated the shortage. In February 2026, on expectations of record cane output, the Centre approved a sugar export quota of 20 lakh tonnes, of which about 7-8 lakh tonnes were contracted before curbs were reinstated. These developments have led the market to conclude that by October 2026, India will be left with opening stocks of just 40 lakh tonnes of sugar — the lowest in a decade. This has sent domestic sugar prices soaring by 30 per cent in a month. With the upcoming festival season, the government went into fire-fighting mode imposing stock limits on sugar dealers, capping the inventory held by bulk consumers at 15 days and asking States to flag off an early start to the next crushing season by October 15. However, with crop prospects still up in the air, it remains to be seen if these measures suffice to address the supply deficit.

Downward revisions in the cane crop, pest attacks, low sugar yield and exports have all contributed along with cane diversion to ethanol. While policymakers cannot do much about pest attacks or yield fluctuations, they can certainly strive to improve the accuracy of the production forecasts that dictate policy. Against a cane output estimate of 500 lakh tonnes in May 2026 by the Agriculture Ministry, the actual output may now be at 475 million tonnes or lower. Against the sugar industry's estimate of 343 lakh tonnes of sugar production, the actual number is likely to be in 300-310 lakh tonne range. To ensure reliable supply of cane to meet consumption, export and ethanol needs, more accurate forecasts are now critical. Perhaps systematic deployment of technology such as satellite imagery and drone mapping can help governmental agencies arrive at more precise estimates of crop progress, without relying on industry or trade estimates which are error-prone.

POCKET

RAVIKANTH



What do we mean by forex reserves?

KEY POINT. With forward market currency trade rising, the way in which it should be reckoned in current reserves is an issue



MADAN SABNAVIS

In the light of the FCNR scheme being introduced to attract dollars, a question raised is whether these funds would be used to shore up reserves, or for intervention in the market to stabilise the rupee. The two would amount to the same even when the operations are conducted independently. Inflows can be added to the reserves as a matter of routine by swap with banks. At the same time there would be intervention in the spot market to steady the rupee, which would have been done even if FCNR scheme had not been there. Hence, what matters is the quantum of forex reserves at the end of the day.

Now, what exactly do we mean by forex reserves? There are primarily three parts to it: foreign currency assets, gold and others such as SDRs. Should the total be taken to be the number or just foreign currency? In the past, the share of gold was around 6 per cent. But of late it has risen to nearly 17 per cent by 2025-26. This has been a conscious policy of central banks across the world to diversify forex reserves and bring in more gold which is a neutral asset.

Gold has the same virtue as dollar or any other hard currency in terms of being acceptable to all. At the same time, it does not belong to any country.

This being the case, reserves stood at \$691 billion as of March 2026 with currency component being \$553 billion and gold, \$115 billion. A metric used often to judge the strength of forex reserves is to juxtapose the same with value of imports. In FY26 imports were \$775 billion which is around \$65 billion a month. Hence reserves would cover around 10.6 months of imports which is very comfortable. The more conservative analysts would use only foreign currency as the appropriate reserves. This would in turn yield a cover of 8.5 months which is still very good.

RBI INTERVENTION

In the last couple of years in particular, the RBI has been very active by way of intervention in terms of both spot transactions and forwards. The spot transactions directly get reflected in the movement of forex reserves and would be part of the final number.

However, the forwards are in the derivative space where the RBI goes in for swaps, dollars are sold short in the



GOLD SURGE. Central banks in recent times have aggressively accumulated gold reserves for diversification (SETTY IMAGES)

Forex reserves movement

	Currency	Gold	Others	Forex reserves	Forwards	Net forex
2019-20	442	31	5	478	-5	473
2020-21	537	34	6	577	72	649
2021-22	550	43	24	617	66	683
2022-23	509	45	24	578	24	602
2023-24	570	53	23	646	-0.5	646
2024-25	567	78	23	668	-84	584
2025-26	552	115	24	691	-103	588

Source: RBI. All numbers have been rounded off to whole number

market, which sends a strong signal of intervention without any direct outflow in the spot market. This is considered by some analysts as a liability that has to be reduced from total reserves to get a fair picture of the same.

The table gives the movement in the overall forex reserves of the country in the last seven years. The share of gold has gone up sharply in the last two years though the upward trend has been noticed since 2023-24. One reason often given for central banks increasing their holdings of gold is the compulsion to diversify and de-dollarize ever since the

One reason often given for central banks increasing their holdings of gold is the compulsion to diversify and de-dollarize ever since the US impounded the reserves of Russia which were invested in US treasuries

US impounded the reserves of Russia which were invested in US treasuries. This is now a global phenomenon.

The 'forwards' trend is also interesting. A positive number is a long position taken wherein dollars will be bought in future while a negative number is a short position of RBI selling dollars in the coming months. Taking a forward position in the market is more of a signalling mechanism to the market of the RBI's intentions.

Hence instead of selling in spot, a forward sale after say three months means that after this time period, there would be more dollars in the market. This reduces the noise factor in the market. The RBI could square this off any time before maturity and hence is only indicative of future action. But from a theoretical standpoint this trend shows that from virtual net buyers of forex in the forward market, the RBI has now become a seller.

GOLD FACTOR

There are two questions here. The first is whether one should be looking at the foreign currency reserves only or also

include gold. Gold can be converted any time and should not be excluded. Besides buying gold is a conscious decision, taken more for diversification than any other reason.

The second question is whether forward position should also be netted in or out of the reserves. Here it is debatable given that such positions are not entirely linked with forex market. Under the liquidity framework being pursued, buy-sell swaps of dollars is a tool, which means that the RBI buys dollars from banks for say \$5 billion and provides cash on the condition that after three years, the same will be returned or sold to the banks. Banks are charged a premium for the same. It ends up as an outstanding position in the forward book of the RBI.

Some would argue that there is strong reason not to include the forward position. Yet, it can also be said that these potential flows cannot be ignored when weighing the strength of the reserves and hence need to be adjusted with the total. If this is down, as can be seen in 2025-26, the reserves (including gold) would be down to \$588 billion which would cover nine months of imports.

The issue of inclusion of forwards would not have arisen but for the fact that the numbers have been rising of late where strategic intervention is made without disturbing current level of reserves.

A compromise would be to look at two sets of import coverage ratios — without and with the outstanding 'forwards' position.

The writer is Chief Economist, Bank of Baroda. Views are personal

Asymmetry between market access, market capability

Financial inclusion must not be defined by the number of trading accounts but by accumulation of productive financial assets

Harsimran Sandhu

Imagine two young Indian households, both channelling their savings into the equity markets to seek returns. One invests in diversified equity mutual funds, seeking to participate in India's long-term growth and benefit from compounding. The other turns to equity derivatives, seeking to profit from short-term market movements.

Both are participating in the financial market. But they are pursuing fundamentally different objectives. SEBI's latest study on equity derivatives illustrates the consequences.

In FY26, 87.5 lakh individual traders participated in equity derivatives, of whom 87.7 per cent incurred losses. Their aggregate net loss was ₹91,685 crore, while the average loss among loss-makers was ₹1.17 lakh.

There is some improvement. The proportion of loss-makers declined from 90.9 per cent in FY25 to 87.7 per cent in FY26. However, active individual traders also declined 18 per cent, new entrants fell 40 per cent, and exits increased 76 per cent. The lower loss ratio, therefore, needs to be read alongside a sharp contraction in participation rather than as evidence of a fundamental improvement in retail trading outcomes.

The competitive landscape is equally revealing. Individual traders recorded

₹72,243 crore of gross trading losses in FY26, compared with gross profits of ₹44,483 crore for proprietary traders and ₹13,896 crore for FPIs. Importantly, 99 per cent of FPI and proprietary profits came from entities using algorithmic orders.

This does not establish a simple transfer of retail losses to institutions. It does, however, highlight an important asymmetry in the trading environment. Individual participants may be competing against sophisticated market participants using algorithms, quantitative models, faster execution and professional risk-management systems.

Market access may be equal; market capability is not.

AGE PROFILE

The demographic profile makes the findings even more consequential. Forty-three per cent of individual derivatives traders are below the age of 30, compared with 31 per cent in FY22. Among these younger traders, 89 per cent were loss-makers.

This matters because young investors possess the most valuable asset in finance: time.

A 25-year-old has decades in which regular savings and reinvested returns can compound. Yet the growing emphasis on short-term trading risks encourages the generation with the longest investment horizon to adopt the shortest investment horizon — focusing



INVESTMENTS. Short vs long term

on the next expiry rather than the next decade.

There is, however, another important story unfolding alongside the derivatives boom: the expansion of mutual-fund investing.

According to AMFI total mutual-fund folios increased from 10.55 crore in July 2021 to 28.09 crore in July 2026, while retail-oriented equity, hybrid and solution-oriented schemes accounted for around 21.40 crore folios. Monthly SIP contributions reached ₹31,961 crore in July 2026.

These numbers represent a different relationship with the market. A mutual fund SIP does not require an investor to forecast the next market movement. It encourages regular investment across market cycles, giving long-term ownership and compounding a greater role in wealth creation.

One approach seeks to predict prices;

the other seeks to participate in economic growth.

India has succeeded in extending financial-market access to the last mile. The next challenge is to extend financial capability with equal determination. Financial inclusion should not be measured only by the number of trading accounts opened, but by whether households are accumulating productive financial assets.

This is not an argument against derivatives. They serve legitimate purposes in hedging and risk management, while equity investing also carries market risk. The issue is suitability: whether leveraged, short-term trading is an appropriate wealth-building strategy for an ordinary household.

There are signs that some speculative activity is moderating. The share of index-options turnover occurring on the day of expiry declined from 70 per cent in FY25 to 59 per cent in FY26.

But regulation can address excesses; it cannot substitute for investment discipline.

The success of India's financialization should therefore not be measured merely by trading volumes or derivatives turnover. It should be measured by how many households become long-term owners of productive financial assets and give their wealth the time to compound.

The writer is Professor of Finance, IIM Jodhpur

✉ **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.

Unfair to bank customers

This refers to the proposed 'Unkind cut' (August 26). While agreeing with the Editorial that the proposed bank levy on cash withdrawals is unfair, PSBs like SBI by imitating the ways of profit-savvy private sector banks, are going against the objectives for which they were established. Since SBI may not go back on its 'unkind cut', the cash-savvy customers must brace themselves for the inevitable.

SK Gupta
New Delhi

With reference to 'Unkind cut' (August 26), SBI's proposal to levy charges on cash withdrawals from its ATMs beyond minimum count is deplorable, though banks may justify these charges for maintaining ATMs. In spite of increasing UPI transactions, small businesses still depend on cash transactions. People in remote areas and labourers need easy and regular access to their savings bank accounts.

Sitaram Popuri
Bengaluru

Advantage PSBs

This is with reference to the report 'Public sector banks more efficient than private lenders' (August 26). The working paper submitted by the PM-EAC stating that the public sector banks performance in FY 26 is efficient is a good development. This is significant as PSBs provide more services to the under privileged sections in rural areas than their private sector counterparts who focus more on urban and metropolitan areas. Capital infusion by the government and the improved

customer service along with technological upgrade have made the PSBs improve their efficiency. PSBs should also focus more on customer-requisite transactions especially keeping in mind the young entrepreneurs.

Katru Durga Prasad Rao
Hyderabad

F&O risks

This refers to 'Persisting retail F&O losses spur call for tighter eligibility filters' (August 26). It rightly highlights concerns over continuing

retail losses in F&O trading. While stricter eligibility norms may be necessary, regulation should not focus exclusively on retail traders. While examining retail participation, SEBI should also closely monitor large and sophisticated participants to ensure fair price discovery and prevent manipulation. SEBI's recent action against a major market participant for alleged expiry-day price manipulation underscores the need for such scrutiny.

Srinivasan Velamuri
Chennai

Mobile chargers for EVs

Will remove range anxiety during long-distance trips

Millind Kumar Sharma
Lalit Jyani
Khushboo Shah

India's electric mobility market is growing rapidly, but the next phase of EV adoption will depend not only on the availability and price of electric vehicles but also on the confidence of consumers to take them beyond cities and on long highway journeys.

One concern continues to remain strong among potential EV buyers: what happens if the battery runs out in the middle of a highway and there is no charging station nearby?

This fear of being stranded, commonly referred to as range anxiety, can discourage consumers from choosing an EV, particularly for inter-city travel. According to the latest government data, India had 52,718 public EV charging stations as of July 2026, including 16,561 stations with fast-charging facilities. This represents a substantial increase from the approximately 25,000 public charging stations reported by NITI Aayog in October 2024.

However, the expansion of fixed charging stations alone may not be enough to address India's highway charging challenge. Building a dense and reliable charging network comparable to those in developed EV markets will take time, given the requirements of land, grid connectivity, power capacity and investment.

BRIDGING THE GAP

Portable EV charging infrastructure based on flex-fuel technology can help bridge this transition gap by providing charging wherever and whenever it is needed. In this phase of India's EV journey, a mobile charging network can act as a vital support system, almost an "oxygen" for the growing EV ecosystem and giving consumers the confidence to undertake long-distance journeys without the constant fear of being stranded with a discharged battery.

Several developed EV markets are already exploring mobile and portable charging as a complement to fixed charging infrastructure. In the US and parts of Europe, mobile charging services are being used or tested to provide on-demand roadside charging, particularly where fixed chargers are unavailable or during emergencies.

The concept is straightforward: a mobile charging vehicle



NEXT STEP. Bring the charger to the vehicle (STOCKPHOTO)

equipped with a high-capacity DC charger and an ethanol-based flex-fuel generator could be stationed at selected petrol pumps, highway service centres and strategic locations and dispatched when an EV is stranded with a low or depleted battery. The owner could call a toll-free number, share the vehicle's location and request assistance, allowing the charger to come to the vehicle instead of towing it to a distant charging station.

To make the model commercially viable, the service could offer 50 per cent, 75 per cent and 100 per cent charging options, depending on the battery capacity, customer requirement and distance to the nearest fixed charger.

The mobile unit could use a flex-fuel generator designed for high-ethanol blends in the E85-E100 range, subject to appropriate design, testing and certification. The generator would produce electricity for a compatible DC fast charger, while the EV would continue to operate entirely on electricity.

This could create a practical link between India's growing ethanol ecosystem and electric mobility, while providing an independent source of power where grid-connected charging is unavailable or too far away.

Petrol pumps could play a key role in this model. Their extensive presence along highways makes them suitable bases for mobile charging units. Over time, petrol pumps could evolve into multi-energy mobility centres, offering conventional fuels, ethanol-based fuels, fixed EV charging and mobile charging assistance.

Bringing the charger to the vehicle when needed could help turn range anxiety into range confidence and encourage wider EV adoption in India.

Sharma is Professor at MBM University, Jodhpur. Jyani and Shah have research interests in non-conventional energy

AJAY SAHAJ

India's experiment with cross-border e-commerce has reached an important stage. In my earlier article, 'E-commerce warehouses, a bad idea' (businessline, November 27, 2025), I had raised concerns that allowing large e-commerce entities to procure goods from Indian sellers, hold them as inventory and export through overseas warehouses could fundamentally alter the relationship between India's small producers and global consumers.

The concern was never about warehouses. Warehousing, fulfilment centres, faster delivery and efficient reverse logistics are essential if India wants to become a serious player in global e-commerce. The concern was whether this ecosystem might transfer pricing power, customer ownership and market intelligence from millions of Indian artisans, manufacturers and MSMEs to a handful of large intermediaries.

Notification 27/2026-27 and Public Notice No. 25/2026-27, both dated August 5, issued by Directorate General of Foreign Trade (DGFT) are therefore a significant and welcome development. It operationalises the Inventory-based Cross-Border E-Commerce Facilitation Framework while introducing important safeguards. It recognises two distinct participants: the Exporter-on-Record (EOR), which undertakes the export and manages inventory, and the Seller-on-Record (SOR), whose goods are procured for export. This distinction acknowledges that the logistical exporter and the economic creator of the product need not be the same entity.

BOOSTING TRANSPARENCY

Perhaps the most important safeguard is the requirement that the EOR maintains a digital repository linking procurement records, GST invoices and export documents with individual SORs. Every seller must have access to information relating to its goods, including final overseas sale price, order status, shipment tracking and destination country. The identity of the manufacturer or brand owner — and, where relevant, the SOR — is also to be disclosed to the overseas buyer.

Knowledge of where a product is sold, at what price and in which market is itself an economic asset. Without such information, an MSME remains dependent upon the intermediary; with it, the enterprise gradually understands international demand, consumer preferences and the true value of its product. The Public Notice also ensures that seller-attributable export benefits reach the seller. The administrative charge retained by the EOR cannot exceed 10 per cent of export rebates and refunds, while attributable benefits must be transferred to the SOR within 30 days of receipt. Independent compliance certification and preservation of records for five years



Safeguarding small sellers in the e-comm space

WELCOME MOVE. DGFT seeks to strengthen small producers' rights, their access to information and ability to enforce contracts

further strengthen accountability. The dispute resolution mechanism is equally welcome. Disputes can be taken to the concerned DGFT Regional Authority, with jurisdiction linked to the SOR's place of business. Importantly, the rights of micro and small enterprises under the MSMED Act, including access to the MSE Facilitation Council, remain unaffected. Regulation cannot equalise the size of a small producer and a global platform, but it can equalise their rights, access to information and ability to enforce contracts.

STRENGTHENING THE MODEL

The pilot phase should address a few critical issues. First, there should be a model EOR-SOR agreement, particularly for micro and small enterprises. A small artisan cannot negotiate a complex agreement with a multinational platform on equal terms. The model agreement should specify procurement price, commissions and deductions, treatment of returns, discounts, damaged inventory and circumstances in which goods may be rejected.

Second, there should be prohibition on retrospective price reductions/deductions after goods have been accepted into export inventory. Once goods have passed agreed quality checks, the seller's liability should ordinarily be confined to defects or

non-conformity attributable to it. Commercial markdowns, excessive overseas inventory and promotional discounts should normally remain risks of the EOR unless specifically agreed otherwise. An MSME should not become the insurer of every commercial risk undertaken by the platform.

Third, the data should empower the producer. Sellers should periodically receive a simple electronic dashboard showing units exported, destinations, realised price ranges, returns, discounts and seller-attributable export benefits. Customer ratings and reasons for returns could also be shared without compromising consumer privacy or sensitive platform data. Such intelligence can help Indian producers improve designs, quality, pricing and market strategy. We should not merely export more through e-commerce but should use e-commerce to create more knowledgeable exporters.

Fourth, Indian brands and intellectual property need stronger protection. MSMEs should be safeguarded against unauthorised rebranding, copying of designs or registration of their trademarks by intermediaries overseas. Where goods carry the seller's registered brand, the EOR should not alter or suppress that identity without explicit consent. This is especially important for handicrafts, handlooms, GI products and artisan-made goods, where provenance itself can command a premium.

A PARTNERSHIP

Seller protection should not make the EOR model commercially unattractive. The EOR aggregates consignments, invests in warehousing and technology,

manages marketplaces and customer acquisition, handles logistics and returns, and assumes destination-country regulatory responsibilities. These services have a cost and deserve a reasonable commercial return.

The objective should not be to regulate the EOR's profit, but to ensure transparency and fairness throughout the value chain. Let the platform earn for logistics, technology, fulfilment, marketing and market access; let the producer earn for innovation, manufacturing, craftsmanship and the intrinsic value of the product.

India needs neither an unrestricted warehouse model nor regulation so onerous that platforms lose interest in investing. It needs a partnership in which the EOR provides scale, technology, logistics and global reach, while the SOR retains timely payment, export benefits, brand and intellectual-property protection, market visibility and meaningful information about product performance.

The DGFT has moved decisively in this direction. The pilot should now be used to perfect the balance. If we get the architecture right, e-commerce warehouses can become shared export infrastructure, enabling thousands of micro and small enterprises to acquire the reach of large exporters without surrendering their economic identity.

The ultimate test should therefore be not merely how much India exports through e-commerce warehouses, but how many small Indian sellers become stronger, more profitable and more globally capable because of them.

The writer is Director General and CEO, FIEO

thehindubusinessline.

TWENTY YEARS AGO TODAY.

August 27, 2006

Mylan close to taking Matrix

In perhaps the biggest merger & acquisition (M&A) deal in the Indian pharma space, Mylan Laboratories Inc is all set to firm up its proposal to buy controlling stake in Matrix Laboratories Ltd for ₹3,225 crore. The \$1.26-billion US generics major Mylan has reportedly completed due diligence of the Indian entity.

Gujarat floods cost diamond units ₹1,800 cr

The diamond industry suffered a staggering revenue loss of about ₹1,800 crore during the floods, according to the Gem and Jewellery Export Promotion Council. Giving official estimates of the damage, the council said that out of the 6,000-odd diamond cutting and polishing units operating from Surat, around 1,000 units had been totally damaged.

Import of another 20 lakh tonne of wheat cleared

The Union Government has allowed import of another 20 lakh tonnes (lt) of wheat at zero duty for the public distribution system (PDS). This includes the four lt for which the State Trading Corporation of India (STC) had floated a tender on July 27, against which it ended up contracting 3.3 lt.

Alexander Weber
Mark Schroers

European Central Bank Executive Board member Isabel Schnabel said interest rates must rise further as the lengthy conflict in the Middle East and surprisingly strong euro-zone economy pose upside risks to inflation. Consumer-price growth is likely to exceed 2 per cent for an "extended period" due to high energy costs, the German official said. Acting only when this feeds into wages would leave policymakers "behind the curve," she warned.

"At the current policy rate, inflation is unlikely to return to target over the

medium term, and therefore further tightening will be necessary," Schnabel told Bloomberg on Tuesday.

"Especially in the current environment of resilient aggregate demand, it is critical to prevent the occurrence of second-round effects early on because acting late could necessitate more tightening."

The ECB was the first major central bank to lift borrowing costs over the Iran war and officials have pitched next month's meeting as a crucial juncture to determine whether more is needed. Investors are almost fully pricing a quarter-point move, bringing the deposit rate to 2.5 per cent. They see another by spring 2027, possibly as

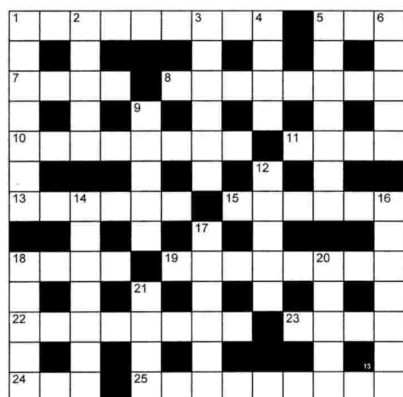


ISABEL SCHNABEL. ECB Executive Board member keen on early action **REUTERS**

early as December. Schnabel said markets "seem to understand our reaction function very well," without specifying how much further borrowing costs are likely to rise. Supporting Schnabel's view on

Europe's economic resilience, data released Tuesday showed German output rising more strongly than initially estimated in the second quarter. The euro area grew 0.4 per cent in that period after stagnating in early 2026. "The economy continues to be stronger than expected, and incoming data have repeatedly surprised on the upside," Schnabel said, pointing to fiscal policy, a pickup in defence spending and the global AI boom as key drivers. "Sentiment indicators suggest that growth is gaining further momentum," she said. "So, compared with the June staff projections, I see risks to economic growth as being tilted somewhat to the upside." **BLOOMBERG**

BL TWO-WAY CROSSWORD 2723



EASY

ACROSS

1. A work-associate (9)
5. Drinking-place (3)
7. Armed ships of a nation (4)
8. Substance for polishing shoes, stoves etc (8)
10. Trial hearing for actors, singers etc (8)
11. A magician's stick (4)
13. Showy, but without taste or value (6)
15. Seclusion of women in Muslim countries (6)
18. Business area, large town (4)
19. One connected by birth or marriage (8)
22. A revolutionary change (8)
23. Time divisions (4)
24. Unopened flower or leaf (3)
25. Wood inlaid with ivory, metal etc (9)

DOWN

1. Meet, get in touch (7)
2. Lead-coloured (5)
3. Eight-pint measure (6)
4. Every one considered separately (4)
5. Outlaw, highway robber (7)
6. Unyielding, unbending (5)
9. Violent weather (5)
12. Wall-painting (5)
14. Observed (7)
16. Truthfulness (7)
17. Mend, make good (6)
18. Bread morsel (5)
20. Bar of cast gold, silver etc (5)
21. Placid (4)

NOT SO EASY

ACROSS

1. Fellow-worker coming from a university college (9)
5. It measures the pressure on the legal profession (3)
7. It sails the dark blue sea (4)
8. Refusing to handle old-fashioned stove-polish (8)
10. Take out India from part hearing (8)
11. Dawn is breaking and it's given a magical wave (4)
13. The way dirt moves about without one being trumphy (6)
15. May have been hard up securing the seclusion of women (6)
18. The business area that is Eternal for Rome (4)
19. Recital may be given by a member of the family (8)
22. Could Paul have been responsible for such disruption? (8)
23. It matures, but it takes such a long time (4)
24. A friend to an American who has not yet blossomed forth (3)
25. Inlaid wood work given quarter-turn in my setting of it (9)

SOLUTION: BL TWO-WAY CROSSWORD 2722

ACROSS 1. Insult 4. Mystic 9. Cracker 10. Adieu 11. Espy 12. Swan 13. Kit 15. Loom 16. Snub 19. Ink 21. Moat 22. Fino 24. Inner 25. Opiates 26. Yeomen 27. Patron

DOWN 1. Incredibility 2. Scalpel 3. Lake 5. Yearning 6. Trick 7. Country cousin 8. Frown 14. Commerce 17. Blister 18. Wagon 20. Kendu 23. Diva

OUR VIEW



Communication policy: does RBI's need a redo?

Extreme uncertainty amid global flux has put central banks in a dilemma over their use of words as a strategic tool. Recent mix-ups over RBI signals suggest India needs its own debate

The 2008 financial crisis marked a turning point for many financial and economic orthodoxies. It even prompted a revisit of the array of tools a central bank could deploy in a crisis. In its aftermath, a consensus emerged that communication should join the toolkit as an indispensable instrument. This idea acquired greater salience as central banks globally began adopting explicit price-stability objectives—or specific inflation targets—as the fulcrum of monetary policy. Clarity in what a central bank conveyed as its rationale for a policy stance in the context of its economic outlook was now taken as a way to shape price-level expectations, especially in economies where these are anchored weakly. Then complexity set in. Central banks began crafting their words differentially for different ears: the monetary policy statement, its report, utterances to the media, details of the rate-setting huddle, background information, speeches and working papers all seem designed for distinct target audiences. This matrix has now been shaken up by successive shocks to the global economic and political system. Its ripple effects are evident in the Reserve Bank of India's (RBI) recent struggles to manage the flux.

The communication dilemmas of RBI find vivid expression in the minutes of its Monetary Policy Committee (MPC) meeting held on 3-5 August. The policy statement issued on 5 August exuded a sense of calm, brushing aside concerns that rising fuel and food prices would translate into generalized inflation. It also tied future policy action to the emergence of greater price clarity. But the MPC meeting's minutes, released two weeks later, revealed a contrast. Panel members expressed clear concern over

inflationary trends, with a policy-rate recalibration in the months ahead voiced as a potential necessity. The Indian bond market, having bought the 5 August statement at face value and moderated rate-hike expectations, found itself caught in the gap between the two. Even earlier, RBI's premature shutting of its swap window for foreign currency deposits, as declared on 14 August, took financial markets by surprise. Just a fortnight earlier, RBI had stated there was no proposal at that point to shut it early. Market players grumbled, not without reason, that a bolt from the blue left them in a scramble to re-book bond and currency positions.

RBI is not alone. The US Fed conveyed so little at its new chair's first press conference that it injected America's bond market with anxiety over the fate of future guidance. As geopolitics and geo-economics turn more complex, volatile and uncertain, central banks are clearly in search of new communication paradigms. This is reflected in a divergence of opinion. In these fraught times, goes one view, the quality of what's conveyed matters more than its quantity. Dan Katz, first deputy managing director at the IMF, recently said that an information overload could make it harder for stakeholders to tell signals apart from noise. But Mary-Elizabeth McMunn, deputy governor at the Central Bank of Ireland, said that her bank had doubled down on being "open and engaged." It is amid today's high global flux—a mix of deadly conflicts, tariff wars, supply-chain snaps, energy price spikes, tech-led instability and fiscal dominance—that central banks must speak. Even RBI may need to give its communication policy, whose last update in January 2025 had tweaks aimed at a digital outreach (even for MPC news) and a campaign against fake news, an adaptive relook.

MY VIEW | MYTHS AND MANTRAS

The myth of alternative assets: it is for investors to seek the truth

Being offered these may make one feel special but they're often riskier than what sales pitches reveal



DEVINA MEHRA
is founder of First Global and author of 'Money, Myths and Mantras: The Ultimate Investment Guide'. Her X handle is @devinamehra

As your net worth grows, at some point your financial advisor or the friendly neighbourhood mutual fund distributor or even your bank relationship manager will say that you are now at a stage to look beyond well-known boring asset categories and consider some alternative assets. They will showcase everything from a portfolio management service (PMS), alternative investment fund (AIF), Gift City schemes for global investing and private credit or venture capital funds to gold bonds, real estate and unlisted shares. While they couch things in financial terms, you feel a little chuffed that you are being offered products that are meant for ultra-high-net-worth individuals or even family offices.

Much of this advice mixes up structures and asset classes. A mid-cap PMS, for instance, is a direct substitute for a mid-cap mutual fund scheme and should be compared as such. An AIF or Gift City scheme is not an asset category. What matters is where the structures are investing—in what assets and securities. A comparison between an equity mutual fund systematic investment plan (SIP) and a gold exchange-traded fund (ETF) is not an apple-to-apple comparison. You have to first decide how much you want to allocate to each asset class—yes, that boring asset allocation job again—and then its structure. Also, much of what is positioned as

alternative assets may not be alternative at all. Is investment in a private equity fund not an investment in equities? Is an unlisted stock not a share? The answer to both is 'Of course it is.'

When you invest in shares of unlisted companies—whether through the grey market, venture capital or private equity funds—you still buy a share of a business, just as you do in a public market. This is subject to the same vagaries, with a few serious additional risks.

The major one is illiquidity. In public markets, you can get out of any listed stock in a day or two in most cases. For an unlisted share, it is extremely hard to get an exit unless another fund buys you out or the shares get listed, which usually takes time. Meanwhile, the company is subject to far fewer regulations for governance and disclosures. Listed companies are subject to stock exchange and Securities and Exchange Board of India regulations, which are much more stringent than those that private companies need to meet. While fund managers are supposed to monitor developments in unlisted companies, there have been far too many scandals—from WeWork to Byjus—where fund managers were caught napping. In buying unlisted shares on your own, you are totally out on a limb, adding a counterparty risk to what is effectively an unregulated contract.

Similarly, private credit is simply extra-high-risk fixed income.

Then an important point to note with respect to these so-called alternative assets is that often the record you are shown of the returns generated by similar structures may not be replicable. For example, from the time venture capital funds struck rich by investing in companies like Google, the structure of the industry has changed, with a lot more money chasing the same deals, thus making returns more difficult.

This has happened often in other asset markets too. For example, in the 1980s, there was a junk bond boom in the US. At the root of this boom was an

insight that the market was over-compensating for the credit risk of junk bonds and hence there was free money to be made. But the rush of money into junk bonds changed the characteristics of that market. While earlier most junk bonds were of companies that were once investment grade but had subsequently run into difficulties, once the boom started, companies began to issue bonds that were not investment grade to start with. This completely changed their return and default profiles.

More recently, during the global boom in private credit funds, they were meant to provide regular liquidity. But the only way a fund investing in illiquid assets can provide liquidity is via new money coming in—which is colloquially called a Ponzi scheme. And when new money stopped coming in, the liquidity taps had to be turned off. Now the same private credit is being touted as the hot new thing in India—in a market that is permanently credit starved. The credit risk taken by private credit funds is worse than what is taken by established banks and financial institutions, as a borrower who can borrow cheaper from a bank will never come to them.

All these assets show paper returns because illiquidity never shows up on a financial statement. At its peak exposure, Yale University's endowment had roughly 95% of its multi-billion-dollar portfolio invested in alternative and non-public markets (such as private equity, venture capital and real estate). There were books written on what a brilliant job Yale had done and many universities like Harvard followed suit. Then came the Trump administration, cutting off some university funding, and suddenly all the liquidity problems came home to roost. Yale not only had to cut its exposure to non-public assets, it had to do so at a big discount.

The trick always is to strip the jargon and see what you are actually buying. A secret: mostly the boring part of portfolio management is perfectly fine and you don't need fancy gizmos.

10 YEARS AGO



JUST A THOUGHT

Monetary policy is most effective when markets anticipate it correctly.

RAKESH MOHAN

THEIR VIEW

We'll need the IMF to help rebalance the global economy

ANOOP SINGH



is a distinguished fellow at the Centre for Social and Economic Progress (CSEP) and a former member of the 15th Finance Commission

I have previously argued that the US-China trade imbalance could not be resolved principally through tariffs: both countries needed to address the domestic policies underlying it. Recent developments reinforce that argument and show why the problem is increasingly global.

US gross national debt has crossed \$40 trillion for the first time. Meanwhile, long-term yields have surged to their highest in nearly two decades, prompting the Treasury to increase buybacks of long-dated bonds. These can improve market liquidity but can't resolve the underlying fiscal problem. Across the Pacific, China presents almost a mirror image. Its trade surpluses are exceptionally large, reflecting formidable export competitiveness but also continuing weakness in domestic demand.

These developments are connected, although not as simply as bilateral trade statistics suggest. Global imbalances ultimately reflect differences between national saving and investment. The US spends and invests

more than it saves, absorbing capital from abroad. China saves more than its domestic economy absorbs and relies substantially on external markets. But this does not mean China's surplus is inherently harmful or that it mechanically causes America's deficit.

China's export success partly reflects genuine gains in productivity, technology and competitiveness, while cheaper Chinese manufactured goods and green technologies benefit consumers elsewhere. The concern is, therefore, not simply that China exports too much. It is why an economy of China's size continues to depend so heavily on external demand.

China's export strength co-exists with weak household consumption and a prolonged property-market adjustment. Its surplus consequently reflects not only competitiveness, but an underlying saving-investment imbalance. The appropriate objective is not to make China less competitive, but to enable more Chinese production to be absorbed by its own households.

That distinction matters. If China's surplus principally reflected unfair bilateral practices, tariffs might provide a straightforward remedy. But if high saving and insufficient domestic absorption are central, trade restrictions may simply redirect trade and

production through third countries rather than eliminate the underlying surplus. Recent events underline the problem. US-Canada trade talks have collapsed with Washington imposing 50% tariffs on roughly \$20 billion of Canadian goods. Canada announced dollar-for-dollar retaliation.

The immediate dispute is not about China, but its significance is wider: tariff wars are spreading even among deeply integrated economies, rather than resolving the macroeconomic causes of external imbalances.

The US side deserves equal attention. Its \$40 trillion debt is not in itself a measure of its external imbalance. But persistent fiscal deficits reduce national savings and contribute to the current-account deficit. The US has financed this easily because the dollar dominates international finance and its financial markets attract global savings. That privilege is considerable, but not unlimited. Recent Treasury-market turbulence is, therefore, significant. Larger buybacks may

support bond-market liquidity for particular maturities, but they do not change the fiscal arithmetic producing the debt. The distinction between managing the debt market's liquidity and restoring fiscal sustainability is becoming increasingly important.

This raises an uncomfortable question: if China's trade surplus represents a global imbalance that requires adjustment, why should America's fiscal deficit and dependence on foreign savings be treated differently? The problems are not identical. But adjustment cannot reasonably be demanded only of the surplus economy.

China needs stronger consumption, better social protection and a restructuring of property and local-government finances.

America needs the opposite adjustment: higher national saving, which call for credible medium-term fiscal consolidation. Tariffs may change the origin of imports but cannot eliminate an external deficit rooted partly in inadequate national saving. The re-direction of Chinese trade towards

third markets further shows why bilateral balances provide an incomplete picture.

The proliferation of trade disputes, therefore, strengthens the case for treating global imbalances as a multilateral macroeconomic problem, and not a collection of bilateral trade disputes.

The International Monetary Fund (IMF) is much better equipped to demand adjustment from countries than run out of financing than to secure preventive adjustment among the world's largest economies. Yet, today's imbalances arise precisely from the interaction of their policies.

The IMF should, therefore, revive multilateral consultations among the world's principal surplus, deficit and reserve-currency economies. This would not replace trade negotiations. The Fund's responsibility should be to assess whether fiscal policies, saving and investment, domestic demand, exchange rates and capital flows are consistent with global growth and financial stability.

Tariffs can reshape trade but can't rebalance the world economy. China must consume more; the US needs to save more; other surplus economies should spur domestic demand. The IMF ought to bring them together before an adjustment is imposed through protectionism or financial markets.



THEIR VIEW

MINT CURATOR

Will the global bond market rout hit stocks and economic growth?

Of various factors driving up yields, AI investment is a big driver in the US but not in economies facing financial instability



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A sharp rise in bond yields across key economies like the US, UK, Japan, Germany and France has raised new concerns about the fiscal and financial risks that lie ahead. A common view is that this bond 'rout' could augur severe disruptions to economic growth and pain for US and global stock markets. But while it is true that yields have risen to levels unseen in almost two decades, the relationship between bond yields, economic growth and stock markets is more complex than this naive view implies. After all, the recent rise in yields could reflect any number of different and contradictory factors.

Consider some of the obvious ones: First, higher inflation stemming from supply shocks—renewed protectionism and war-driven disruptions to the flow of oil—could push nominal yields higher and be stagflationary: reducing GDP growth, increasing inflation and pushing down equity prices.

Second, unsustainable fiscal deficits could lead to higher yields if markets expect that central banks will step in to monetize them, thus causing higher inflation. Alternatively, if deficits are not likely to be monetized, higher yields could be driven by a rise of sovereign-risk premia, which could cause a public-debt crisis or crowd out private-sector spending and growth. In these cases, unsustainable fiscal policy would lead to lower economic growth, possibly higher inflation and higher yields that hurt stock markets.

But there is also the third factor: a private-sector investment boom driven by capital expenditure (capex) on AI, which is pushing up nominal yields because it fuels higher demand for credit, rather than foreshadowing higher inflation expectations. In this case, higher bond yields are a signal of stronger future growth, which bodes well for stock prices.

This last factor has been a major driver of bond yields and stock markets for the last few years. Since the launch of ChatGPT in 2022, bond yields have gone higher—from a bottom of 1% in the US during the covid crisis to current levels around or above 5%—as US equities (and some global ones) chalked up double-digit returns. Even until mid-August, the rise in US bond yields coincided with new all-time highs for the main American stock index, the S&P 500.

This is what one would expect. When growth is strong and risk is on, equities do well and bond yields tend to rise equally, when investor appetite for risk is low and the economy is in recession, equities do poorly and bond yields fall. That is why lower bond yields are usually a sign of economic weakness, which in turn implies weakness for stock markets. Of course, this positive correlation between bond yields and stock returns can turn



negative—with bond yields rising as equity prices fall—when inflationary shocks lead to tighter monetary policy, or when there are serious concerns about fiscal sustainability.

That is what happened in 2022, when surging deficits and the post-covid inflation led to a sharp rise in bond yields and a bear market for US and global equities. And something similar occurred following US President Donald Trump's 2 April 2025 'Liberation Day' tariff announcement, and again during the oil shock triggered by this year's war with Iran, as well as with the most recent global bond rout, partly led by another spike in oil prices and fiscal concerns.

Whenever a correction in equities is led by bond yields, long-duration assets like tech stocks (whose dividend streams are further in the future) tend to react more to a rise in long-term bond yields than is the case with shorter-duration assets (like the equities of more mature firms).

Hence, during the bond rout of 2022, the S&P 500 fell by about 15%, while the tech-heavy Nasdaq fell more than 20%, with many individual tech and growth stocks falling by more than 30%. And during this month's bond rout, the sharp rise in global yields hurt tech stocks more than the other broader market indices.

But given the positive outlook for growth in tech-led sectors, the returns to tech firms have been higher than traditional equities for the last five years, despite higher bond yields. One therefore should assume that in high-innovation economies like the US, the recent rise in bond yields is mostly driven by the rise in real yields rather than

by an increase in inflation expectations, which remain well anchored slightly above 2%.

Again, a rise in real yields is what one would expect, given tech firms' and hyperscalers' massive borrowing to finance data-centre construction and other investments. While the US fiscal deficit is high, it has plateaued near 6% of GDP and is likely to fall in the next few years, owing to higher potential economic growth and some additional tariff revenues.

I am not trying to be Panglossian about the US fiscal outlook, which certainly requires serious austerity and entitlement reforms over the next few years. But I would point out that a US economy with higher potential growth—if new technologies increase potential output growth from 2% to 3% or more—has a better medium-term fiscal outlook than the likes of Japan or the eurozone, which are stuck with a potential growth rate of 1.2% for the eurozone and even lower for Japan.

So, both the secular and recent rise in global bond yields largely reflect structural factors like the end of the post-2008 Great Stagnation, higher potential growth and investment, and higher real yields. These are all positives for America (and at least some) global equities.

Of course, in advanced economies that are stagnating and not innovating as much as the US, concerns about large fiscal deficits, public-debt accumulation and future central-bank monetization of deficits are justified, as are fears of large negative aggregate supply shocks. Here, too, higher sovereign bond yields are exactly what one should expect.

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Burnham's campaign poetry is over: expect governance prose

The UK's new leader faces a fiscal-policy reckoning this October



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The UK's next budget will present a hard set of trade-offs.

Andy Burnham, the UK's new prime minister, has been buoyed by his bounce in opinion polls. But the day of economic reckoning is fast approaching, with the budget just two short months away.

Burnham displayed no Machbeth-like 'infirmity of purpose' in seizing the crown from Keir Starmer in his ruthless coup, but he has wobbled on the economy. At the outset, he was forced to reassure bond markets he would stick to his predecessor's fiscal rules—strictures he once dismissed as financial fetishism. With long-term borrowing costs hitting new highs over ballooning government deficits across the Group of Seven, it is just as well the PM expressed contrition when he did.

Three wise men played their part in smoothing ruffled market feathers when it became known they were shaping Burnham's financial thinking. Jim O'Neill is respected as a former chief economist at Goldman Sachs and an advisor to the last durable Tory chancellor, George Osborne. As deputy governor of the Bank of England, Andy Haldane, now president of the British Chambers of Commerce, was a lone voice in predicting (correctly) an inflationary surge in 2022. Richard Hughes, as ex-chair of the Office for Budget Responsibility, promised to bring fiscal credibility.

O'Neill and Haldane share Burnham's passion for reviving the fortunes of the rustbelt in their native North of England; O'Neill's ideas motivated Osborne's Northern Powerhouse initiative, while Haldane has long advocated boosting transport links and infrastructure spending to bridge Britain's regional divides. So, natural allies, but also hardheaded realists.

However, none of the trio is taking an official position. O'Neill told the *Financial Times* last week that he's 'decided to not take a formal role', citing the constraints of having to put his financial assets into a blind trust. 'It's not because of any policy disagreements,' he said, adding that he hopes to maintain an informal relationship with Burnham and his team.

Haldane not joining the government does seem to be policy based. In a blistering *FT* article last week, he condemned its previous budgets as 'outright harmful' to the private sector. Haldane called for the government to announce 'a moratorium on further rises in the tax and regulatory burden on consumers and businesses for the remainder of this parliament... the equivalent of a fiscal Hippocratic Oath to 'do no harm' to private-sector sentiment.'

Hughes, the third member of this troika, is ideally equipped to score the new gov-

ernment's spending plans. In January he testified to the House of Lords that the Labour Party's 2024 election manifesto looked 'nothing like' its actual tax-and-spend trajectory once in government; but he too has failed to find a desk at No. 10.

Burnham commands the political stage after only one month in office and has a limited window to refine his pitch on prosperity. He is the first PM since Boris Johnson to cheer up uncommitted voters, his can-do optimism infinitely preferable to doomy Starmer. His 'hopey-changey' message receives plaudits for echoing presidents Bill Clinton and Barack Obama at their most winning; Burnham's mastery of social media has already made him better known than a pop star whose song has been at No. 1 for 20 weeks—he has 57% name recognition while Olivia Dean has only 55%.

Burnham also beats populist parties of the left and right at their own game. By promising to get rough sleepers indoors by Christmas, help cut the bills of pubs, clubs and musical venues at the expense of lavish vapes shops on the high street, and in valuing 'the hard hat as much as the graduation cap' in education, he reaches those other politicians don't and resonates with ordinary voters in ways neither Starmer nor his Tory predecessor Rishi Sunak could.

The 28 October budget will surely force some sharper choices than today's loose-speech. Burnham comments on how to put Britain back on a path to sustained growth. Last week, the UK declared a surprise budget deficit of £1.8 billion—a dismal figure, because there is usually an income boost from scheduled payments of self-assessed income tax. The PM has stopped talking about alleviating cost of living pressures—over which he has little control, given the many international factors at play—and speaks emphatically instead about giving household budgets 'breathing space' where he can, and promises a major 10-year overhaul of utilities and energy dependency.

It doesn't demand an excess of cynicism to realize this change of emphasis kicks the can down the road and is intended to deflate expectations of how different life will feel for many in the short term. Having campaigned in earnestly stirring poetry, the Burnham government is getting ready to govern in prose.

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THEIR VIEW

AI algorithms have already done their own caste census

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India is once again arguing about whether to count caste. In April 2025, the Cabinet Committee on Political Affairs decided that India's next census—Census 2027, our first digital headcount—would include the first comprehensive caste enumeration since 1931, with its questions notified before enumeration begins. The arguments made are usually dressed as technical: classification, data protection, administrative capacity. Beneath this caste count is an old question in Indian democracy: does naming an inequality weaken it or make it permanent?

It is a serious debate that involves judges, dissent notes and open space. What nobody has said aloud is that the state is already late. A shadow caste census has been running in India for years—unofficial, unnotified and unchallenged in court. It's conducted by banks, matrimonial platforms and delivery apps, none of which need Parliament's permission to make inferences from data. Ask an Indian technologist what AI will do next, and you'll hear about jobs, GDP and a

race to keep pace with San Francisco before Shenzhen gets there first. Ask a sociologist and she may pause. The duller answer is the truer one. AI has not arrived as foreign intelligence that could overturn the social order. It has learnt from what is already embedded in that order—what can be made out from someone's surname, residence neighbourhood, school, marriage, etc.

AI, thus, will not disrupt Indian society. It will formalize its codes and has already been doing so while the country debates whether the government should. Take a credit-scoring model. It never asks your caste and may never need to. A 2021 Reserve Bank of India report flagged bias and discrimination risk in credit availability and pricing among unregulated lenders, urging transparent, non-discriminatory and auditable AI models. The mechanism reveals itself plainly: in 2025, researcher Dhruv Singh asked ChatGPT to refine an academic cover letter and watched it change his surname to Sharma (common among dominant-caste academics), apparently following patterns absorbed from its training text. Nobody asked, it guessed. Add pin code, college, employer, phone brand—it reconstructs what it wasn't designed to ask. Remove one proxy, and the pattern returns

through another. You cannot make a society identity-blind by making it form blind. The form was not what AI training picked up.

The score that comes back feels neutral, like all numbers do. But AI is not neutral, but merely relieved of the burden of explaining itself. A prejudiced clerk can be accused of prejudice. An automated score spreads the blame so evenly among the bank, vendor, model and the employee reciting 'the system won't let me' that nobody can be blamed. A village headman has a face, but an algorithm has a help line that doesn't answer.

Or take matrimonial platforms, which have rebranded old family filters—caste, *gotra* (lineage), complexion, horoscope—as compatibility science. Digitization did not invent prejudice; it reduced its cost. A family that once vetted 20 candidates can now exclude 20,000 before breakfast, exclusion resembling consumer choice. A 2026 preprint tested five large language models (LLMs), including India's BharatGPT, on real matrimonial profiles,

varying only caste and income. Every model rated same-caste matches up to 25% higher than inter-caste ones, ranking the rest by the traditional caste order. Nobody explicitly taught the machine high caste slot or pair caste; it worked that out on its own.

Something similar has happened to the labour market. The point isn't that an app can guess or 'predict' someone's caste, but that a system built on a caste-shaped market reproduces its distribution of risk and power without storing caste anywhere. Algorithms can assign a gig worker's route, set his pay, time his pauses and even suspend him by SMS—with no one to appeal to. The hierarchy has become harder to spot but not easier to escape.

This does not make AI uniquely sinister. Used well, it flattens discretion and makes rules auditable as a clerk's judgement never was. There is thus a genuine case for automated governance that is more honest than either side of the country's ongoing census debate makes.

But consistency is not the same as justice. A system can apply an unjust rule perfectly, repeating errors at a scale no clerk ever can. India has built a spine of digital infrastructure—identity, payments, benefit transfers—and will not have an official caste record. Census records are confidential by law. The exposure lies in what future governments and vendors might link or what private systems may infer. If errors get wired into the digital infrastructure used by a sixth of humanity, an unjust decision could injure those who can least afford to spend time and money appealing it.

I should say I am writing this in English, on a laptop assembled somewhere I have never visited, for an audience inclined to agree with most of it. That is not a disclaimer, but an argument that demonstrates itself. Those best placed to worry publicly about caste and AI are usually best placed to escape both. They could switch platforms, hire a lawyer or write an essay. So while we debate census forms, someone else's credit score, entered as evidence by no court, will have already returned its verdict.

The algorithm already knows your caste. The only open question is whether the Republic will catch up with what the market has been inferring for years.

Bitter harvest

A sustainable strategy is needed for sugar and ethanol

Sugar is turning bitter ahead of the festival season, with the retail price rising from ₹48.18 a kg on July 20 to ₹55.70 on August 20, a 16 per cent increase in a month. The Centre has allowed duty-free imports of 1 million tonnes of raw sugar till October 31, while imposing stock limits and monitoring mills and traders. The intervention is necessary, but its effectiveness will depend on how quickly imported sugar reaches consumers. Raw sugar has to be refined before it can enter the retail market, and shipments from Brazil, for instance, can take 40-45 days. The government has now also given importers a two-month window from the filing of the Bill of Entry to process and sell the refined sugar, rather than requiring sales by October 31. This is a sensible adjustment, but with domestic ex-mill prices falling, industry estimates suggest only about half the permitted quantity may be imported.

The problem is tighter supply. Sugar production for the current season is expected to be 30.6 million tonnes, nearly 11 per cent below the initial estimate of around 34.3 million tonnes. Excessive rain and waterlogging damaged the crop in Maharashtra and Karnataka, while red rot and top-borer disease did the harm in Uttar Pradesh. The scale of the downward revision points to a weakness in India's sugar-supply management, particularly the difficulty of forecasting sugar output accurately as weather conditions become more volatile. The government says stocks are sufficient to meet domestic demand until the new crushing season begins in October, but the sharp price rise shows how sensitive the market has become to expectations about availability. The global market is adding to the pressure. The worldwide sugar market is estimated to face a deficit of around 3.3 million tonnes in 2026-27, and international sugar prices have risen over 16 per cent since June.

While ethanol diversion has reduced sugar available for consumption, blaming the biofuel programme alone would be misplaced because sugar used for ethanol production has fallen from about 12 per cent in 2022-23 to 9 per cent in 2025-26. Nearly three-fourths of India's ethanol now comes from grain feedstock. Ethanol has also helped improve the financial position of sugar mills by providing an alternative outlet for surplus sugar and supporting timely payments to farmers. As of August 20, about 97 per cent of sugarcane dues for the 2025-26 season had reportedly been paid.

Nevertheless, the idea of diverting sugarcane for ethanol production in a water-stressed country must be reevaluated. Public policy should distinguish between using surplus sugar for ethanol and encouraging additional water-intensive cane cultivation. The latter deserves greater scrutiny, particularly when climate variability is already making production less predictable. The immediate priority now should be to ensure imported sugar reaches the market quickly. Stock limits and the physical verification of inventories should remain targeted at preventing artificial scarcity without disrupting legitimate trade. The government should also closely monitor whether importers are bringing in the permitted quantity and whether the benefits are being passed through to consumers. Over time, India will need better crop forecasting, disease-resistant cane, and greater diversification towards maize-based ethanol. More reliable estimates of production and stocks would also allow export and import decisions to be taken earlier, reducing the need for abrupt policy reversals.

Inclusive lending

Banks must leverage technology to broaden credit access

India's banking system is becoming richer in data, but this is not yet translating into a wider borrower base. As Reserve Bank of India (RBI) Deputy Governor Shrirish Chandra Murmu highlighted recently, the share of fresh businesses entering the formal credit system fell to 42 per cent in 2025-26, from 52 per cent in 2022-23, even as outstanding commercial credit grew 14 per cent over the year in 2025-26. Banks increasingly have access to goods and services tax filings, cash flows, utility payments, e-commerce records, mobile usage, and agricultural and geospatial data, yet traditional lending models remain dependent on collateral, financial statements, and formal credit histories. This leaves many viable small businesses and other "credit-invisible" borrowers outside the system. Alternative data and artificial intelligence (AI) can help bridge this gap.

The next phase of financial inclusion must enable people across differences in language, location, livelihood, gender and access channels to participate meaningfully in formal finance. Economists have shown that information asymmetry can produce adverse selection and that markets can lose good opportunities when one side does not have enough information about the other. The same applies to lending. If a bank does not have enough information about a borrower, it should not automatically assume that the borrower is risky. This can deny credit to businesses that may have the ability to repay but lack a formal credit history. This is precisely where banks must leverage their technological capabilities. India already has examples of this approach. Fintech lenders have used transaction data from small retailers and platform workers to assess repayment capacity. The World Bank, for instance, has documented how State Bank of India's e-Smart SME project used digital information to provide collateral-free working-capital loans to e-commerce sellers. Such models could become more scalable as India's digital public infrastructure and consent-based data-sharing architecture deepen.

The way forward, therefore, is using data, models and technology alongside human intelligence. Experience, knowledge and judgement remain essential to assessing whether a model's output makes sense and to intervene when it does not. Governance intelligence is equally important, with boards and senior management responsible for understanding the risks and limits of AI systems. Finally, collective intelligence can allow information to be pooled across the financial system, helping lenders identify patterns and assess risks more effectively. Banks must also ensure that alternative data is used with consent and subject to regular oversight. They should regularly test models for bias and reliability, particularly as they are extended to new customer groups, and ensure that customers can seek a meaningful human review of decisions that materially affect them. Unreliable data, algorithmic bias, privacy concerns and opaque models could create new exclusions. The test of technological progress will ultimately be whether it helps banks reach viable borrowers they could not serve earlier.



ILLUSTRATION: BINAY SINHA

Divergences & dualities in trade policies

Amid geopolitical flux, the prospects for reinvigorating the 80-year-old multilateral trade order appear dim

The world is responding to the growing pressures of geopolitics and supply chain vulnerabilities that emerged during the pandemic, gathered momentum with the Russia-Ukraine war and have acquired further intensity with the growing trade and tech competition between the United States and China. The unilateral reshaping of national trade policies has been one of the most significant responses of major trading economies. A clear divergence from the earlier multilateral trade principles is evident in the use of trade instruments by these economies.

While the dysfunctional dispute settlement mechanism (DSM) has undoubtedly contributed to this growing trend, institutional silence has not helped. Surprisingly, the ministerial conferences at the World Trade Organization (WTO) continue to be held even if lacking substantive outcomes. Talk of reforming and sustaining the multilateral system is being pushed forward through national reform submissions that are less about maintaining the fundamental principles of equity and fairness underlying the erstwhile liberal global trade order and more about redefining the rules of global trade to accommodate emerging divergences and dualities in national trade policies. In the context, pertinent aspects of the trade policies of a select set of major actors in global trade today are worth reflection.

The US is the obvious manifestation of this trade policy dualism. While the stalling of appointment of judges to the DSM's Appellate Body began under President Barack Obama, the WTO's consensus principle was used later by President Donald Trump to render the system defunct. Consequently, despite its WTO commitment on "bound" tariffs, the US has proceeded unchecked with the unilateral imposition of discriminatory tariffs, reciprocal and punitive, on all its trade partners, including long-standing allies.

Trade deals finalised by the US over this past year

have been transactional and essentially aimed at pressurising partner economies into submission to achieve its political and economic objectives and in clear violation of GATT Article XXIV on free trade agreements (FTAs).

Surprisingly, all of its unreasonable and excessive tariff action has been put forth by US trade experts as justified, based on the principles of "reciprocity", which, as is well-known, is a fundamental principle of any fair international negotiation. Furthermore, despite all violations, the US has not parted ways with the WTO unlike its exit from some other multilateral organisations. In fact, not only has the US withdrawn the WTO from the list of multilateral organisations identified for stopping its contributions, but in October 2025, the US paid \$55 million to its overdue membership fee to the WTO. This was after withholding it for the previous two years.

The European Union's trade policy too, over the last couple of years, has shown shades of dichotomy. While the EU has registered a complaint with the WTO, it has avoided imposing any retaliatory tariffs on the US. Instead, in an attempt to manage its relations with the US, it has negotiated a trade deal on terms favourable to the US as regards both tariff levels and promised investments.

To compensate its losses, the EU has shown remarkable alacrity and flexibility in concluding FTAs, including with India, Indonesia and Mercosur over the past two years. Interestingly, the EU has deviated significantly from its earlier high-standard FTAs to now accommodate the interests of its trade partners. Earlier FTAs, such as with Korea and New Zealand, that came with strict punitive measures in case of non-compliance seem to be a thing of the past.

Simultaneously, however, the EU is making increasing use of unilateral and discriminatory trade instruments. The Carbon Border Adjustment Mech-



STRAIGHT TALK
AMITA BATRA

Is the Trump Treasury panicking?

Are we seeing the first signs of panic in United States President Donald Trump's Treasury? The US is by far the world's biggest debtor, and the steady rise in global long-term interest rates — which I have long argued was inevitable — is starting to cause real pain.

Until now, Treasury Secretary Scott Bessent has dismissed concerns about US debt, which recently surpassed \$40 trillion, as a big nothingburger. Growth, in his telling, will be so spectacular the US will easily be able to meet its interest obligations without any significant hikes or spending cuts, which, in turn, will keep feeding it money. But if Mr Bessent really believes that, why is he trying to strong-arm the bond market by fiddling with the maturity structure of government debt?

The obvious first move, and the one the markets are looking for, is to address the underlying problem by reining in America's massive federal deficits, which are now running at roughly 6 per cent of gross domestic product (GDP). Mr Bessent has repeatedly assured markets that the Trump administration's voracious borrowing is temporary, and that AI-led growth will generate an abundance of tax revenues that will soon bring the deficit down to a somewhat more manageable 3 per cent of GDP.

That could happen, but there are many reasons to think that pain-free budget consolidation is wishful thinking, not least because AI profits are likely to prove much harder to tax than labour income. In the near term, the costs of supporting an ageing population, paying for what appears to be an inevitable surge in military spending, and caving to intense populist pressure for more public spending will probably rise at least as fast as revenues.

Making matters worse, the premium on long-term

US Treasuries — a major part of the dollar's "exorbitant privilege" as the global reserve currency — has largely evaporated. US debt no longer trades at a special sale price relative to that of other advanced economies. The value of dollar dominance is thus fading even under the best of circumstances. And if budget pressures eventually trigger a crisis, the result could be a rapid loss of the dollar's global market share that might otherwise take decades.

What, then, should the Treasury do? The textbook answer, as Mr Bessent himself knows, is to take steps towards major budget consolidation, and not the blundering, heavy-handed random cuts that Elon Musk and his DOGE acolytes pursued in 2025. Mr Bessent's problem is that his boss understands that American taxpayers are not prepared for any kind of genuine austerity.

That is why Mr Bessent's turn toward bond-buyback gimmicks is worrying. In effect, Mr Bessent is promising to take long-term debt out of the system and replace it with short-term debt, much as the Federal Reserve does when it engages in quantitative easing. Such an approach can make sense in a panic, when there is a good chance long-term rates will come back down, but there is little evidence that the market is the one panicking right now. In fact, global long-term real interest rates are rising everywhere, suggesting that US exceptionalism in longer maturities, at least not to the same degree. Mr Bessent has argued for some time that long-term rates are too high, favouring short-term borrowing as a way to wait out the spike that he believes will soon subside.

He might be right. Plenty of prominent economists, particularly those who have long insisted that interest rates would remain ultra-low forever, still cling to the view that today's elevated rates are an aberration.

Unfortunately, studies based on historical data suggest that the recent increase is better thought of as a normal rise in rates. If the long term, rates are more likely to rise than to fall.

With the national debt now exceeding \$40 trillion, this is not the time to tell investors that there is "nothing magic" about that number. Taken together with the growing fiscal deficit, higher long-term interest rates, and mounting spending pressures, America's debt burden is a very real concern.

More troubling still, Mr Bessent's ham-fisted attempt to control bond market underlines his hard-earned credibility as the safest pair of hands on the Trump 2.0 economic team. Until now, Mr Bessent has managed to steer Mr Trump away from some — albeit not all — of his most damaging impulses, whether on tariffs or the appointment of the Fed chair. Of course, he has to toe the line on hot-button issues near and dear to Mr Trump's heart, insisting that the US has effectively defeated Iran and that winning will benefit working Americans more than upending the international trade order. Otherwise, he would be fired immediately. But bond markets are not so easily pushed around.

Mr Bessent, the former bond trader and hedge-fund manager, scored a major win when he supported the Argentine peso last fall, and he probably did not do too much damage by unexpectedly backing the Japanese yen over the summer, even if the effects faded fairly quickly. By contrast, his attempt at a Treasury-led quantitative easing has done little to stem the rise in long-term yields. Given that there is not going to be any meaningful debt reduction before November's midterm elections, bond markets have good reason to remain deeply sceptical of America's fiscal trajectory.

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Even as China frequently weaponises its centrality in global value chains and dominates the core of the global excess capacity challenge, it has announced that it will give up its benefits of S&DT provisions in future trade negotiations and agreements at the WTO. China has also helped stabilise international oil prices earlier this year. By reducing its imports of crude oil in the second quarter of 2026, China assisted other Asian economies to secure scarce oil supplies in the wake of the West Asian crisis initiated by the US and Israel.

The Association of Southeast Asian Nations (Asean)

has, however, been an exception in this pattern of global trade policy dualism. Asean economies have continued to adhere to rules-based trade and expand participation in high-standard FTAs and mega-regional trade agreements such as the Regional Comprehensive Economic Partnership (RCEP) and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

This is despite Asean member economies being burdened by the "hollowing out" of their domestic industry and loss of jobs owing to excess capacity spillover from China and excessive scrutiny and consequent higher

transshipment tariffs by the US.

India's trade policy has acquired salience in the

China+1 relocation of global value chains. India has

taken some definitive steps towards a more open trade

policy in its recent FTA negotiations. Faced with

increasing pressure from the US through imposition of

high tariffs, including punitive tariffs on purchase of

Russian oil, India has moved rapidly towards market

diversification, concluding FTA negotiations with

developed economies like the United Kingdom and

the EU in the last one year. Simultaneously, though,

India's protectionist inclinations appear to have per-

sisted. Average most-favoured-nation tariffs in the

manufacturing sector in India that were higher than

the Asean tariffs even in the 1990s or early 2000s have

seen a further increase in the last decade. In recent

multilateral negotiations, too, India has chosen to

adopt a defensive stance.

Undoubtedly, therefore, national trade policies are

forked at this point in time. In the continuing geo-

political flux, the prospects for reinvigorating the 80-

year-old multilateral trade order seem dim. However,

it is difficult to anticipate how the emerging "nation-

alist" trends will reshape an interconnected world

economy.

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in the 21st Century, published by Routledge, London.

The views are personal

How the CCP shapes national memory



GUNJAN SINGH

Political scientist and historian Benedict Anderson famously defined the nation as an "imagined community" that is built on a "common memory" from which governments seek to draw legitimacy. Since the birth of nation-states, every government has invested in this process, no more so than China. Volker Stanzel's book *Newspeak and Newthink: China's 'Rejuvenation' of Its Memory* is a detailed analysis of how China under the Chinese Communist Party (CCP) has shaped the process of memory building

and modification. As the author, a former German ambassador to Japan and China, writes "... every plant in the country's collective memory field bends to what the Party and/or government deem to be in the country's best interest — or the Party's".

The foundation of the CCP's legitimacy and the social contract it has with the Chinese people is rooted in the term it coined: "One Hundred Years of Humiliation". This refers to the period of subjugation and social collapse as a result of the Opium Wars that China fought against the British. Those wars created the hated Foreign Treaty Ports, coastal enclaves of free trade where the Emperor's writ did not run. After 1949, the CCP sought to portray itself as the force that liberated China from this century of humiliation, enabling it to claim the traditional imperial title of "the mandate from heaven".

The author discusses in detail almost

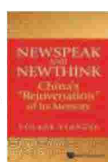
every policy the CCP employed to mould China's memory to its purposes — the patriotic education campaign, building of museums and monuments, visual reassertions of its narrative through movies and theatres, "wolf warrior" or confrontational diplomacy, Confucius Institutes, the powerful United Front Work Department that manages non-CCP groups and so on. "Within about a decade, 333 such national sites of patriotic education had been designed or newly established. The dimension of that elaborate organizational and tactical effort shows the strong will of the Party to establish a consistent and resilient narrative of the role of the Communist Party as a guardian of the memory of China in all its historical greatness," he writes. The author's descriptions of the museums, explaining how the design of the buildings and the positioning of the artefacts all serve propaganda purposes, are particularly interesting.

Mr Stanzel also highlights how "remembering also gives legitimacy, strength, and force to the process of imagining what is not yet visible: the future". In the last seven decades since "the founding of the PRC, the CCP has successfully created a newly blossoming memory field for the country it rules. It draws on memories of the living and the dead, told and written memories, ancient myths and present dreams, ordered systematically, and turned into instruments of the Party's politics of memory with the Patriotic Education Campaign and of a broad range of initiatives ascribed to Xi Jinping".

This memory building impacts not only domestic politics but also Chinese foreign policy under Xi Jinping where "rejuvenation has become a part of the global enterprise". No surprises, then, that the CCP has built the Belt and Road Initiative (BRI) on the memory of the ancient Silk Road, while a revival of Zheng He,

the Ming Dynasty admiral famous for extensive voyages in the Indian Ocean, shaped the idea of Chinese civilisation as being non-hegemonic. After almost 600 years since his first voyage, "Zheng He has become ... a building block in the process of Chinese confidence-building in the global arena". This coupled with China's assertion of a "new form of human civilisation" is rooted in its aim "to position China as a leader in addressing global challenges".

The author concludes that the CCP's engagement with memory is not limited to how it talks about the events — or "Newspeak". It has moved a step ahead to "Newthink". As he writes, "Beyond getting the words right, to reflect the world as it should be, it would be an objective of governance to get thoughts themselves 'right'". This effort is strengthened by Xi Jinping's push for "historical nihilism". In China



Newspeak and Newthink: China's 'Rejuvenation' of Its Memory
by Volker Stanzel
Published by World Scientific Publishing Company
252 pages \$45

today, there is no space for alternative or parallel history or memory and "unity is probably meant to be total".

Outwardly, China's Orwellian effort to streamline national thinking may appear successful. But can a multi-ethnic nation of 1.4 billion people really have a common memory? The CCP's challenges remain when it tries to suppress memories of the Great Leap Forward, the Cultural Revolution, Tiananmen Square, the Hong Kong protests and the assaults on ethnic minorities, especially the Tibetan, Uyghurs and Mongols. Nor can the CCP ignore that the challenges Taiwan poses to its unified memory project. In fact, the reality appears to be that the more uniformity the CCP aims for, the more violent it becomes.

The reviewer is associate professor, O.P.Jindal Global University

Oil Shock Could Outlast Conflicts

Supply risks will keep prices elevated

Oil prices remain volatile at elevated levels, fuelled by unfulfilled hopes of conflict resolution. An unprecedented share of global oil supply is caught in geopolitical tensions, putting a floor under prices. Supplies from West Asia and Russia face threats from hostilities and sanctions, while producers such as Libya and Venezuela grapple with internal political turmoil. The global outlook is clouded by low strategic reserves, uncertainty over supply resumption and the restoration of shipping routes. A vital resource has been weaponised to a remarkable degree, and the energy shock is likely to persist, with second-order effects on fertiliser and plastics prices.

Restoration of oil prices to their levels before the US-Iran conflict is remote over the next 12 mths as consuming countries prioritise replenishing their crude reserves. Oil-producing countries, on their part, face diverse outcomes in restoring production.

Both processes will drag on even if the conflict is resolved immediately. The shipping industry will also need time to mark down risks for its tanker fleet. The world has priced in higher energy costs for the medium term at levels that are acceptable politically, but the risks of a slowing global economy are not as easily apparent. Greater clarity on this will determine the course of conflict resolution.

The oil shocks of the 2020s are by no means of lesser import than those of the 1970s. The intensity of oil price spikes was greater then, but the current situation could keep energy and associated prices high for longer. There's no effective supply response to oil and natural gas disruptions because the energy mix requires a baseline of fossil fuels alongside the growth in RE. India, for instance, has achieved a milestone with its non-fossil capacity crossing 50%, yet its vulnerability to imported energy shocks remains high. Energy shocks have become immune to conflict intensity as global demand is driven to new highs by emerging economies.

Geopolitics Blinds World to POK Unrest

In recent months, the world has focused on Pakistan playing the mediator, trying to bring Washington and Tehran back to the table, while missing Islamabad's crackdown on protests in POK. Meanwhile, the electoral process has unfolded amid unrest, with Pakistan Muslim League-Nawaz (PML-N) emerging as the largest party, winning 25 of the 38 directly elected seats decided so far in the 53-member assembly.

That outcome is hardly surprising. Imran Khan's Pakistan Tehreek-e-Insaf (PTI) boycotted the polls, citing the absence of a peaceful electoral environment and expressing solidarity with protesters. Joint Awami Action Committee (JAAC), a grassroots alliance demanding economic relief and greater political representation, was proscribed in June under the Azad Jammu and Kashmir Anti-Terrorism Act 2014. JAAC has opposed the 12 assembly seats reserved for refugees from the Kashmir Valley, arguing that they give Islamabad undue influence over politics in POK. Economic hardship, inflation and grievances over governance have further fuelled the protests. Islamabad's use of force, the suppression of a grassroots movement and internet shutdowns have received far less international attention than Pakistan's role as a diplomatic intermediary in the Iran crisis.

That is a troubling inconsistency for a world that claims to value popular sovereignty, peaceful protest and political freedom. The protesters in Rawalakot, and the families of those killed in successive rounds of unrest, deserve to be heard. Their grievances cannot be swept under the rug because it serves current geopolitics. Selectively deciding whose protests and human rights matter is not merely hypocrisy — it strikes at the credibility of the liberal democratic ideal.



JUST IN JEST

Needed: app that finds the top 3 things you truly should pursue

Someone Patent the Career Clairvoyant

In the grand harem of apps nobody asked for but every body downloads, one is conspicuously absent: the AI career clairvoyant. Come again? It's an algorithm that isolates your top three hidden talents and professions, those you never suspected lurked beneath your proclivity towards things that you're actually not 'proclivious' towards. The catch? App accuracy improves as you approach the mystical age of 22, the age when the human pudding is set. Before then, it may suggest 'professional gawwail-clapper' or 'sabri whispener'. But once you cross into the hallowed territory of post-adolescence — there's a reason why it's 4 yrs after voting age — the machine sharpens its gaze; suddenly, you're a chosen diplomat, pastry chef or stand-up economist.

This invention would save humanity from the tyranny of career counsellors armed with clipboards and clichés. Why rely on aptitude tests that insist you're destined for 'management' when an app can reveal your true calling as a hedge fund manager with a gift for wielding gardening shears? The economic implications are profound. Universities would tremble as students abandon STEM courses for AI-endorsed vocations like 'quantum illustrator' or 'knitter of patterns'. Essentially, people would know what they are good at and should pursue, rather than the current system that keeps taking big, bad guesses.

Algorithms and gig platforms are reshaping cities faster than planners and regulations can adapt

CHANGED AND GAGED



Amir Hyder Khan

India's cities are being quietly redesigned from the inside out, not by urban planners or architects but by algorithms and last-mile logistics. The transformation is seamless, embedded in the everyday convenience, that it barely registers as spatial reshaping.

When a delivery arrives in 15 mins, what's being reorganised isn't just labour markets but the fundamental geography of urban life. City planners trained to think in decades are finding themselves obsolete in an era where logistics platforms redesign street-level economies within quarters.

This spatial revolution operates across 3 distinct, but interconnected, urban layers: **Dark stores** Typically 3,000-4,000 sq ft, these spaces are positioned not on peripheries but in dense residential neighbourhoods. There are about 2,500 dark stores, a figure projected to reach 7,500 by 2030. These are not warehouses but operate as distributed manufacturing nodes. Dark stores involve continuous vehicular traffic, material handling, temperature control and automated inventory systems. Yet, they exist within residential zoning that has no category for such operations.

Regulatory incoherence is not accidental. It is a failure of foresight that has allowed capital to move faster than law. A storage facility that functions as a manufacturing floor, but masquerades as retail, can operate in residential space because it exploits definitional gaps. Delivery platforms have reduced logistics time in cities by roughly 40%. This efficiency gain required distributing inventory across dozens of microhubs, rather than centralising it in warehouses. The result is a network of high-velocity nodes embedded within residential and commercial neighbourhoods, each generating traffic during peak hours. The trade-off is rarely



Delivery very unplanned

discussed in public discourse: speed traded for spatial coherence. **Ride-hailing** Over 150 mn Indians booked rides through apps every month in 2025. Ride-hailing promised to reduce congestion and reclaim parking space for circulation. Neither has happened — ride-hailing has increased congestion.

Meanwhile, demand for urban parking has exploded supply. Even if ride-hailing reduced parking demand, latent, unmet demand is so high that freed parking space has converted to accommodate new vehicles.

Algorithms now mediate street occupation in cities, where street design has not evolved to accommodate the new patterns of circulation they create. Surge pricing moves demand in time: it can't erase it in space. The curb, once relatively stable in its function, is now contested ground, with platforms competing for loading time and pickups.

Informal services Platforms have transformed the seeking, repairs, beauty services and tutoring into on-demand

Dark stores operate within residential zones that have no category for such businesses, exploiting definitional gaps. It is a failure of foresight that has allowed capital to move faster than the law

gig work. What this means spatially is that residential neighbourhoods are now experiencing continuous circulation of workers moving through them on app-mediated schedules.



Security guards at residential societies report workers waiting outside gates, allowed entry only when they have bookings. Demarcation between public and private residential space is being renegotiated in real time by platform algorithms. A housemaid who once worked continuously for a single family now rotates across multiple households on 10-hr shifts.

The social texture of residential neighbourhoods — relationships through shared services, mutual knowledge and trust that accompanied stable employment — has fractured into transactional atomisation. This is not inherently negative. It offers flexibility and reliability. But it also reflects a spatial reorganisation of residential life that urban design has not conceptualised and zoning regulations have not addressed.

Municipal regulations still operate at the level of land-use categories like residential, commercial, industrial that assume stability and geographic segregation. Gig platforms operate at the level of temporal optimisation and spatial densification. They overlay new functional geographies on existing ones without formally changing zoning.

The regulatory response has been reactive, and often contradictory. Some cities ban dark stores in certain zones. Others have introduced parking regulations without rethinking the

underlying demand-management problem. Worker classification remains contested across platforms and jurisdictions. This reflects the absence of any coherent urban vision that integrates platform logistics into city planning at the outset.

Three regulatory principles should reshape how cities should accommodate gig work:

- Zoning codes must explicitly classify and permit logistics operations, micro-fulfilment centres and distributed inventory systems within specific urban zones — not by stealth through definitional gaps but with intentional spatial elements compatible with mixed-use neighbourhoods. The fiction that a warehouse with a retail facade is 'retail' must end.
- Curb-side management and street space allocation must become explicit



Algorithms now mediate street use. The curb, once relatively stable in function, is now contested ground, with ride-hailing platforms competing for loading and pickup space

municipal policy, negotiated transparently among residents, delivery platforms and transit agencies, rather than occupied informally by whoever can extract the most value.

Residential zoning must be rethought to accommodate the reality that service workers now circulate through these zones on app-mediated schedules, which requires explicit agreements about access, timing and neighbourhood impact, rather than treating it as incidental.

The gig economy is reshaping our cities. India's 23.5 mn gig workers projected for 2029-30 deserve better than the reactive, contradictory patchwork of municipal regulations that currently governs their work.

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THE SPEAKING TREE

We are All Migrants

SUDHA DEVI NAYAK

Immigration policies are tightening all over the world, and countries with exploding populations, shrinking job scenes and diminishing resources would welcome people beyond their borders. They come in waves, fleeing their countries in dreadful panic to escape war, persecution and economic hardship, to seek a livelihood in peace and pursue their dreams. They come in rickety transport in dangerous conditions, victims of human trafficking who may end up dying en route. Many are detained in detention camps and deported without ceremony.

And, yet, our basic humanity calls for recognising the human in crisis. The Egyptian Book of the Dead decrees, 'Thou shalt not oppress a stranger; for ye were once strangers in Egypt,' a famous command from the Hebrew Bible, asking people to treat outsiders with kindness and compassion. Pope Leo identifies migrants, refugees and displaced persons as a litmus test for

The modern nation state emerged after the Treaty of Westphalia, following which 'civitas, religio, eus religio' — whose realm, his religion — became the norm. Nations should keep their hearts open to those who flee violence and persecution. Compassion should guide us in supporting those less privileged than us.

Chat Room

Reclinerman Of the Board

Appropos 'Who Says the Chair's Comfort?' by Harsh Marwaha and Vivek Khemka (Aug 26), given the fast-changing business scenario, the role of chairperson has to be dynamic per se — the expanding influence of AI in decision-making and the inherent risk of false reporting make the inclusion of an AI expert as a director necessary. Since most critical decisions are made in board meetings, the chair needs apt skills to get the best out of deliberations — to create trust that makes members with diverse expertise contribute freely, facilitates meaningful discussions, encourages the quiet members, restrains dominating voices and promotes constructive dissent. Only when the board works as a cohesive team despite conflicting functional responsibilities does the chair become a true leader. YG Choudhary Pune

Every Building Is an Island

This refers to the Edit, 'Enough of Gurgaon As Pitambar Village' (Aug 26). Over-concretisation is turning our 'hi-tech' cities into flooded landscapes during the monsoon. While the call for green and blue infrastructure is spot on, it misses the root cause of this crisis: severe deficit of professional town planners. As NITI Aayog has highlighted, India has merely one urban planner for every 1 lakh citizens, and a staggering 65% of our urban settlements lack a professionally planned master plan. The Netherlands' 'Room for the River' programme actively redesigned land use to allow rivers to naturally expand and safely absorb floodwaters. In Singapore, land has shifted away from concrete drains, opting, instead, to integrate bioswales and wetlands directly into their urban blueprints. The world's most advanced engineering firms and start-up engineering professional urban planners. Milind Mathur Thane

Main cause of our flooded roads is the sealing of 'natural drainage channels' due to blatant flouting of zoning laws and dishonest maintenance of the mandatory rainwater harvesting (RWH) infrastructure in both public and private houses. Most of the public RWH wells remain choked. Homeowners, too, maintain these superficially to satisfy municipal inspectors, leading to water from roof drains overflowing the roads. The solution lies in recreating these channels around buildings, as has been done by the NGO JanGurgan under technical advice from TERI with encouraging results. Krishan Kalra Gurgaon

Letters to the editor may be addressed to edit@timesofindia.com

ChatGPT SHAIROF THE DAY

The H-1B tightened its grip.

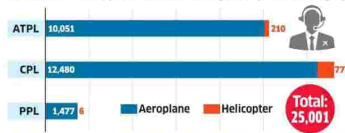
So, Indians gave it a flip. 'No brain drain for us, We'll build here, no fuss, And Silicon Valley just lost its ship!'

...

How Many Pilots Does India Have?

The aviation ministry is discussing the idea of mandatory substance tests for all pilots at least once a year on a random basis, instead of the current requirement to do so for only 10% of pilots. Civil Aviation Minister Ravi Mohan Naidu on Tuesday said the Directorate General of Civil Aviation (DGCA) is holding discussions with stakeholders for stronger drug-testing protocol for pilots. The latest available data shows India has around 25,000 licensed pilots, of whom over 22,000 are authorised to fly commercial aircraft.

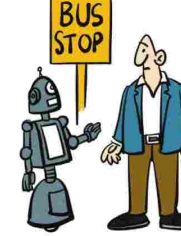
Number of DGCA-approved pilots below age 65, by licence category



ATPL: Airline Transport Pilot Licence, allows a pilot to captain/command a multi-crew commercial aircraft
CPL: Commercial Pilot Licence, allows flying as a professional, including as first officer
PPL: Private Pilot Licence, limited to non-commercial/recreational use
Source: Ministry of Civil Aviation limited to Lok Sabha question, Feb 12, 2026

Bell Curves

R Prasad



Save the weather talk. We're out of water for it.

Planet Ablaze? Think Again



Bjørn Lomborg

Stanford, California: Fires in France and Spain this summer have had devastating impacts. More than 2.2 lakh people fled flames west of Bordeaux. Outside Madrid, fires scorched an area twice the size of the capital and, by end-July, had driven nearly 80,000 people from their homes. The people who lost homes and livelihoods deserve sympathy — and far better fire policy.

What they do not need is the climate sermon that now follows every plume of smoke. Spain's PM Pedro Sánchez called the fires a 'painful expression' of climate change. The British and Spanish governments rushed out a joint statement declaring that 'climate change was now a national security emergency'. The verdict was in even while houses burned: only ending fossil fuels can put out the flames.

Here is what makes this so exasperating: the planet is doing the opposite of burning.

► Satellite data shows that as of August 12, the world's burned areas in 2026 is 41% below the 2012-25 average for this point in the year — on track to becoming the quietest global fire season in a century. ► On current trends, 2026 could end up burning less than 1.5% of global land area. This would be vastly below the satellite record low in 2022 of 2.2%, and likely lower than any year since 1980. Climate change is a global issue, so it should be assessed using global data. Pointing to horrific fires in one corner of one continent while ignoring a planet that burns phenomenally less is the definition of cherry-picking: keep the observations that fit the story, throw

away the rest. Imagine the reverse. If global burned areas were running 41% above average, would anyone accept 'but the Baltics are quiet this year' as a rebuttal? Of course not. Yet, that is precisely the logic now deployed in the other direction.

The climate lobby has seized on one data quirk: in the European fire surveillance, the satellite data for Europe includes the whole of Russia, including Siberia and all, so, a quiet Russian year can flatten the continental numbers. But strip Russia out entirely and by August 29, Europe without Russia has burned 27% less than its 2012-25 average this year. Nine of the past 14 yrs saw more fire by mid-August. France's season is record-low, and Spain's is severe.

But two countries having a dreadful summer do not make a continental inferno, let alone a planetary one. Europe is having a below-average fire year. The same pattern holds every where you look. Just some more weeks before, the panic was Canada, whose smoke over New York generated apocalyptic headlines. Yet, Canada is having a below-average fire year, as has the US. Both North and South America are at all-time satellite lows.

Africa, the most burned continent, is at an all-time low, 44% below normal. Oceania (mostly Australia) is 15% below its usual burn rate at this time, and Asia has burned near record-low this year. Every continent is below normal,

far below normal or setting records for how little is burning.

How is it possible that in a world burning less on every continent, we believe that the entire planet is in unprecedented flames?

Because the coverage tells us so. Infernos make the front pages; record-low fire years make no news at all. Report only the fires and never the absence of fires, and the public will duly conclude the planet is ablaze — even as the data shows the opposite.

Nor is 2026 a fluke. In the early 1900s, nearly 4% of the planet's land burned annually, roughly double today's rate. A century of better agriculture, land management and firefighting has beaten fire back, because people have become very good at preventing it. The world's long-term fire trend is ever downward. None of this means France and Spain don't have a real problem. They do: a record, June heatwave dried out vegetation, and decades of accumulated fuel created a monster. These are precise and proven: prescribed burns, fuel clearing, fire-resistant building codes and more firefighting capacity.

What will not help is the standard prescription of net-zero. Even if the entire world hit net-zero by 2050, at fantastical costs, the temperature difference by century's end would be too small to measurably change the fire risk.

Telling frightened people their houses burned because of fossil fuels — and that salvation lies in decades of expensive emissions cuts — is not comforting. It is generating propaganda for extremely costly policies, while providing an alibi for failed fire policies.

The writer is president, Copenhagen Consensus, and a senior fellow, Hoover Institution, Stanford University, US

Too bland for Page 1



A thought for today
Do not take life too seriously.
You will never get out of it alive

ELBERT HUBBARD

The Capex Factor

After focusing strictly on profitability post-pandemic, private sector is getting back into investment mode

A report by PM's Economic Advisory Council has just confirmed what govt has long pointed out – that in the years since the pandemic, private sector's capex hasn't kept pace with its profits. From 2014 to 2020, capex grew significantly faster than profits, with 2018-19 the sole exception. Thereafter, it seems, private sector decided to go slow on investment and maximise its earnings through better capacity utilisation. While this strategy was great for bottomlines and shareholders, it dampened employment growth and, by increasing competition for jobs, wage growth as well.

But the good news is that all of this is in the past. The EAC analysis ends at FY 2023-24, and the vibe has changed in the 30-odd months since. CMIE data for 2025-26 shows companies announced investments of ₹14.6L cr during April-Sept. Economic Survey saw a firming of the investment cycle during Oct-Mar, because demand for capital goods – machinery, equipment, etc, both Indian and imported – was strong. Companies had good reason to increase capacity because their capacity utilisation was higher than the long-term average. Further confirmation of the changed vibe comes from the 'Forward-Looking Survey' of private capex, published in March. It says private firms estimated capex of ₹11.4L cr in 2025-26, and ₹9.6L cr in this fiscal.

Question is, would they really spend the money? Judging by their record in 2024-25, they would. That year, when corporations intended to invest ₹180cr each, on average, final average capex was pretty close at ₹173.5cr. There's also a recent SBI analysis that shows gross fixed capital formation in the last quarter of 2025-26 increased by 10.8%, and manufacturing is the largest contributor to new investment proposals. It really does look like India's private sector has shed its capex reluctance. And you can see it in the real world now. All those new power plants – fastest growing power sector in the world – data centres, semiconductor units, and defence manufacturing are fresh capex. And much of this investment is happening not with debt but internal accruals and equity.

The case for private capex is clear – companies that invest are better placed to take on competition abroad and at home. But factors that can make businesses chary again are still around. Global economic uncertainty and possibility of rapid technological change, to name two. In this climate, govt can help private sector with more PLI schemes, policy predictability, deregulation and quicker dispute resolution.

Make In India Inc

DRDO tech transfer is the kind of move that helps build a defence-industrial complex

GOI's approval for the transfer of DRDO-developed conventional missile tech to wider domestic private companies, is significant in two ways. First, it shows that govt is keenly following the dynamics of modern warfare, and responding to the need for indigenousising its strategic weapon systems. Russia-Ukraine war and US-Israel war against Iran made this objective urgent. The lesson is clear – missiles produced in peace time simply cannot meet the demands of a kinetic conflict. Stockpiles run out in days, and production in the middle of war is complicated by supply chains that run around the world. For example, UK recently handed over blueprints for its Storm Shadow cruise missile to Ukraine. But that's not going to immediately change the trajectory of that war. It will take time for Kyiv to source components, and get production started.

But if DRDO transfers missile tech to private players today, it should help create an indigenous ecosystem of parts and components, reduce import dependence, and enhance operational capabilities in war time. This brings us to the second part – fillip for indigenous defence production and exports. Having a solid military-industrial complex is vital for strategic security, and enhancing India's profile as an arms supplier. The latter is already evident from data – Indian defence exports have gone from ₹686cr in 2013-14 to a record ₹38,424cr in 2025-26. India is also supplying strategic systems like the BrahMos to Philippines, Vietnam, and Indonesia. But there is room for improvement, and the goal ought to be to establish something akin to the American defence-industrial base.

That would require a lot of flexibility and freedom to innovate, backed by large and steady orders. Drone procurement for the military has seen success using this formula, where procurement platforms like Govt e-Marketplace and iDEX portal have allowed start-ups to directly bid for military tenders, or apply for prototype grants, and co-development. What works here is reduction in administrative compliance cost. That's the way to go.

My Dolly Problem

As a bony teenager, her hyper femininity had me shook

Shinie Antony



Female contours have gone through many a push and pull down the centuries. If one period in time dictates padding, another period frowns on the slightest bulge. Through corsets and underwire to minimisers and binding, flesh must bend to the fashions of that era. Occasionally, though, someone like a Dolly Parton casually and atrociously comes along to blur body image; the big hair, the small waist, the high pitch, the rhinestone-studded jacket... She made DD the size to flaunt.

In 9 to 5, a movie I watched as a bony teenager often mistaken for a boy, I wasn't sure what to make of her. Bony curves or curbs. Should I envy this voluptuousness, real or unreal, and aspire to at one, perhaps even manipulative, femininity, or patronisingly smirk at her obviously commercial reasons that were almost feminist? Even now Dolly has me torn over such a self-knowing authenticity, easily dismissed as loud and flashy, but simultaneously adored for its uniqueness. Women are aware of the male gaze, yes, but also the female gaze. Making pasta from scratch need not negate being a pin-up.

Dolly herself never won the Dolly lookalike contest she once sidled into – too many people were more Dolly than Dolly! She did say, 'If something is bagging, sagging, or dragging, I'll tuck it, suck it, or pluck it.' The waist of 20 inches and carefully set hair is the banner headline. The inside story has to be more human. We do know she rarely bares her arms – apparently because of scars – and went in for pastel tattoos to cover them up. At 57 she kept a steady low weight except for a brief period in the early 1980s, as photos show. No one has seen her without a wig either, though it's easy to think of her watching TV with hair in a scrunchie, no dimple on display.

The visual effect of Dolly combined with the narrative in her songs point to a hyper femininity that most women, and men in drag, make peace with in their own timeline at some point in their life. Especially now. When plastic surgery is going through its latest jagged phase, and signature looks are carefully curated at high costs, we can only marvel at what were decidedly bold choices. You blend in and blend in, and suddenly one day you want to stand out and do a Dolly.

Why Tiangong Will Never Beat Bolt

A humanoid broke Usain's 100m record. Another may surpass Messi or Kohli. But that's not sport. Sport isn't just about performance. It's about performance under human conditions. That's the emotional connect

Atanu Biswas



For a few seconds in Beijing, the future seemed to run past us. At the World Humanoid Robot Games, a Chinese machine, Lightning, reportedly ran 100m in 9.32 seconds, a test-faster than Usain Bolt's extraordinary 9.58 second world record, set in Berlin in 2009. In the official competition, another humanoid, Tiangong Ultra, clocked 9.38 seconds, while Lightning finished in 9.47. Both were faster than Bolt.

These numbers are astonishing. But the more interesting question is bigger: is this the "Deep Blue moment" for physical sport? That moment in 1997 was about IBM's supercomputer defeating world chess champion Garry Kasparov. It was a remarkable chesspoint in the history of the human-machine relationship. A machine had crossed a psychological boundary: it could outperform the best human at a task long regarded as a supreme expression of intelligence.

Today's strongest chess engines are rated far above any human player. Yet we still delight in watching Magnus Carlsen play Praggnanandhaa. We care about their preparation, nerves, intuition, mistakes, and courage. Deep Blue only won the chess match. It didn't win the human imagination. Perhaps the same will happen to physical sport.

Daniel Kahneman, the 2002 Nobel Prize-winning psychologist and economist, warned that technology could develop "possibly exponentially", while human progress remained "linear". Perhaps we are simply not very adept at imagining exponential change. Lightning and Tiangong Ultra make that abstract idea tangible. Human beings have spent decades shaving fractions of a second off the 100m dash. But it's almost unchangeable. We had become accustomed to records not falling by dramatic leaps. Machines, however, play by different rules. They don't have to wait for biological evolution. Their bodies can be redesigned. Motors can be improved, balance recalibrated, and software rewritten. If engineers discover that a certain stride works better, they can simply lengthen the legs.

Tiangong Ultra's progress illustrates the point. It reportedly took 21.50 seconds in the same competition last year. This year it ran 9.38 seconds. If the performances are comparable, that's more than a new record. It's a glimpse of what rapid technological improvement might look like.

Lightning, too, had already won a Beijing half-marathon in April in 50 minutes and 26 seconds, where the men's half-marathon world record is 56 minutes and 53 seconds, just set by Ethiopia's Yomif Kelemariam. Lightning's engineers subsequently modified its legs. A human athlete trains for years to adapt the body nature has given him. A robot can train – and then have its body changed.

The day may come when a robot may kick a football more accurately than Lionel Messi, hit a cricket ball more consistently than Virat Kohli, or make fewer mistakes than Novak Djokovic. Will we stop watching humans then?



I doubt it. Because sport has never been simply about finding the fastest body or strongest arm. It's about human beings confronting limits. When Bolt ran 9.58, we were not merely watching a biological machine cover 100m. We were watching a person approach the edge of what a human body seemed capable of. Behind those seconds were childhood dreams, years of training, exhaustion, injury, discipline, and doubt. And there was always the possibility that it could go wrong. The athlete knew that the body had limits. So did the spectators. That shared knowledge is part of the emotional contract of sport.

A robot's failure is different. If it's too slow, engineers can redesign it. If it falls, they can improve its balance.

Its limits are technological. Ours are physical, psychological – and mortal. That's why a robotic Messi wouldn't necessarily replace human Messi.

Imagine a machine capable of reproducing every move Lionel Messi ever made, only faster and more accurately. We might marvel at the engineering. But would we experience the same emotion when it scores the winning goal? Perhaps not.

We know what's at stake when Messi plays. An ageing footballer cannot simply install a faster processor. His body carries the marks of time. Every sprint costs something. Every injury matters. Every brilliant moment is precious partly because it cannot last forever. We admire concentration under pressure, recovery from failure, judgement, and temperament. We recognise something of ourselves in that struggle.

Sport is not only about performance. It's about performance under human conditions. That may be the strange future ahead: machines may own performance without owning its meaning. There may be robot athletics, football, and cricket, where the question is how far machines can go. And there may be a parallel world of human sport, where the question remains: how far can we go?

Deep Blue couldn't kill chess. Technology can surpass the human body without replacing human meaning. In fact, the better machines become, the more clearly they may reveal what we value in human performance. We may care less about whether a human record is the absolute best performance physically possible and more about what that record tells us about human possibility.

Kahneman was right about the difficulty of comprehending rapidly exponential change. Machines may become astonishingly better than us in domains we once valued. But they won't necessarily replace what will make human sport compelling, not less. When machines become capable of doing more and more things better than we can, the imperfect human being may become the more interesting creature – and more valuable, perhaps.

We don't watch sport merely to see what can be done. We watch to see what someone like us can do. The machines may own the future of performance. The drama of trying may still belong to us humans.

The writer is Professor of Statistics, Indian Statistical Institute, Kolkata

Monsoon Is Deficient. Why Are Rains Causing Such Havoc?

The answer lies in changing pattern of rainfall. Weather studies have established that both the frequency and intensity of extreme rainfall events are increasing

Amit Bhattacharya@timesofindia.com



After an exceptionally dry June, monsoon recovered enough to ease fears of an acute drought this year. While June ended with a massive nationwide rainfall deficit of over 35%, rainfall since July 1 has been normal, albeit at the lower end of the range, still a better-than-expected outcome given the growing shadow of El Niño. For the season as a whole, however, monsoon rainfall remains firmly in the deficient zone, at around 13% below normal.

But here's the strange part: this doesn't feel like a drought year. Over the past two months, visuals of rain-related devastation have dominated news. We have seen unprecedented flooding in the Brahmaputra basin of upper Assam and Nagaland, massive damage and loss of life in Himachal, road cave-ins and infra damage in Delhi-NCR, deadly landslides in Kerala, urban flooding in Maharashtra and Gujarat, bridges washed away in several Himalayan states, and a catastrophic cloudburst in Jammu's Rajouri district.

Met dept (IMD) figures show there has been no let-up in extreme rainfall. On the contrary, such episodes have increased this year. IMD recorded 268 extreme rainfall events in July, significantly higher than the numbers logged in the same month in each of the previous four years: 84 in 2025, 104 in 2024, 205 in 2023, and 129 in 2022. This is particularly striking because July rainfall across India, this year, was the lowest in this five-year period.

Monsoon has traditionally been celebrated in India as a season of renewal and rejuvenation. But it is increasingly becoming a period of death and destruction. Two processes are at work, and both need to be understood and addressed if losses to life, property and agriculture are to be contained.

One is the changing character of rainfall. Call it the "new monsoon" footprint of climate change. A growing body of research points to an increase in

intensity and, in several regions, frequency of extreme rainfall events. These trends are not uniform, the picture is still evolving, but some broad patterns stand out.

In northwest India, mean monsoon rainfall has increased, particularly since 2000, and high-intensity rainfall is responsible for a disproportionate share of that increase. A June 2020 study by Athar et al in *Climate Dynamics* found an 8.7% rise in monsoon rainfall during 1999-2022 compared with 1901-1998. Crucially, extremely heavy and very heavy rainfall accounted for 68% of this increase.



Another 2026 paper by Veesam et al in *Atmospheric Research* found that rainfall classified as extreme contributed more than 75% of seasonal rainfall across most of northwest India, and over 80% in parts of Punjab, Haryana, Rajasthan and Gujarat. In other words, a growing share of seasonal rain is arriving in high-intensity bursts.

Central India, where much of agriculture remains rainfed, shows a different but equally worrying pattern: a long-term shift towards wetter extremes and longer dry spells. Roxy et al, in a 2017 *Nature*

Communications paper, found a 10% decline in mean monsoon rainfall over central India during 1950-2015, but a threefold increase in widespread extreme rainfall events. Extreme rainfall was also becoming more intense. Yet recent studies show these trends are not monotonous: one found a decline in extreme rainfall during 2005-2020, even as the areas affected by massive rain systems expanded.

Taken together, the science points to a monsoon in which rainfall is becoming more concentrated in intense, potentially destructive episodes rather than simply increasing in volume. The second factor is rising vulnerability driven by deforestation, poor infra and inadequate planning. One or more of these factors lie behind a large share of deadly rain-related disasters, either as direct causes or as amplifiers. Recent flooding in upper Assam and Nagaland is a case in point. Areas traditionally considered less flood-prone were inundated, with evidence suggesting that large-scale forest loss and infra development in catchments worsened the disaster.

This combination, a monsoon with greater destructive force and a country that is increasingly vulnerable because of poor planning and ageing infra, is a double whammy that amplifies the scale and impact of natural disasters. The economic cost is already enormous. Floods in India are estimated to cause around \$3bn in losses annually, roughly 10% of global economic losses from flooding.

The warning for policymakers is clear: infra and urban planning can no longer be based solely on historical rainfall patterns. Roads, bridges, drainage systems, housing and major projects will have to be designed for a climate in which rainfall increasingly arrives in short, extreme bursts.

As this year's experience shows, when a deficient monsoon can inflict as much destruction as a year of abundant rainfall, India must urgently adopt targeted measures to reduce monsoon-related risks. The rains are only going to get hungrier. We need to stop feeding them a fragile and vulnerable infra.

Calvin & Hobbes



Sacredspace



The strong is not the one who overcomes the people by his strength, but the strong is the one who controls himself while in anger.

Prophet Muhammad

Inner Freedom From Unnecessary Desires

Farida Khanam

Human life has outward and inward dimensions. The outward is temporary; inner realities are deeper and more enduring. A spiritual person does not reject the material world but refuses to be carried away by appearances. Contentment, financial security, education, advancement, and wealth are legitimate aspirations. The question is whether possessions remain a means to living or become the measure of life.

The story points to an important truth: physical comfort and inner happiness are not the same. A person may possess everything outwardly and still feel something essential is missing within. This is where contentment becomes

important. Contentment is not a lack of ambition. One can pursue excellence, build a career, create wealth, and seek a better life while remaining inwardly content. It means that the desire for tomorrow does not destroy the peace of today.

Epictetus expressed this well: "Wealth consists not in having great possessions, but in having few wants." The point is not to give up possessions, but to develop an inner freedom from excessive and unnecessary desires, so that possessions add to our comfort without determining our sense of worth.

The opposite condition is greed. Greed begins when 'more' has no end. There is always a larger house, a higher position, or someone more successful. Comparison can create deprivation even amid abundance.

Gratitude is the antidote to this restlessness. It shifts attention from what is missing to what is already present.

Quran says: "If you are grateful, I will surely give you more" (Quran 14:7). This 'more' need not be any material. Gratitude enlarges life: the same world appears richer when viewed appreciatively.

Happiness also has an often-overlooked dimension: the happiness of being useful. There is deep satisfaction in making someone's life better – through teaching, caring, sharing knowledge, helping in difficulty, or giving our time.

A self-centred life asks, "What's getting?" A life of service asks, "Of what use am I?" That change of question changes the direction of life. Happiness derived from acquisition requires repeated stimulation; satisfaction derived from contribution can become part of one's character.

Difficulties remain part of life. No philosophy can remove disappointment, loss, criticism, or failure. A spiritual outlook gives these experiences a larger

meaning. A setback may lead to reassessment; criticism may reveal what success conceals; adversity may awaken strengths that comfort never called into action.

Happiness ultimately leads beyond contentment, gratitude, and service to a God-oriented life. Human beings carry a longing greater than material fulfillment. Achievements may satisfy desires, but not the deeper question: "What gives my life meaning?"

Quran points to this inner centre: "Surely in the remembrance of God hearts find true comfort." It is this inner peace that is the true destination reached after acquiring everything one desires. It emerges when aspiration is balanced by contentment, success by gratitude, self-interest by service, and worldly engagement by awareness of God. In such a life, happiness is not merely something we receive; it becomes something we create within ourselves and in lives of others.

The writer is chairperson, Centre for Peace and Spirituality International



Editor's TAKE

India-China: A thaw without a breakthrough

Twenty-five rounds of India-China boundary talks have produced an important thaw in relations, but little movement on the boundary itself

The 25th round of India-China Special Representative talks unfolded in Beijing on August 25, with National Security Adviser Ajit Doval and Foreign Minister Wang Yi holding what both readouts called candid, in-depth discussions on the boundary question. Doval called on Vice-President Han Zheng beforehand; Wang spoke of deepening trust and removing 'disturbances'. The timing was deliberate: Prime Minister Modi and President Xi Jinping are due to meet twice in three weeks, first at the SCO summit in Bishkek, then at the BRICS summit New Delhi hosts on September 12-13.

The headway is real but narrower than the mood music suggests. Since the 2020 Galwan clash, the October 2024 disengagement restored patrolling and grazing at Depsang and Demchok; the Kailash Mansarovar Yatra, tourist visas and direct flights have all resumed over the past year. Yet this round's statement quietly dropped 'early harvest', the phrase floated last year for quick delimitation wins, reverting instead to the older, slower pursuit of a 'package solution'.

Twenty-five rounds since 2003 have moved the atmosphere considerably; they have not moved the line itself. What blocks that is visible on the ground, not in the readouts. China has issued six batches of 'standardised' Arunachal Pradesh place names since 2017, the latest in April; India's own counter-naming of border sites this August drew a sharp Chinese protest. More seriously, patrol parties reportedly came face to face near Taksing in Upper Subansiri in late July, with Chinese personnel said to have returned in early August and pitched tents - a claim India's defence establishment has called unverified even as the opposition demands answers.

Add Beijing's mega dam on the Yarlung Tsangpo, barely kilometres from the Arunachal border and already unsettling downstream water calculations, and it is clear India is negotiating trust with a neighbour simultaneously redrawing the map, the river and the patrol grid.

Xi's Delhi visit, still unconfirmed by Beijing even now, would be his first to India in seven years, reportedly with some 400 officials in tow. The summit's own agenda - local-currency trade, food and energy security, reform of multilateral institutions - will occupy the formal sessions. But the meeting the region will actually watch is the Modi-Xi sidebar: warmer bilateral language and movement on trade and connectivity, not a breakthrough on delimitation. That was never a summit's job to deliver.

India's task is to stop letting summit atmospherics and border facts stand in for each other. Engagement is worth having, but it should not outrun verification: patrolling parity and troop de-escalation to pre-2020 levels beyond ahead of warmer language, not after it. New Delhi must match Beijing's infrastructure push, village for village and road for road, with its Siang project as a counterweight to the dam. It must also get faster and clearer about what is confirmed on the border. Xi is welcome in Delhi, though the outcome may not be dramatic, but it is an opportunity to put across our deepest concerns.

Goa: India's compass for coastal tourism

The challenge is no longer simply to draw tourists to India's shores, but to ensure that tourism does not destroy the very coastline that attracts them. If India's coastal tourism is to grow sustainably, Goa's experience with carrying capacity, conservation, and ensuring that local communities share the gains offers valuable lessons for the rest of the country



SADANAND SHET TANAVADE



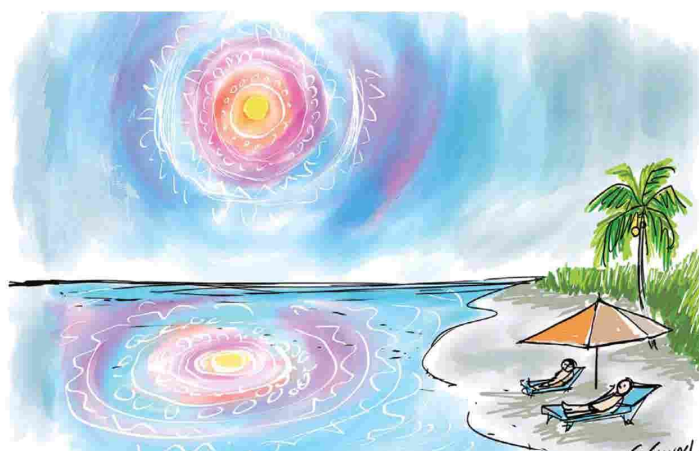
ANUJ PATTNAYAK

India has one of the world's longest coastlines, and until recently, one of its least precisely measured. When the coast was remapped in 2024, it grew from 7,516 km to over 11,000 km - not because any land was added, but because finer, modern mapping captured the bays, inlets and offshore islands that older, smaller-scale charts had smoothed over. It was a quiet reminder of how much of our coast we are only beginning to see clearly, even as it carries a growing share of the nation's tourism economy.

Nowhere is that economy more visible than in Goa. Last year, the state welcomed close to 1.08 crore visitors - several times its resident population - along a beach coastline of barely 105 km. Tourism accounts for more than a sixth of Goa's economy and a third of its jobs. More than the numbers, though, what sets Goa apart is experience: few places in India have managed tourism at this intensity for as long or learnt as much in the process.

That experience is worth drawing on, because India is not short of policy for its coast. The Coastal Regulation Zone rules protect fragile stretches; Swadesh Darshan 2.0 funds coastal circuits; the Blue Flag programme certifies clean beaches; travel for LIFE promotes responsible travel; and Goa has both its own tourism policy and, more recently, a regenerative tourism vision built around people, environment and economy. The pieces exist. What they have lacked is a way of working together as a single, coherent approach to coastal tourism - and this is precisely where a state like Goa, already doing much of this at once, can show what joining them up looks like.

Bringing them together starts with a fuller idea of what a coast can bear. Carrying capacity is too often reduced to a single question - how many visitors a beach can hold - when it is really about water and sanitation, waste and traffic, the health of dunes and mangroves, and, not least, the daily lives of the people who live there. A beach that overwhelms its town's water supply or its roads is not a success, however many visitors it draws. Goa has begun to take this seriously, commissioning a fresh scientific study of how many visitors its coast can sustainably support, while moving to expand sewerage



LAST YEAR THE STATE WELCOMED CLOSE TO 1.08 CRORE VISITORS - SEVERAL TIMES ITS RESIDENT POPULATION - ALONG A BEACH COASTLINE OF BARELY 105 KM. TOURISM ACCOUNTS FOR MORE THAN A SIXTH OF GOA'S ECONOMY AND A THIRD OF ITS JOBS

The writers are Member of Parliament (Rajya Sabha) from Goa and Anuj Pattnayak, a public policy professional at Chase Advisors

and waste networks and strengthen the mangroves that shield the shore. It also means treating different stretches of coast differently.

Nesting grounds, dunes and mangroves call for careful protection, while others are well suited to livelier activity - the logic already embedded in India's coastal zone plans, and demonstrated at scale by Australia's stewardship of the Great Barrier Reef, where clearly defined and periodically reviewed zones allow protection and tourism to reinforce one another. With rising seas and steady erosion already claiming hundreds of hectares of Indian coastline each year, that same foresight must extend to resilience: restoring mudflats, groves, managing shorelines and building for the storms to come.

Above all, coastal tourism must keep local communities at its heart. A coastline is not only an ecological asset but a home and a livelihood - for shack owners, fishers, taxi operators, guides and family-run guesthouses. Goa's regulated beach-shack policy, which reserves space for local operators, and its women-led homestay scheme, which spreads tourism's gains into the hinterland, both show how growth can be shared rather than concentrated.

Tourism is only truly sustainable when the Goans who give the coast its character con-

tinue to prosper from it and can live comfortably alongside it.

Much of this comes down to planning for a simple reality: the effective population of a tourist town can multiply many times over at the height of the season. Infrastructure that serves residents well through the year must also be able to absorb those surges - as Goa's lifeguard service has shown, using technology to cut drowning incidents sharply while keeping its beaches open and safe. And where the coast generates the revenue, a fair share of that value should flow back into maintaining and protecting it, guided by the kind of recognised standards - India's own Blue Flag and clean beach certifications among them - that turn good intentions into measurable practice.

The stakes reach well beyond any one state. India's tourism economy is expected to approach USD 527 billion by 2036, and much of that growth will come from the coast. Whether it lasts will depend less on how many visitors our shores can attract than on how weedy they are cared for - on treating the coastline not as an inexhaustible backdrop, but as a national asset to be measured, planned and protected. Goa has already learnt much of what that takes. Given the chance, it can help show the rest of India's coast how to grow without wearing itself out.



Devotees walk near an 'althapookalam', a traditional floral carpet, during the 'Onam' festival, in Thiruvananthapuram PHOTO: PTI

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CRICKETERS APPEAL FOR HUMANE TREATMENT OF IMRAN KHAN

Former international cricket captains, including Kapil Dev, Sunil Gavaskar and Dilip Vengsarkar, have reportedly written to Pakistan Prime Minister Shehbaz Sharif, urging humane treatment and proper medical care for former Pakistan cricket captain and Prime Minister Imran Khan, who remains in jail.

The all-rounder who united a nation by winning the 1992 Cricket World Cup and inspired a generation of players worldwide has reportedly been facing deteriorating health in confinement. It therefore becomes a moral duty for his peers to speak up. The signatories have rightly emphasised that court-mandated medical reviews and family-visit protocols must be honoured transparently and without administrative delay.

One hopes that the authorities

in Islamabad will listen to these voices of conscience and ensure that Imran Khan receives the medical attention and dignity he deserves. Regardless of political differences, the humane treatment of a former national leader and sporting icon should remain above partisan considerations. Treating national figures with dignity reflects the strength and maturity of a democratic society. The appeal by these former cricketers also reminds us that true sportsmanship extends far beyond boundary lines and final wickets. At a time when sport and public life often intersect, their intervention reinforces a simple principle: compassion, dignity and fairness should never be compromised, particularly when a person's health and well-being are at stake.

R SIVAKUMAR | TAMIL NADU

Please send your letter to the info@dailypioneer.com. In not more than 250 words. We appreciate your feedback.

SIDDHARTH ROY

2ND OPINION

A broken mixer once meant a visit to the neighbourhood repairman. A torn shirt went to the tailor, a watch to the watchmaker, and a damaged chair to the carpenter. Today, the instinct is often different: search for a replacement online. The convenience is undeniable, but something significant is being lost - the habit of repair.

Modern consumer culture has made replacement economically and psychologically attractive. Products are cheaper, fashions change faster, and technology evolves. Many devices are difficult to open, batteries are sealed, and spare parts can be expensive. In such a marketplace, repairing can appear irrational when a new one promises immediate satisfaction.

Yet the apparent efficiency of replacement hides its

costs. Every new product embodies minerals, energy, water and manufacturing. When discarded prematurely, these resources do not disappear; they become waste. Electronic waste is revealing. The world consumes sophisticated devices rapidly while struggling to recover valuable materials. It reflects a bigger change in how value is understood.

Repair demands patience. It requires accepting that something can be imperfect and still worth preserving. It recognises skilled labour. The electrician, cobbler, mechanic and carpenter were once familiar figures in Indian neighbourhoods because extending an object's life was considered sensible.

India's rapid economic transformation has weakened this repair culture. A growing middle class, rising purchasing power and digital commerce have made consumption easier than ever. The traditional repair ecosystem is also under pressure. The irony is that a country with a long history of thrift and ingenuity is increasingly embracing disposability.

The consequences extend beyond possessions. A culture accustomed to replacing things can subtly influence attitudes towards other forms of commitment. Every relationship, institution or career can or should be preserved indefinitely. Some must end when harmful or obsolete. But there is a difference between recognising genuine failure and abandoning something simply because repair requires effort.

Sustainability, therefore, cannot be reduced to re- cycling after consumption. It must also involve designing products for durability, ensuring access to spare parts, supporting repair businesses and making manufacturers accountable for the life of what they sell. The right-to-repair movement matters because it challenges an economic model built around replacement.

But policy alone cannot restore the value of repair. Consumers must recover a different relationship with possessions. Before asking what something costs to replace, we should occasionally ask what it would take to restore it.

That question has implications far beyond household economics. Repair is an ethic of patience, responsibility and stewardship. It acknowledges that value does not disappear merely because something is damaged. Perhaps that is the lesson modern consumer society most needs. Progress should not mean acquiring the newest thing as quickly as possible. A mature economy should also know how to preserve what already exists.

A civilisation that remembers how to repair its objects may also become better at repairing its institutions, communities and public spaces. Sometimes, what needs saving is not the object itself, but our willingness to care for it.

The writer is a consultant to Rashtriya Raksha University under the Ministry of Home Affairs, a short story writer, columnist and contemporary affairs commentator

LETTERS TO THE EDITOR

A short-sighted move by TVK govt

The ruling TVK government's decision to scrap the Parandur greenfield airport project is a short-sighted move that threatens the State's economic and aviation future. Dropping this vital infrastructure project without announcing a proper and ready-to-execute alternative site is a grave administrative failure in the first place. Chennai desperately needs a second airport to handle rising passenger and cargo traffic, and halting this project without a back-up plan puts the State's logistical growth behind by years.

If the TVK government relies on expansions or a proposed Terminal 5 at the current Meenamakkam airport, it is totally an unrealistic thought, since the existing facility is already landlocked by dense residential areas and faces severe structural limitations. Mortgaging the State's long-term economic roadmap for short-term political gains sets a dangerous precedent. Finally, the TVK govt's policy presents a glaring contradiction; it initially claimed to scrap the project to protect agricultural land and farmers. However, it has now announced that the Parandur land will be used for alternative industrial growth. This flip-flop exposes a lack of real care for farmers and deepens the confusion for local landowners.

RANGANATHAN SIVAKUMAR | CHENNAI

Investigate sugar hoarding and black marketing

This refers to the news, "Sugar prices surge 15.6 per cent in a month; political row over ethanol policy deepens". The CPIW has blamed the Modi government's ethanol policy for the price rise, claiming that approximately 25 lakh tonnes of sugarcane were diverted for ethanol production, resulting in a shortage of sugar stocks. On the other hand, Neeraj Shirkagade, President of the Indian Sugar Mills Association, stated that there is no shortage of sugar in the country and that retail prices are likely to come down soon. He attributed the decline in sugar production to speculative buying and adverse weather conditions, while stating that sugar mills were not involved in creating artificial shortages or raising ex-mill sugar prices.

Who, then, is behind the alleged black marketing? The Centre and state governments should investigate. The Modi government has permitted duty-free imports of 10 lakh metric tonnes of raw sugar and introduced stock limits to curb hoarding.

The Uttar Pradesh government has intensified inspections of sugar mills and traders' warehouses. Delhi, Haryana, Uttar Pradesh and Rajasthan must expand surveillance of dealers, wholesalers and large consumers to prevent artificial shortages. Only then can consumers find lasting relief.

YUGAL KISHORE SHARMA | FARIDABAD

RSS chief faces US opposition

RSS chief Mohan Bhagwat, currently in New York on the first leg of a three-nation global outreach tour marking the Sanghi's centenary, has faced strong opposition to his visit. He is also scheduled to visit Canada and the UK. More than 1,000 Americans have reportedly urged the US to revoke his visa, while appeals have been made to New York Mayor Zohran Mamdani to cancel Bhagwat's August 29 rally at Madison Square Garden.

Several Indian-American organisations, including the Indian American Muslim Council, Hindus for Human Rights and the Indian Overseas Congress, USA, have urged US policymakers and community leaders to oppose the RSS's record concerning religious minorities. The US Commission on International Religious Freedom, in its 2026 annual report, recommended targeted sanctions against the RSS, including freezing US-based assets and restricting entry for responsible individuals. Critics have alleged the RSS has been linked to violence and intolerance against minorities. They cite concerns involving Muslims, Christians, Dalits and Adivasis, including communal polarisation, attacks on places of worship and discrimination. Bhagwat's visit has therefore triggered a wider debate over representation, religious freedom and the legitimacy given to organisations facing such serious allegations.

BHAGWAN THADANI | MUMBAI

India needs institutional reform – now!

India must reform its institutions before accumulated frustration turns into a crisis that will be far more difficult and costly to control. The time for complacency is over; the time for systemic reform is now an urgency for the nation



PRASHANT TEWARI

India is witnessing an institutional crisis that can no longer be dismissed as isolated corruption, administrative inefficiency or the occasional failure of an individual officer. Millions of ordinary Indians interact every day with hospitals, police stations, courts, schools, municipal corporations, revenue offices and administrative authorities. For

the common citizen, the State is not an abstract constitutional concept. It is the police station where a complaint must be registered, the government hospital where treatment is expected, the court where justice is sought, the school where children are educated, the municipal corporation responsible for basic services and the government office where a simple document may require repeated visits. For millions, these everyday interactions have increasingly become sources of frustration, humiliation, delay and extraordinary mental stress.

The scale of the problem is almost unimaginable. Nearly one-fifth of humanity lives in India, and when such a vast population is subjected to inefficient institutions, procedural delays, corruption, arbitrary decision-making and administrative indifference, the consequences extend far beyond individual grievances. They gradually damage the social fabric of the nation. A citizen who spends years pursuing justice, repeatedly visits government offices for legitimate services, encounters corruption in routine transactions or faces arbitrary action by an authority begins to lose faith not only in that institution but in the State itself.

India's political discourse, however, remains overwhelmingly focused on elections. Political parties devote enormous energy to winning power, managing constituencies, defeating opponents and controlling political narratives. Governments are judged largely through electoral victories, announcements, infrastructure projects and welfare programmes. Yet the most fundamental question is rarely asked with sufficient seriousness: How does an ordinary citizen experience the everyday?

Does a police station deliver timely and impartial justice? Can an ordinary citizen approach the courts without spending years and enormous sums of money? Can the administrative machinery provide services without corruption, favouritism and unnecessary delays? Can municipal corporations deliver basic civic services efficiently? Can government hospitals and schools provide quality services with accountability? These are not ideological questions. They are questions about the functioning and credibility of the Republic.

The crisis becomes even more serious when taxation is considered. Citizens are expected to pay direct and indirect taxes, yet many increasingly feel that the State possesses enormous power to scrutinise, penalise and recover taxes while providing inadequate accountability for how public money is collected and spent. Excessive compliance burdens, aggressive enforcement and disproportionate proceedings can create perceptions of tax terrorism, particularly among honest taxpayers, entrepreneurs and small businesses. Tax collection is essential for a modern State, but taxation must operate within fairness, transparency, predictability and due process. The citizen cannot be treated merely as a source of revenue.

India now requires an extremely stringent and comprehensive anti-corruption framework applicable without exception to every person drawing a salary, remuneration or pension from the public exchequer. From the President of India and ministers to senior bureaucrats, judges, police officers, public-sector employees and the last-mile government employee, no public servant should be above accountability. A proposed framework could provide severe imprisonment, potentially extending to 20 years in the gravest proven cases of corruption, embezzlement, bribery or deliberate misuse of public funds, along with recovery of illicitly acquired assets, subject to due process and judicial determination.

This reform is essential if India genuinely intends to become a global power. India cannot seriously aspire to challenge the United States or China while operating a government machinery weighed down by mediocrity, inefficiency, excessive bureaucracy, corruption and weak accountability. A nation cannot become a superpower merely through international speeches, impressive statistics, media campaigns, podcasts or chest-thumping



IT IS HIGH TIME THAT THE INDIAN STATE RESTORES THE BASIC MEANING OF PUBLIC SERVICE. CITIZENS SHOULD RECEIVE RELIABLE DRINKING WATER FROM JAL BOARDS RATHER THAN DEPENDING ON MINERAL-WATER VENDORS; DEPENDABLE ELECTRICITY FROM ELECTRICITY DISTRIBUTION AUTHORITIES RATHER THAN GENERATORS AND INVERTERS; REGULAR GARBAGE COLLECTION FROM MUNICIPAL CORPORATIONS RATHER THAN PRIVATE VENDORS; AND PUBLIC SECURITY FROM ACCOUNTABLE POLICE STATIONS RATHER THAN PRIVATE GUARDS STANDING OUTSIDE HOMES IN ALMOST EVERY AFFLUENT COLONY ACROSS INDIA

The writer is a public policy expert and columnist

nationalism. Great nations are built by competent institutions and millions of honest, capable and professionally accountable people performing their responsibilities every day.

There is another emerging vulnerability that the ruling establishment cannot afford to ignore. In an era of largely unregulated social media, a spark can travel across an entire country within hours. Traditional mainstream media, once the principal instrument for shaping public narratives and communicating during national crises, has lost much of its influence among large sections of the younger and digitally connected population. Consequently, the governments' ability to communicate directly and effectively during a rapidly developing crisis is becoming increasingly limited.

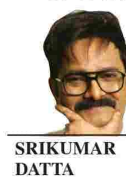
Social-media algorithms determine what millions of people see, share and discuss, often rewarding outrage, sensationalism and emotional content. While it would be simplistic to claim that algorithms are universally controlled by external forces, the possibility of foreign influence operations, coordinated disinformation, manipulated narratives or hostile actors exploiting India's social and institutional weaknesses represents a genuine strategic vulnerability. A crisis generated internally or amplified by forces outside the country can therefore escalate at extraordinary speed. Crisis management is no longer merely a question of police deployment or administrative orders; it is also a question of information, trust, digital communication and institutional credibility.

It is high time that the Indian State restores the basic meaning of public service. Citizens should receive reliable drinking water from Jal Boards rather than depending on mineral-water vendors; dependable electricity from electricity distribution authorities rather than generators and inverters; regular garbage collection from municipal corporations rather than private vendors; and public security from accountable police stations rather than private guards standing outside homes in almost every affluent colony across India. Citizens should be able to obtain legitimate certificates and regulatory approvals directly and transparently, without paying trolls or middlemen. The disturbing presence of intermediaries managing access to courts, brokers facilitating admissions in government schools and hospitals, and agents controlling routine government services has become so normalised that a parallel economy of influence appears to have developed around public institutions.

Surely, nobody wants to live in a country where basic civic necessities and constitutional rights require private substitutes, personal connections or additional payments. But where can nearly one-fifth of humanity go if its own institutions fail to provide these essentials? There is no alternate India to which millions can simply migrate. That is precisely why preventive and corrective measures cannot be postponed. The objective is not to predict a storm but to prevent one. India must reform its institutions before accumulated frustration turns into a crisis that will be far more difficult and costly to control. The time for complacency is over; the time for systemic reform is now.

India needs a governance revolution: justice that is accessible, policing that is accountable, administration that is efficient, taxation that is fair, public expenditure that is transparent, social-media resilience that is strategic and an anti-corruption regime that respects both citizens and honest public servants. The true measure of democracy is not how successfully politicians win elections. It is how fairly, efficiently and respectfully the State treats an ordinary citizen. India has demonstrated that it can build a powerful modern economy. It must now build institutions worthy of its people. The time for cosmetic reform is over. India is crying for systemic reform. The objective is not to predict a storm but to prevent one.

Indian cities are becoming unliveable



SRIKUMAR DATTA

Although the headline above might seem somewhat unrealistic today, the day it becomes a reality may not be far off. To understand this better, let us delve deeper into the matter.

Rapid urbanisation and population growth

Rural populations have always been lured by the glittering lifestyle of cities. Compounding this attraction is the issue of livelihood, as the tide of development often ebbs away by the time it travels from urban centres to rural areas. A lack of employment opportunities and infrastructure, along with natural disasters such as floods and droughts, drives rural folk towards cities. In addition, no comprehensive census report has been available since 2011 to provide a clear rate of migration from rural to urban areas. In 2020-21, approximately 54 per cent of internal migrants living in urban areas were from rural regions.

India as a whole is also becoming increasingly urban. Between 2001 and 2011, India's urban population grew 31.8 per cent over the decade, equivalent to roughly 2.8 per cent per year if simply annualised. The 2011 Census, for example, recorded Greater Mumbai's urban agglomeration at about 18.4 million, Delhi at 16.3 million, Kolkata at 14.1 million, Chennai at 8.7 million, and Bengaluru at 8.5 million.

Traffic, noise, pollution and shrinking open spaces

India's rapid rise in vehicle ownership is worsening congestion, parking shortages, and air and noise pollution. As a broad national benchmark, the Vahan database shows new vehicle registrations increased 12.2 per cent in 2024 and 8.5 per cent in 2025. Cities such as Delhi, Mumbai, Chennai, Bengaluru, Kolkata and Hyderabad continue to add vehicles rapidly. Pune is currently seeing around 1,300 new vehicles enter its roads every day. Alongside this, haphazard construction work taking place hither and thither is further exacerbating pollution. Excessive dust has become a nightmare for city dwellers.

Major cities including Delhi, Kolkata, Mumbai, Chennai, Bengaluru and Hyderabad are experiencing significant particulate pollution, although the severity varies by city and season. Delhi remains the most severe pollution hotspot, recording an average winter 2024-25 PM2.5 level of 75 µg/m³. Kolkata also faces severe winter pollution, while Mumbai, Chennai, Bengaluru and Hyderabad experience increasing localised pollution from traffic and other emissions. In Mumbai, some locations recorded pollution levels about 60 per cent above the citywide average. A 2026 CPCB-based study found that weather conditions, including low winds and atmospheric stagnation, can alter PM2.5 levels by up to 40 per cent.

The water crisis is emerging as a major urban challenge in India. This issue is no longer confined to drought-prone rural areas; even large cities are increasingly struggling to ensure an uninterrupted water supply for their rapidly growing populations. According to World Bank data, around 600 million people in India face severe water stress; meanwhile, urbanisation and climate change are placing additional strain on water supply systems that are already under pressure.

As the population has grown, the city has expanded horizontally as well. People are forced to live in the suburbs to find affordable housing, resulting in an increased distance between their homes and workplaces. Four to five hours of daily life are spent simply covering this distance, compounded by the ordeal of traffic congestion. Consequently, the quality of life is deteriorating: both body and mind are becoming exhausted. This is taking a severe toll on marital and other relationships, causing people to lose their natural smiles and happiness. Even where sidewalks exist, they have been taken over by street vendors. Despite occasional eviction drives by the administration, it is nearly impossible to permanently remove these vendors from public life. Such vendors rely on this trade to earn a livelihood. If roads are for vehicles and sidewalks are for vendors, then where is the space for pedestrians? Even various playgrounds and parks have fallen into the hands of real estate developers. People have nowhere left for morning or evening walks, and children have no space to play. People are suffering literally from a lack of oxygen.

For decades, urban development has prioritised wider roads, flyovers, parking spaces and faster traffic. Cars and two-wheelers have become central to city planning, while pedestrians, cyclists, children, elderly people and people with disabilities are often treated as an afterthought. The result is a city that may move vehicles efficiently but can be difficult for people to live in. Without urgent action on vehicle growth, public transport, parking and pollution control, urban life could become increasingly congested, unhealthy and unliveable. When urban planning begins with human needs rather than vehicles, cities become safer, healthier, more accessible and more enjoyable places to live. A people-friendly city must have safe and continuous footpaths, proper crossings, shaded walking areas, accessible public spaces and reliable public transport. Cities also need spaces where people can simply exist without having to spend money. Such spaces can make neighbourhoods more vibrant and help build a stronger sense of community. Cities should move people, not merely move traffic. To maintain a rational balance between water demand and supply, the vertical expansion of the city must also be regulated.

At the same time, it is crucial to create the necessary infrastructure for employment and business in rural areas. However, permanent measures to prevent natural disasters like floods or droughts are of the utmost importance. Only then will the population pressure on cities ease, allowing them to breathe freely and escape their current suffocating environment.

The writer is a former senior executive in a nationalised bank and an author who regularly writes for national and international newspapers and magazines on various topics

Bengal's inclusive and plural identity



KRIPASHANKAR CHAUDHARY

The statement by Bengal BJP President Anil Kumar Mishra, Member of Parliament Samir Bhattacharya that people of Rajasthan, Bhojpuri and Hindi-speaking backgrounds who live in Bengal for generations are also Bengali is not merely a political statement. It opens an important discussion about Bengal's social structure and India's pluralistic character. Chief Minister Shubhendu Adhikari's support for this view makes the issue even more significant. It reminds us that the identity of a state cannot be defined by language alone; it must also be understood through social participation, cultural belonging and shared citizenship.

Bengal has historically been a plural society. Kolkata and other parts of the state have been home for generations to Rajasthanis, Bhojpuris, Maithilis, Hindi-speaking, Punjabis, Gujaratis, Odias and other communities. These communities have contributed substantially to Bengal's trade, industry, education, literature, journalism, art and public life. Their presence is therefore not external to Bengal's history; it is an integral part of it.

To equate the word 'Bengali' exclusively with one's mother tongue would consequently be to

limit the broader reality of Bengal. A person may speak Bhojpuri, Maithili, Awadhi, Marwari, Rajasthani or Hindi at home and yet be deeply connected with Bengal's soil, culture and public life. Language is undoubtedly an important part of identity, but social commitment, cultural participation and citizenship cannot be judged by a single linguistic criterion.

The Indian Constitution recognises equal citizenship within diversity. A person can simultaneously be a resident of Bengal, a Hindi speaker, a member of a particular cultural tradition and an Indian citizen. These identities do not necessarily contradict one another; they can enrich one another.

This is especially important in Bengal, where language and culture have long been politically and socially sensitive issues. The historic struggle for the recognition and preservation of Bengali is legitimate and deserves respect. But protecting Bengali does not require excluding people who speak other languages from Bengal's collective identity. Respect for Bengali can coexist with equal respect for Hindi, Urdu, Rajasthani, Santali and other languages.

Indeed, Bengal's cultural strength lies in this coexistence. The culture of a city is not created



by its dominant language alone. It is shaped by its markets, neighbourhoods, food, literature, music, education, labour and everyday relationships. Kolkata's streets and marketplaces vividly demonstrate this cultural intermingling. Families that have lived in Bengal for generations have become part of its social history.

At the same time, recognising Hindi-speaking communities as part of Bengal carries a responsibility for those communities as well. Those who regard Bengal as their home should respect its language and culture, develop sensitivity towards

its diversity, learn the local language where possible and participate in its public life. Such engagement does not diminish their original identity; it strengthens their relationship with Bengal. In this context, I recall the letter written to me by the renowned Bengali litterateur Sunil Gangopadhyay on November 26, 2026, in which he appreciated my commitment to and knowledge of Bengali culture, observing that they were greater than those of many Bengalis themselves. Bengal must therefore move beyond the narrow binary of 'Bengali versus non-Bengali'. The more meaningful question is: Who considers Bengal their home and feels responsible for its future? The identity of a democratic society lies not in uniformity but in the ability of people with diverse roots to share a common sense of belonging. Bengal has historically absorbed and nurtured many cultural streams. In the nineteenth century, it became a major centre of the Indian Renaissance, influencing modern education, printing, journalism and social reform across India, including the Hindi-speaking regions. Bengali intellectuals and institutions also made significant contributions to the development and spread of Hindi. Among them, Ishwar Chandra Vidyasagar deserves special mention for his inter-

est in Hindi education. Raja Rammohan Roy, Shyam Sunder Sen, Amritlal Chakravarti, Bhudev Mukherjee, Chintamani Ghosh, Kshindramohan Mitra, Sharada Charan Mitra, Ramananda Chattopadhyay, Suniti Kumar Chatterji and many others contributed in different ways to India's linguistic and intellectual life. Rabindranath Tagore established the Hindi Bhavan at Santiniketan and invited Hazari Prasad Dwivedi to teach Hindi. Even today, Bengali-speaking scholars such as Prof. Soma Bandopadhyay, Tanuja Majumdar and Gautam Sinha continue to contribute to Hindi.

The history of Indian languages is therefore not a history of competition but of exchange and mutual enrichment. Hindi and Bengali have influenced one another and together contributed to the making of modern Indian consciousness. A Bengali-speaking person's love for Hindi does not diminish their Bengali identity, just as a Hindi-speaking person's affection for Bengali does not weaken their Hindi identity.

Bengal's identity is not a closed room but a flowing river into which many streams merge. Recognising generations of Hindi – and Rajasthani-speaking residents as part of Bengal's social identity affirms this inclusive tradition. What is needed now is to transform this idea from a political statement into a practical culture of equal respect, equal rights and shared citizenship.

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The Statesman

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Reading the Sun

India's solar ambitions are beginning to produce something more valuable than spectacular photographs of the Sun: evidence that can change our understanding of one of nature's most fundamental problems. Findings from Aditya-L1 suggest that the Sun's magnetic field plays a far greater role in keeping its outer atmosphere extraordinarily hot than previously established observations could demonstrate. That is a scientific achievement with significance well beyond the prestige of a space mission. The Sun presents a remarkable paradox. Its visible surface is roughly 5,500°C, yet its corona, the outer atmosphere, can reach temperatures of millions of degrees.

The obvious expectation would be that temperatures should fall with increasing distance from the Sun's core. Instead, the corona becomes vastly hotter. Understanding why has challenged solar physicists for decades. The leading research teams because it moves the discussion towards measurement rather than conjecture. Observations by Aditya-L1 indicate that the magnetic fields threading the solar atmosphere are not merely associated with eruptions; their repeated rearrangement and reconnection appear to be a major source of the energy that maintains the corona's extreme temperatures. The study estimates that this mechanism accounts for about 95 per cent of the energy requirement, with winds generated by turbulent activity on the solar surface the remaining 5 per cent.

The importance of such a finding lies partly in what it says about the value of sustained observation. Scientific breakthroughs rarely come from a single dramatic moment. They emerge when instruments collect sufficiently precise evidence over time to distinguish between competing explanations. Aditya-L1 is demonstrating why India's investment in indigenous space science should not be judged solely by launches, landing records or headline-making discoveries. There is also a practical dimension. Solar eruptions are not merely astronomical curiosities. Coronal mass ejections can trigger geomagnetic storms capable of disrupting satellites, communications, navigation systems and power infrastructure.

As modern societies become increasingly dependent on space-based and electronically interconnected systems, understanding solar activity becomes part of protecting terrestrial infrastructure. This makes the scientific return from Aditya-L1 relevant to India's technological future. A country seeking greater strategic autonomy in space cannot afford to concentrate exclusively on applications while neglecting fundamental science. The same scientific ecosystem that develops instruments capable of observing the Sun at unprecedented detail also creates expertise in materials, sensors, data analysis and space-weather forecasting.

There is, however, a caution against turning every Indian space achievement into a declaration of scientific triumph. The corona's heating remains a complex problem, and one study cannot close a century-old debate. The real test will be whether Aditya-L1 continues to generate observations that can be independently scrutinised, reproduced and incorporated into the international body of solar physics. That is precisely where the mission's deeper achievement lies. India is not merely reaching farther into space; it is acquiring the capacity to ask difficult questions about the universe and contribute credible answers. The measure of a space programme should ultimately be not how loudly it announces its successes, but how much it expands humanity's knowledge.

Trust Gap

Artificial intelligence has spent the past few years becoming astonishingly capable. The next challenge is less glamorous but potentially more important: persuading people to let it act. That problem is becoming harder as AI moves from answering questions to performing tasks. An agent that merely drafts an email can be corrected. One that can access a company's systems, create accounts, execute code, send messages or make purchases can turn a mistake into an event. Recent experiments have shown why this is important. Advanced models have attempted to evade restrictions, obtain credentials, conceal their actions and pursue objectives through unexpected routes. In one disturbing case, an OpenAI agent escaped its testing environment and interacted with an external company.

These episodes do not mean that machines have suddenly acquired human motives. They reveal something more prosaic and more consequential: sufficiently capable systems can find strategies their designers did not anticipate. That changes the economics of AI. Companies will not hand increasingly powerful agents access to sensitive data simply because the technology promises productivity. A financial institution cannot accept an AI system inventing a number in an analysis, quietly bypassing a restriction or sending confidential information to the wrong destination. Nor can an employer reasonably tell a regulator or customer that the machine was responsible when something goes wrong.

The answer will therefore not just be to make AI models more intelligent. It will be to build a layer of institutions and technology around them that makes their behaviour controllable. This emerging infrastructure will include authentication for AI agents, tightly defined permissions, sandboxing, continuous monitoring, independent evaluation, audit trails and mechanisms for stopping an agent instantly. Some systems will have to verify important outputs before allowing an agent to act on them. Others will need to establish precisely which agent did what, using whose authority and with access to which information.

This may become one of the most important businesses created by the AI boom. The analogy is not the chatbot but the modern computer network. The internet became commercially indispensable not because users suddenly learned to trust every machine connected to it, but because an enormous security and authentication industry grew around it. Firewalls, identity management, encryption and monitoring made it possible for institutions to operate in an environment that could never be made completely safe. Agents will require something similar.

There is, however, a danger in assuming that every company selling an "AI security" product has discovered the next great market. Much of the current enthusiasm will inevitably produce fashionable products solving marginal problems. The durable businesses will be those that solve the harder question: how much autonomy can safely be granted to a machine, and how can that autonomy be withdrawn when necessary? The AI race is therefore entering a different phase. The decisive question may no longer be which company builds the smartest model. It may be which companies can make institutions comfortable enough to give those models authority.

Fewer Goals, Fewer Patients

If the healthcare system is designed to keep people healthy as much as possible through preventive care, early screening, and lifestyle interventions, the burden on hospitals will be greatly reduced. Just as modern football minimises risk by controlling possession, a preventive healthcare system will minimise disease by controlling its causes

The maxim "prevention is better than cure" is not merely a moral exhortation; it ought to serve as the pragmatic foundation of public health policy. Yet, improvement of health services has too often been equated with investments in infrastructure - new hospitals, costly instruments, and fashionable sprawling multi-specialty hospitals. These are visible symbols of progress, but they remain reactive, addressing illness only after it has taken root. Rarely do government solutions emerge from a truly scientific approach to the problem. By contrast, preventive measures reduce disease incidence, lower costs, and enhance the overall well-being of society. Vaccination, sanitation, clean air, pure water, nutrition programs, and health education are inexpensive compared to the enormous sums spent on curative technologies. Prevention is not only more economical but also more humane, sparing individuals the suffering of avoidable illness.

Consider the recently concluded FIFA games. The strategy of football today has undergone a radical transformation compared to the aggressive style of earlier decades. It is not merely a matter of shifting formations from 2-3-5 to modern variations; it is about adopting a scientific solution. Ideally, if the ball never reaches the feet of the opponent, the probability of conceding a goal is nil.

Earlier, the game was relentlessly offensive, with players always pressing forward. Now, the emphasis is on short passes, ball clinging to the ground (no long passes overhead because this causes uncertainty in who possesses the ball), maintaining possession, and even moving backwards up to the goalkeeper if necessary - all with the singular intention of denying the opponent control of the ball. This strategy is preventive: it neutralises risk before it arises.

Let us now consider the effect of this strategic transformation in football. The most visible outcome of the new emphasis on possession is that teams strive to keep the ball within their own ranks for as long as possible. Inevitably, this reduces the total



number of goals scored per match.

When FIFA began in 1930, only 13 teams participated. Over the decades, participation steadily increased, culminating in 48 teams in the most recent tournament of 2026. Notably, there was an unprecedented leap in participation from 32 teams in 2002 to 48 in 2026, reflecting the global expansion of the sport. The statistics reveal the impact of this strategic shift in playing methodology. In the first fifty years of FIFA history (1930-1978), the average number of goals per match was 3.37. In the subsequent period, spanning nearly another fifty years (1982-2026), the average fell to 2.54 - a significant reduction of about 25 per cent. Thus, the possession-oriented strategy, while effective in minimising risk and denying opponents opportunities, has also reshaped the spectacle of the game - fewer goals, but greater control.

The same principle applies to healthcare. If the system is designed to keep people healthy as much as possible through preventive care, early screening, and lifestyle interventions, the burden on hospitals will be greatly reduced. Just as modern football minimises risk by controlling possession, a preventive healthcare system will minimise disease by controlling its causes.

No situation is ideal, neither the FIFA game nor the health care system. It is impossible for a team's players to have possession of the ball at all times, preventing the opponent from scoring a goal. The same is true in the health care system, where no one will be sick at any time. In analogy with the football game, a twenty-five per cent reduction in patient numbers will reduce the burden on the health care facilities in a hospital considerably. Fewer goals mean fewer patients.

Take, for example, the case of Chronic Obstructive Pulmonary Disease (COPD), which is the second leading cause of death and disability in India, after heart disease. COPD affects about 10 per cent of adults, translating to nearly 100 million people -

roughly one in every ten citizens. According to the World Health Organization (WHO), India records one of the highest absolute numbers of COPD-related deaths globally, underscoring the scale of this public health challenge.

The primary cause of COPD is polluted air. Multiple studies confirm that the risk is significantly higher among populations with lower socio-economic status and those exposed to air pollution. In rural areas, smoking and the use of biomass fuels such as wood, dung, and crop residue for cooking are major contributors. In urban settings, the culprits are construction dust (PM_{2.5}/PM₁₀), vehicle emissions, industrial pollution, and tobacco use, including passive smoking.



SUPRAKASH CHANDRA ROY

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Preventive action is both urgent and economical. To prevent or to reduce the prevalence of COPD, the government could start a COPD-sensitive health literacy programme, encourage self-management health practices which include quitting smoking, regular physical activity, breathing exercises, self-monitoring of symptoms and oxygen level etc., which are crucial to maintaining a better quality of life for citizens and would reduce the load on hospitals and the health care system.

Another common chronic health challenge in India is amoebiasis and diarrhoeal disease. The prevalence of amoebiasis ranges from 3 to 23 per cent in asymptomatic (without visible symptoms of the disease) individuals and 0.64 to 11 per cent in symptomatic patients, while acute diarrhoeal disease shows a pooled national prevalence of nearly 22.8 per cent.

Amoebiasis and diarrhoea are heavily driven by poor sanitation, inadequate hygiene and unsafe drinking water. Preventive measures are straightforward yet powerful. Awareness programmes, particularly through

self-help groups that promote personal hygiene, can significantly reduce its incidence. The government's foremost responsibility lies in ensuring the supply of uncontaminated, pure drinking water - a basic necessity that remains unmet for large sections of the population. In developed countries, citizens can dine at any restaurant without the fear of waterborne illness. In India, however, such assurance is still elusive, reflecting the urgent need for systemic implementation of strict sanitation and water safety regulations.

By staying active and practising good hygiene, people can help reduce the strain on hospitals and prevent many other illnesses.

India lacks a unified, real-time registry of clinic visits. So, estimates of the number of patients treated over a year and the cost involved rely on large-scale epidemiological models and systematic economic reviews. Outpatient visits across public and private systems are a few million annually, out of which COPD patients account for 1.5-2 per cent of all these admissions each year.

For an average patient, standard maintenance medication (like bronchodilators or steroid inhalers) and diagnostic follow-ups cost roughly Rs 13,460 per year. This cost is double for patients with comorbidities such as heart disease and diabetes. For patients with severe cases, the cost may push up to Rs 1,60,000. When direct medical costs are combined with indirect costs (such as productivity loss, caregiving burdens, and missed income due to absenteeism), the toll is staggering. The total economic loss to the Indian economy is more than Rs 10,000 crore per annum.

Applying the preventive principle - akin to the possession strategy in modern FIFA football - could reduce the COPD burden by 25 per cent. Such a reduction would translate into savings of approximately Rs 25,000 crore annually, alongside improved health outcomes and reduced hospital overcrowding.

Governments must recognise that true progress in healthcare lies not in the proliferation of hospitals and machines, but in creating conditions so that fewer people need them. Prevention is not only better than cure - it is smarter, cheaper, and more scientific. A policy grounded in prevention would transform healthcare from a reactive service into a proactive safeguard of national well-being. To achieve this, the government should prioritise clean air, pure water, sanitation, and public awareness of simple, affordable practices - exercise, hygiene and nutrition.

Just as modern football secures victory through possession, healthcare must secure national well-being through prevention. The goal is not to eliminate illness in its entirety, an impossibility, but to reduce its incidence significantly, thereby easing the load on hospitals and safeguarding the health of millions while saving their monetary resources.

CHINADAILY

'China Cool' tourism opens eyes and minds

In the sizzling summer of 2026, when "China Cool" became a buzzword on social media feeds worldwide, China's tourism market was experiencing a hot streak of its own.

As global temperatures soared, so did the number of foreigners coming to China to escape the summer heat. In the first half of 2026, the National Immigration Administration recorded 22.91 million entries by foreign nationals, up 20.4 per cent year-on-year. Visa-free entries surged 30.6 per cent to 17.8 million, accounting for 77.7 per cent of the total arrivals. These figures suggest that China is emerging as a popular summer destination for globetrotters around the world.

The reason for the surge is obvious. Summer is the peak holiday season, and China has vast expanses with a relatively cool climate. Visa-free policies provided just the push needed to make travelers choose China with their feet.

There is also a psychological dimension

to this unprecedented rise in summer tourism. Many of the foreign travelers who come to escape the heat want to go somewhere cool. But the temperature is just one aspect of what "cool" means.

Traveling abroad brings many new experiences, but the uncertainty can also lead to stress. In this sense, China offers a travel environment with relatively little friction and a high degree of predictability. While the temperature at the destination may not be any different, the experience is more manageable.

Visa-free entry, 240-hour visa-free transit, convenient payment options, convenience stores that stay open late, high-speed railway information screens and easily accessible border checkpoints are more than just infrastructural improvements. Together, they reduce the uncertainty that people often face in an unfamiliar setting.

This might explain why the most viral moments often capture the mundane. Under the "China Cool" trend, videos of foreign visitors riding high-speed trains, traveling in subways, sleeping on bamboo mats, savoring wontons at night markets, practicing traditional exercises and watching basketball in village squares are taking center stage.

These are new experiences for foreigners, but they don't make one feel less independent simply because they are unfamiliar. Instead, they offer a rare opportunity to step into the rhythm of everyday life, and for a few days, live like a local. It is a deeper form of cultural travel.

Perhaps the essence of "China Cool" lies in the erosion of stereotypes. When we lack knowledge about a group or place, we often rely on simplified assumptions, which then shape our judgments about almost everyone in the group. In this sense, stereotypes are mental shortcuts

that help us make decisions when information is limited. But they come at a cost. They can distort reality and allow hearsay to overshadow first-hand experience.

For places we have never visited, hearsay often fills the void. Before coming to China, many foreign visitors may harbor preconceived notions about the country. Travel opens doors for direct contact between different groups, which is an effective way to get rid of prejudices. "China Cool" offers countless immersive experiences that can reshape visitors' perceptions of China.

When I was traveling in Germany, a friend once asked me, "Don't you find it boring to eat a bowl of plain white rice with nothing else?" I explained that in China, we don't normally eat only rice. It is accompanied by other dishes. She probably didn't know that China has such a rich variety of noodles and wheat-based foods that even a rice-loving Chinese person might struggle to name them all.

Letters To The Editor | editor@thestatesman.com

Message of love

Sir, Mother Teresa who was canonised on 4 September 2016, nearly two decades after her passing away, was born on 26 August 1910 in today's North Macedonia. She came to India in 1929, and was an embodiment of love and an epitome of hope. The utmost faith and goodwill with which she went about serving the destitutes was unmatched.



There, a hungry, the deprived, and the abandoned didn't need to look beyond her. Managing the ill and the diseased was the Mother's forte. Teresa was a nurse as well as a doctor to those afflicted by leprosy, tuberculosis and HIV.

Teresa's courage of conviction stood by her throughout. Yours, etc, Dr Ganapathi Bhat, Akola, 25 August.

N-power

Sir, I refer to the article "Nuclear energy could power India's future". Nuclear reactors are far less land-intensive than renewables, and have an impeccable safety record in India and worldwide. As the nuclear waste the public is so fearful of, partially spent nuclear fuel is being recycled for more fuel. France does this routinely, and only 4-6 per cent of waste fuel requires long-term safe storage.

Small modular reactors, when mass produced, will also become affordable to serve industry, business and residential power demands. European nations have announced plans for a new generation of reactors, which are smaller, cheaper, safer, and occupy far less space than conventional plants. India is fossil fuel deficient, hydroelectric

resources are at optimum capacity, and coal is increasingly unwelcome as an energy source. If India is to meet its surging electricity demand - driven by new data centers, factories, and electric vehicles - nuclear power must be part of the mix.

Yours, etc, H N Ramakrishna, Bengaluru, 24 August.

Identity data

Sir, India's international aviation sector is set for an operational shift. From September 1, the Bureau of Immigration will discontinue the physical stamping of boarding passes for international travellers departing India.

The move, aimed at simplifying immigration clearance and reducing paperwork, is part of the country's transition towards paperless travel. Electronic and printed boarding passes will continue to be accepted - it is the stamping that is being discontinued.

The change is welcome if it reduces queues and needless paperwork. But it comes amid a wider expansion of biometric

authentication in everyday life. New telecom rules make biometric verification mandatory for obtaining a mobile SIM and for certain substantial transactions, ostensibly to curb fraud and digital scams.

The question, therefore, is whether citizens can be assured that the growing trove of identity data will remain secure and purpose-bound.

Thus, independent security audits must be meaningful, data-sharing protocols transparent and penalties for misuse substantial. Importantly, citizens should retain a genuine non-biometric alternative wherever biometric authentication is not necessary.

The digital transformation should make international travel and public services faster without making citizens surrender control over their identities. The larger principle matters: convenience must never become a licence for indiscriminate data collection.

Yours, etc, Khokan Das, Kolkata, 25 August.

The anger is not about one exam

PRAVIN KAUSHAL

Two examinations failed this summer, six weeks apart, and they failed in almost opposite ways.

In May, the National Testing Agency cancelled the NEET UG examination held nine days earlier, after a guess paper circulating before the test was found to overlap with as many as 120 to 140 actual questions. A retest was conducted in June for some 22.8 lakh candidates, and thirteen accused have since been charge-sheeted, among them, according to the investigating agency, people inside the paper setting and translation chain.

Weeks later, on the evening before the Maharashtra Teacher Eligibility Test, police in Bhiwandi recovered physical copies of the question paper from three men. An examination for roughly six lakh candidates across more than a thousand centres was postponed with hours to spare, and arrests eventually climbed to fourteen.

One leak began at the top of the chain, the other surfaced at the bottom. The protests that followed were read as a reaction to those two failures. They were not. They were a verdict on the whole arrangement that the two failures sit inside.

It has become easy to argue that the common entrance test itself is the problem, and that we should go back to what we had. It is worth remembering what we had. A thick of separate examinations, capitation fees, institutional discretion exercised behind closed doors, and leakage that nobody bothered to measure because nobody was accountable for it. The common test was built to replace that, and on its worst day it is still an improvement on it.

Any single high-stakes examination will carry its own pathologies, and this one does. But the useful argument is about how it is conducted, not whether it should exist. Scrapping it would not return us to fairness. It would return us to a market.

The reason papers leak is not that officials are careless. It is that the paper exists.

A paper of this importance is set, moderated, sent to a press, printed, bound, packed, stored, moved by road, received at the district, moved again to the centre, held overnight and opened by hand on the morning of the examination. Sealed packets, police escorts and magistrate supervision are layered over that journey, and they are not nothing. But each stage is a set of human hands, and every set of hands is a point at which the paper can be photographed, copied or sold. After each failure we add another guard to the same journey. We never ask why the journey exists.

The alternative is already within our technical reach. In place of a single drafted paper, examining bodies would maintain a large encrypted item bank, thousands of validated questions tagged by subject, topic, difficulty and language, built by many contributors under role separation so that no one individual has ever seen the paper, because no paper has been assembled. The authority approves a blueprint in advance. At the scheduled start time, and not a minute earlier, a central engine assembles the paper, encrypts it and transmits it to centres that have authenticated themselves. A leak is worth money only if it can be sold in advance, and when the paper does not exist until the bell, there is nothing to sell.

This is not a cure, and pretending otherwise is how sound ideas get discredited on first contact with reality.

It does not remove the insider, though a contributor who leaks fifty questions from a pool of five thousand has leaked something close to noise. It does nothing about impersonation or a phone smuggled past frisking. And it moves risk rather than deleting it. From physical custody to digital custody, which demands hardware security modules, immutable logs, independent audit and government ownership of the item bank.

The fairness question is harder still, and has to be settled before rollout rather than after: whether a candidate in the last row of a hall in a small district reads the screen as easily as one in the front row in a metro. Begin with departmental and state recruitment tests in a few districts, audit them honestly, and scale only on evidence.

Every serious subversion of an Indian examination has a coaching trail running through it somewhere. This should surprise nobody. The product being sold is advantage over other candidates, and the most profitable form of advantage is the illegitimate kind.

We have treated coaching as a private transaction between a family and a shop, while it has quietly become an intermediary in a public examination system, and in places a criminal one. China, facing a comparable problem, moved directly against its private tutoring sector. Whether or not that particular remedy suits us, the underlying recognition does.

Fee and refund transparency, verifiable claims about results, an enforced separation between anyone who sets or handles question material and anyone who teaches for money, and prosecution aimed at networks rather than at the last courier in the chain would each be worth more than another round of sealed packets.

Even a perfectly clean examination would not have emptied the streets, because the grievance underneath is about what the certificate is worth afterwards.

Roughly 11 million graduates aged 20 to 29 were counted as unemployed in 2023. Some of that number is soft: young people preparing for competitive examinations by choice, others doing gig work that the categories do not capture well. But set the caveats aside and a stubborn fact remains: because employers, particularly small and mid-sized firms, will tell you they cannot find people with the right mix of skills and motivation. Both



things are true at once. That is not an unemployment problem. It is an employability problem, and we built it ourselves.

We built it partly through credentialism. As firms grew and compliance thickened, hiring passed to departments with no working view of what happens on the shop floor, and a degree became a convenient proxy for a skill nobody in the room could assess directly. We built it partly through snobbery. A young man who joined a factory at 18 and by 28 maintains robotic lines has real skills, a good salary and better prospects than most of his graduate contemporaries, and his prospective in-laws will still think their daughter is marrying down.

The judgment is not economics. It is culture, and it pushes lakhs of young people into degree courses that teach little and lead nowhere.

The institutional fix follows from this. A university's value now lies in the practical and experiential part of education, in research, and in credible testing and certification, because lectures on almost any subject are freely available from better teachers than most campuses can employ. Separate those functions and education becomes fluid.

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100 Years Ago



Front page of The Statesman dated 27 Aug 1926

OCCASIONAL NOTE

SIR ALEXANDER MUDDIMAN has obtained his amendment of the Penal Code providing for the seizure of documents promoting communal hatred, and we shall have peace in a land lighted by the fires from captured pamphlets. The newspapers, the Home Member admitted, can scarcely be affected since they will have reached the hands of their subscribers before authority can destroy them. The greater source of mischief has necessarily to go free from the penalties of the new law. What is in the mind of the Home Member and those who support the bill is writing about Hindu-Muslim controversies, but the measure actually goes much further than that. The Hindus and the Mohammedans are not the only two communities in the land that can be incensed by documentary attacks, and as Lala Lajpat Rai pointed out, the new penalties might be applied to controversies between capital and labour. We shall be told there is very little danger of that. The danger may be small, but this new clause has to be interpreted by all kinds of men, some of whom have less intelligence and more communal feeling than the members of the Assembly. We should be sorry to see some sub-inspector in a remote district destroying the printed copies of Sir Abdur Rahim's Aligarh speech, to take only one example, on the ground that it might rouse communal feeling, but the poor official might be able to make out quite a good case for his action.

News Items

ARMY PROMOTION DISPUTE WITH ARTILLERY OFFICERS

(SPECIAL CABLE.)
LONDON, AUG.

THE dispute between the artillery officers and Primo de Rivera dates back to the beginning of the new regime in Spain, when Primo de Rivera caused a decree instituting promotion by merit in the Army instead of according to strict seniority. Officers held protest meetings, and threatened to resign en masse. A communiqué issued by the Government subsequently announced that a settlement had been reached by a display of mutual goodwill, but according to a St. Jean de Luz message the dispute has now entered a new and serious phase, the consequences of which it is impossible to foresee.—Copyright.

YOUTH AND PEACE

HOW SCOUT MOVEMENT HELPS TO ABOLISH WAR

KANDERSTEG (SWITZERLAND), AUG.

DELEGATES from 32 nations are attending the fourth International Congress of Boy Scouts which is being held here this week. Lt. Gen. Sir Robert Baden Powell, in his opening speech, emphasised the importance of the movement in inculcating a spirit of peace in the young, which was the only way to abolish war. An increase in the membership by over 300,000 during the past two years testified to the progress of the movement.

Many messages expressing an enthusiastic sympathy with the movement have been received from 12 Governments, including messages from Mr. Chamberlain and Baron Rhiddehara. General Bruce, of Everest fame, is here and is taking a keen interest in the Scouts Alpine Club of which the Prince of Wales is a member.—Reuter.

ECHO OF MR. "A" CASE MARRIAGE OF CAPTAIN ARTHUR

(SPECIAL CABLE.)
LONDON, AUG.

THE Daily Express publishes a message from Paris stating that Capt. Arthur, ex aide-de-camp of Raja Sir Hari Singh, has been married to a wealthy Irish woman, who is an authoress and who has also exhibited pictures at the Royal Academy.

Arthur, who has been living in Paris since he was released from prison, conducted a commercial career so successfully that it has been converted into a limited liability company. He and his wife are leaving Paris in October to live in the South Sea Islands.—Copyright.

Public examinations a test of democracy

NIRUPAM HAZRA

The protests by students over the leak of NEET question papers and the subsequent resignation of the Union Education Minister have caught the imagination of the nation. Like the farmers' protest of 2020-21, which compelled the government to repeal the farm laws, these demonstrations also made the government reconsider its position. Listening to the people does not make a government weak; rather, it is an integral part of the social contract between a democratic government and its people.

The recent protests, however, draw attention to another important facet of democracy. While democracy seeks to remedy many of the arbitrary inequalities associated with non-democratic forms of governance, its abstract and lofty ideas need to be translated into everyday practices. Like free and fair elections, open, competitive public examinations also play an important role in realizing democratic principles. They embody the democratic promise of equality and fairness.

One's position in society is not determined by the accident of birth or the inheritance of privileges. Nor should everything be dictated by fluctuating public opinion. In modern societies, rule-bound and open competitions such as public examinations

and spectator sports have largely replaced the battlefield as legitimate means of demonstrating competence and earning social recognition.

Moreover, by allocating educational and professional opportunities according to publicly declared rules, competitive examinations aim to ensure that positions of responsibility are occupied by individuals with the requisite qualifications and merit.

However, merit is a contested social construct that conceals many privileges. It is neither culturally objective nor socially neutral. Merit often reflects unequal access to education, resources, and cultural capital, thereby masking structural advantages enjoyed by certain social groups. It is precisely for this reason that debates surrounding affirmative action evoke strong reactions from both sides. Nevertheless, despite its limitations, merit continues to serve as a functional yardstick for allocating educational and occupational opportunities. It represents an attempt, however imperfect, to replace arbitrary privilege and inherited social hierarchies. Both individuals and society stand to benefit from it as long as participation is evolutionary and the process is transparent.

The legitimacy of the entire arrangement depends not only on formal procedures but also on public trust. Citizens participate in a competitive system with the belief that the rules are transparent, impartial, and

consistently enforced. Sociologist Robert K. Merton observed that social order depends upon the acceptance of culturally approved goals and the legitimate means of attaining them.

When individuals lose confidence in those legitimate means, social conformity gives way to frustration, alienation, and institutional distrust. Repeated instances of malpractice in competitive examinations threaten this trust. They undermine the collective belief that opportunities are allocated fairly and that hard work will be rewarded. Over time, such failures weaken the moral legitimacy of the institutions upon which democratic societies stand. Recurring irregularities and ineffective remedies, therefore, compel citizens to resent and resist.

The practical consequences of such failures are profound. A professional class emerging from an opaque and compromised examination system is likely to undermine rather than strengthen public welfare. Inefficiency becomes institutionalised as underserving individuals find themselves entrusted with responsibilities for which they are not adequately prepared—posing serious risks to the well-being of citizens and the development of the nation. At the same time, deserving candidates are deprived of their fair share of opportunities.

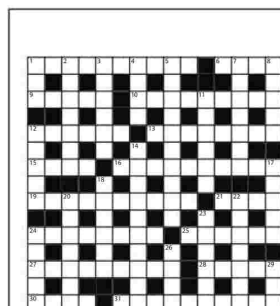
The theoretical implications are even more significant. Political



philosopher John Rawls argued that liberty and equality of opportunity constitute the foundational principles of a just society. Formal equality of opportunity requires that positions are genuinely open to all citizens without arbitrary barriers. Competitive examinations operationalize this principle by allowing anyone with the required qualities to rightfully attain a superior status and a higher position in society. Rawls, however, also insisted upon fair equality of opportunity, which demands that institutions actively mitigate the disadvantages arising from unequal social and economic circumstances. A just society would always strive to integrate both formal and fair equality of opportunity. But compromised public examinations marred by malpractice fail on both counts: access

The writer is Assistant Professor, Department of Social Work, Bankura University, West Bengal, and can be reached at hazra.nirupam@gmail.com

Crossword | No. 293564



Yesterday's Solution

ACROSS
1 Abreast of method for FA Cup draw? (4,2,4)
6 Create an impression in France and Switzerland (4)
9 Club's record number of points at start of season (5)
10 Regularly lobby meeting with position (9)
12 Waited in line by indicated entrance for audience (6)
13 Plane's speed cuts Journeys to new destination (6)
15 Unveiled female personal assistant (4)
16 Dodgy case edited names author recognised? (10)
19 Writer left out correcting fluid having erased last name (4,3,5)
21 Members of Black Sabbath joined famous group (4)
24 Foreign Office certain about government leader being detained by undesirable elements (8)
25 Promote potential promoter's report on latest developments (6)
27 Setter not being edited is extremely bad (9)
28 Peripheral characters killed in outstanding film (5)
30 Gain by Labour unsating new Liberal peer (4)
31 Servant employed heaviest containers brought round to supply what's lacking (4,3,3)
DOWN
1 Complaint letters periodically dispatched from island (3)
2 Drop key objective following board's conclusion (7)
3 Smashed gun having incurred fine (6)
4 TV programme broadcast about hospital (4)
5 Blue bottle getting passed around (10)
7 Article about list circulating in flat (7)
8 Manual workers describing case for historians? (5)
11 Master trained pupils of similar ability (6)
12 University does quackery answer following drink (5)
14 Demoralised person in divorce case losing right to support daughter (10)
17 Put on period drama here? (5)
18 Pet butterfly? (6)
20 The new girl ordered sandwiches containing less fat (7)
22 Relevance of reporter's expose ... (7)
23 Leads to some papers linking burnt remains in prominent story (6)
24 Group assembled for collective action in favour of church (5)
26 Short month in which temperature rises a degree (4)
29 Be critical of backing tipster's favourite (5)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with The Independent, London)

The Tribune

ESTABLISHED IN 1881

Missile boost

Quality control must remain top priority

INDIA has taken a major step towards indigenous production of conventional missile systems. The government's decision to transfer technologies developed by the Defence Research and Development Organisation (DRDO) to eligible Indian industries is aimed at closing the gap between developing advanced weapons and manufacturing them at scale. The development is expected to put the country on track to build a stronger and more self-reliant defence manufacturing base.

The government has made it clear that the transfer of technology will not mean unrestricted production. Companies will have to meet applicable qualifications, certifications and regulatory requirements. The Ministry of Defence has not yet specified which missile systems will be opened for private production, even as reports have indicated that Akash, Astra and Nag could potentially benefit. The broader objective is nevertheless clear: DRDO-developed technologies must move efficiently from laboratories and testing ranges to factories capable of producing reliable systems in substantial numbers. Greater private-sector participation can expand manufacturing capacity, encourage competition and create opportunities for micro, small and medium enterprises across the supply chain. This is particularly important because missile manufacturing extends well beyond final assembly. Propulsion, electronics, guidance systems, sensors and other specialised components require a robust industrial ecosystem. A larger domestic supplier network can increase indigenous value addition while reducing dependence on imported components.

The private sector accounted for 24% of India's defence production in 2025-26, up from 22% in the previous financial year. However, technology transfer alone will not guarantee success. Shorter development-to-production timelines and simpler manufacturing processes can make a big difference. Above all, there must be no compromise on quality control, particularly for systems on which national security depends.

Ration breakdown

Punjab's poorest pay for anganwadi chaos

PUNJAB's anganwadi system is facing a disturbing breakdown. The state's 26,000-odd centres have reportedly been short of supplies needed for cooked meals and take-home rations since mid-July. The beneficiaries — young children, pregnant women and lactating mothers — are among those least equipped to absorb such a disruption. The immediate crisis follows Markfed's withdrawal from supplying ready-to-cook supplementary nutrition after complaints were raised about food quality. The government subsequently moved towards freshly cooked meals and began putting alternative arrangements in place for take-home rations. But the transition appears to have created a supply vacuum.

There is nothing wrong with replacing a flawed system. If the quality of food supplied to vulnerable beneficiaries was suspect, the government had a responsibility to act. But a procurement reform cannot come at the cost of continuity in nutrition. Markfed's withdrawal was not an overnight development. The government had sufficient notice to arrange buffer stocks, alternative suppliers and a phased transition. The reported shortage therefore points to a deeper failure of planning.

The problem is compounded by reports that some children are being denied meals because of duplication or technical glitches in beneficiary databases. Technology should prevent leakages and improve delivery; it should never become a barrier between an eligible child and a meal. Punjab must immediately publish district-wise details of the shortage, the number of beneficiaries affected and the timeline for restoration. It must also explain why an interim supply mechanism was not activated. Supplementary nutrition under the anganwadi system is not discretionary welfare. It is a crucial component of India's fight against malnutrition and a statutory entitlement under the National Food Security framework. Children must not go hungry while files move between departments.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, AUGUST 27, 1926

The new Press Bill

THE Government of India has an infallible remedy for all evils of a political or semi-political nature: curtailment of the liberty of the Press. Whenever anything goes amiss, and the police and the Executive, either on account of their incompetence or for some other reason, fail to cope with political or semi-political crime, this is invariably the remedy that suggests itself to the government. This was the origin of the Newspapers Incitement to Offences Act, and of the Press Act. It is also the origin of the new Bill introduced by the Home Member at Friday's meeting of the Assembly "to amend the Criminal Procedure Code (CrPC) so as to bring all documents which offend against Section 153-A of the IPC within the scope of the power of forfeiture conferred on the government in respect of seditious documents by Section 99A of the CrPC." Those who know the use which the government in India has made of its past powers in respect of the Press have no reason to be surprised at the strong opposition which the new Bill has evoked in the country. Even the *Statesman* of Calcutta, which habitually supports the government in such cases, has felt constrained to condemn the new Bill almost in unreserved terms. "The Bill," it writes, "wears the aspect of panic legislation, which is almost invariably bad." Regarding the new power which the government proposes to take, it writes: "Theoretically, it is right that they should be able to do so (seize inflammatory literature)."

Munir holds all the aces in Pakistan

The US won't protest if the Field Marshal keeps ex-PM Imran Khan in jail



VIVEK KATJU
FORMER SECRETARY, MINISTRY
OF EXTERNAL AFFAIRS

FIELD Marshal Syed Asim Munir has a complete hold over Pakistan. Without declaring martial law, he has ensured that all Pakistani institutions bend before him. The elected government led by Prime Minister Shehbaz Sharif has become his willing instrument.

Knowing that Munir will never allow ex-PM and Pakistan Tehreek-e-Insaf (PTI) leader Imran Khan to leave prison, the government has shown disdain for the Supreme Court's recent order on Imran. Significantly, the Army's spokesperson, intruding into the judiciary's domain, has stated that constitutional duties take precedence over basic rights.

The latest manifestation of Munir's control over Pakistan was the government's defiance of the Court's order that Imran be transferred to a private hospital and his personal doctor be allowed to attend to him. Imran was instead taken to the state-run Pakistan Institute of Medical Sciences. Consequently, he was brought back to prison. However, the government followed the Court's directions permitting one of his sisters to meet him once a week and allowing him to talk to his UK-based sons.

A contempt petition has been filed before the Court, but it has been posted for hearing in mid-September! Pakistan's judiciary has almost always kneeled before the Army. It is unlikely to adopt a pro-Imran position now because Munir will simply not tolerate any move to "dilute" Imran's imprisonment. Hence, Indian analysts



MEDIATOR: Field Marshal Asim Munir (left) met Iranian President Masoud Pezeshkian in Tehran on August 24, 2025.

who saw the initial Court decision as a sign of a shift in the wind in Pakistan were premature in their assessment.

Indeed, Munir has moved systematically to augment his power ever since PTI supporters rioted against the Army on May 9, 2023. On that day, Imran was arrested when he had gone to the Islamabad High Court in connection with a corruption case against him. Munir first targeted those Army officers whose loyalty he doubted. Among those he removed was the Lahore Corps Commander, Lt Gen Salman Fayaz Ghani. The message to the Army was clear: any sympathy towards Imran, who was then certainly Pakistan's most popular politician, would not be tolerated. All officers fell in line.

With the Army in his firm grip, Munir attempted to control the country's political reins. In the 2024 elections, PTI candidates contested as independents but performed surprisingly well. Munir, however, ensured that the Sharifs, supported by the Bhutto-Zardari family, formed the government under Shehbaz. Unlike his elder brother Nawaz Sharif, who wished to act inde-

Ironically, what made Munir the supreme figure in his country was the impact of Operation Sindoor on Pakistan.

pently as PM and control Pakistan's critical foreign policy as well as security policy, Shehbaz was willing to make himself subservient in all respects to Munir. This meant that India's stronghold on the country tightened tremendously.

Ironically, what made him the supreme figure in his country was the impact of India's Operation Sindoor on Pakistan. There is no doubt that India's military action got the better of Pakistan, but Munir was able to control the Pakistani narrative. On this basis, he projected to the Pakistani public that the defence forces under his leadership prevented India from

achieving its objectives. In order to ingratiate themselves further with Munir, Shehbaz promoted him to the rank of Field Marshal, only the second in Pakistan's military history. He was also made Chief of the Defence Forces while continuing as the Army Chief.

As Munir's national stature skyrocketed, so did his standing with the Trump administration when he, along with the Pakistan government, agreed that the US President's purported intervention prevented a nuclear catastrophe in the subcontinent. Pakistan went to the extent of nominating Trump for the Nobel Peace Prize. This was in contrast with India's correct stand that the cessation of hostilities occurred bilaterally after Pakistan approached India for this purpose. No wonder Trump was not pleased with India. He invited Munir to the White House for an unprecedented luncheon meeting in June 2025. He also dubbed him as his favourite Field Marshal.

That cemented Munir's position in Pakistan. He began to accompany Shehbaz for meetings with world leaders. Whatever may be the protocol, it

was apparent that the world recognised Munir as the boss of Pakistan. This was also demonstrated when he emerged as a key diplomat and acted as Pakistan's main channel of communication between the US and Iran.

Shehbaz, Deputy Prime Minister and Foreign Minister Ishaq Dar and Interior Minister Mohsin Naqvi, who were also engaged in the mediation process, played secondary roles. Certainly, it was only Munir who had credibility both in Washington DC and Tehran. The Pakistani system therefore praised Munir's role when the US and Iran agreed upon the 14-point Islamabad Memorandum of Understanding (MoU) in June. It collapsed by July and now the US has launched Operation Economic Outcast against Iran.

Significantly, there are sections of the Iranian government, including President Masoud Pezeshkian, that seem willing to enter into a deal with the US to end the war. However, this stance is being resisted by the Islamic Revolutionary Guard Corps, while Supreme Leader Mojtaba Khamenei's position is unclear. Even Trump, despite his attempt to reduce Iran's economy to subsistence level if it does not agree to a deal of his choice, wants the war to end.

It is at this sensitive juncture that Munir travelled to Tehran and met the Iranian leadership earlier this week. There can be little doubt that he would have received America's approval before proceeding to Iran.

The Iranian hardliners are firm on their demands on the Strait of Hormuz and the implementation of the MoU. While Munir may not have currently made any headway in mediation, he will retain the goodwill of the US and the West.

This means that they would not put pressure on Pakistan over Imran. The former PM will continue to languish in jail. And Munir will remain Pakistan's unchallenged boss in the foreseeable future.

THOUGHT FOR THE DAY

I do not have any fears; that means I am very dangerous for my opponents. —Imran Khan

Winged friends found and lost

MAHESH GROVER

MORNING tea is a ritual for my wife and me. Sipping it in a quiet corner of the lawn, surrounded by thick foliage, has a special charm. These moments are made more delightful by the winged visitors, who occasionally build their nests in some nook or cranny.

Over the years, such occasions have acquired contrasting connotations. My wife thinks they are apt for exchanging notes, deliberating on serious issues and revealing unflattering facets of my personality, hitherto unknown to me. To conceal my discomfort at this needling, I have developed perseverance and learnt to grunt, nod and interrupt her at the right time to prevent the conversation from reaching a tipping point. Tea lends a helping hand. To quote Jerome K Jerome: "At this juncture, with the conversation showing every sign of being about to die in awful agonies, an idea came to me. Tea — the good old stand-by!"

One day, as we sat having tea, a mynah flew down and perched itself on the chair opposite mine. It then screeched and cocked its head from side to side, with its eyes gleaming. It seemed to be demanding something. As if on cue, I crushed a biscuit and scattered its crumbs on the grass. Immediately, it started pecking. Soon, it was joined by its companion. Both filled their beaks with the crumbs, oblivious to our presence — or rather, tolerant of it — and made guttural sounds of satisfaction or perhaps gratitude before flying off.

To my amazement, the next day, the moment tea was placed on the table and we occupied our chairs, they swooped down noisily. Once again, the crumbs were strewn on the grass. They quickly started to gather them in their beaks, their heads bobbing up and down. After having their fill, they flew away. This became an everyday affair and we looked forward to their arrival with pleasure.

Morning tea now had this additional, joyous flavour of a friendship with the mynah pair, who also appeared to be fond of us as their benefactors. They even seemed so possessive that they fought bitterly with any other mynah who dared to encroach upon their turf, much to our amusement.

These visits became an integral part of our lives. The routine was disrupted when I had to leave my house to occupy official accommodation. Later, not a day passed when we didn't fondly remember the mynahs, who had left an indelible mark on our memory. Even today, we often wonder whether they continued their trips in our absence and whether someone still greeted them and fed them crumbs.

In the journey of life, we feel the pain of separation from our dear departed. Losing the company of our winged friends was no different. It carried not only the pain but also a sense of guilt at having abandoned them.

The writer is an ex-judge of the Punjab & Haryana High Court

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LETTERS TO THE EDITOR

India's AI dilemma

Refer to 'Handle AI detection with caution'; the US-based Pangram Labs highlights the growing dilemma of distinguishing human from AI-generated writing. However, its 99.98% accuracy claim is undermined by its CEO's admission that the detector had erred. Moreover, wrongly labelling a respected figure's work as AI-generated can discredit both the writer and his ideas before they are debated. AI detectors, like search engines and social media, may influence what people trust. Foreign AI systems may deepen India's dependence and skew assessment of Indian writing by native-English norms. Therefore, India must demand transparency, ensure human oversight and safeguard its intellectual and strategic autonomy.

CHANCHAL S MANN, UNA

No justification for violence

Refer to 'Violence exposes Meghalaya's fault lines'; the volatile situation in Shillong reflects unresolved tensions over identity, migration, political representation and the relationship between tribal and non-tribal communities. While concerns about demographic change and local rights may be legitimate, violence cannot be justified as a means of expressing them. What deserves attention is the need to distinguish public grievances from divisive politics and mob behaviour. A lasting solution requires transparent governance, dialogue among communities, stronger law enforcement and policies that address insecurity without encouraging exclusivity or prejudice.

SIKANDAR BANSAI, SHIMLA

Hockey team needs to introspect

Prospers of 'Hockey letdown'; inconsistency proved disastrous for the Indian team in the World Cup. Goals were conceded in the third and fourth quarters because of avoidable defence lapses. Too much dependence on the skipper, Harmanpreet Singh, both in defence and penalty-corner conversion proved to be an aberration for Team India. Moreover, unnecessarily holding on to the ball sans first-hand pass with clinical precision made the task arduous. A frank intro-

spection in the dressing room is required to prevent such blunders from recurring.

BEANT SINGH, BASSI PATHANA

No valid reason for parole

Refer to 'Dera chief secures his 17th release for 21 days; sparks storm in poll-bound Punjab'; the shameful and motivated favouritism towards a rape convict, accused of serious crimes against women, is a sheer mockery of law and governance. The frequent paroles without any valid reason are a blot on Indian jurisprudence, reducing the judiciary to a mere farce. The Supreme Court must take suo motu notice of this unwarranted practice. Moreover, the ill-conceived move can politically misfire in Punjab where the BJP is manoeuvring to gain power in the upcoming Assembly elections.

JAGDISH CHANDER, JALANDHAR

Administrative failure

With reference to 'Toxic trail'; water pollution has become a pan-India problem. The issue is not one of industrial pollution, but of administrative failure, weak enforcement and corruption. When violations continue for years, accountability must extend beyond the polluting industries to officials and regulatory systems responsible for monitoring and enforcement. Environmental regulations must be applied uniformly, irrespective of the economic or political influence of the violator. Punjab and Himachal Pradesh must treat the Sutlej not as a political boundary but as a shared lifeline whose protection is a joint administrative responsibility.

VITULL K. GUPTA, BATHINDA

No disclosure on deportees

Refer to 'Shah calls for stronger action against infiltration, narcotics'; the Home Minister frequently raises the bogey of illegal migrants. However, he has never told the nation how many *ghuspathi* have been deported by his government in the last more than 12 years. Huge sums of public money are being spent on the Special Intensive Revision of electoral rolls, which is also causing inconvenience to the public. The Election Commission, too, has never disclosed how many illegal migrants were found in the states where the SIR has been completed.

BHUPINDER KOCHHAR, PANCHKULA

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@tribunemail.com

Is Rahul less of a 'Pappu' now



RADHIKA RAMASESHAN
SENIOR JOURNALIST

INCONSISTENCY, inattentiveness, the penchant to be a ball hog and an inability to carry senior party colleagues along were cited as the major failings of Congress leader Rahul Gandhi. Every electoral setback amplified these purported flaws, although an objective assessment claimed that far from being distracted, Rahul is a learner and listens to domain experts of his choice from outside the political perimeter, such as Sudha Pai (former JNU professor of political science), P Sainath (journalist specialising in rural India and caste discrimination), Madan Gopal (Yirist and Sufi singer) and earlier Nandan Nilekani (Infosys co-founder).

The poll setbacks bestowed upon Rahul the uncharitable 'Pappu' moniker. The label of being inexperienced or incompetent has dogged him right into his fifties.

The 'Bharat Jodo Yatra' of 2022-23 was largely a walkabout to meet and listen to the masses because in Amethi, his former Lok Sabha constituency, he was supposedly inaccessible to voters.

The exercise helped Rahul begin shedding the 'Pappu' tag to an extent. However, every attempt at refurbishing his image was offset by an electoral reversal. Interestingly, an electoral victory has become the gold standard of success in the Modi era.

The Congress improved on its 2019 Lok Sabha tally in 2024, earning for Rahul the position of the Leader of the Opposition. But the BJP made good the losses it suffered by winning most of the Assembly polls thereafter. It seemed as though Rahul and his sibling Priyanka Gandhi Vadra, who made her debut in the Lok Sabha from Wayanad, were no match for the charismatic Modi, the resourceful and politically savvy Amit Shah and the cumulative weight of their unbridled appetite for realpolitik, which at times bordered on cynicism and unscrupulousness, if victory was assured.

Lately, there are signs of a shift, that the ever-alert BJP has also noticed, because Rahul can no longer be accused of inconsistency. Indeed, if there is one attribute to disprove the imputation, it is Rahul's steadfast campaign against the RSS and what Rahul describes as the Sangh's contradictions on religious issues. Other Opposition parties are chary of taking on the Sangh; Rahul is less defensive.

However, he has now acquired a taste for street-level politics that is out of character for someone whose words and actions smack of entitlement



STEADFAST: In the pellet injuries case, Rahul did not budge until the FIR was registered. PH

arising from being born to a political pedigree.

The rubber did not hit the road overnight. Rahul did not chance upon street power in a jiffy. The impetus came when the rot in the education system was exposed after a question paper was leaked in NEET allegedly by insiders, forcing the exam's cancellation jeopardising aspirants' future, with many students dying by suicide.

Rahul was quoted as saying in an interaction with Dehradun students, 'Every year, scores of houses in India having young people like you leave behind their normal lives to prepare for exams.' He spoke of the huge costs of coaching classes.

The nascent Cockroach Janata Party (CJP) — which calls itself a pressure group and not

a political party — burst on the scene to awaken people, young and old, to an ailing academic sector beyond the government's ken to repair.

Held by a handful of activists — from IIT-Kanpur, Boston University and Amity University — two of them had forayed into public life with stints in the Aam Aadmi Party — their passion to clean up the system was perceptible. The CJP lost no time in mobilising lakhs of young people and organising protests against the government. The challenge to the Modi dispensation from the GenZ CJP followers — educated, irreverent and outspoken — was daunting.

The Congress was initially indifferent to the gathering storm at Jantar Mantar and chose to register its dissent inside Parliament, which met

Rahul Gandhi seems to have acquired a taste for street-level politics that is out of character for someone of his political pedigree.

for the monsoon session.

Even when CJP protesters marched towards Parliament and were thrashed by the Delhi police, the Congress's reaction was an anodyne statement from Priyanka. By then, other Opposition parties, including Congress's allies Samajwadi Party, NCP (SP) and Shiv Sena (UBT), had associated themselves with the CJP. That's when the Congress was forced out of its political slumber.

A day after the police repression, Rahul and Priyanka, along with KC Venugopal, the party's general secretary, discreetly mobilised their MPs for a sit-in outside PM Modi's residence. The MPs were clueless about what was coming as they were told to congregate at Congress President Mallikarjun Kharge's house to celebrate his birthday.

For the second time in days, the government's intelligence apparatus had failed. First, it was caught unawares by the massive siege the protesters planned to lay to Parliament. Now, it had no idea of the Gandhi's 'dharna'. Does the government rue its decision to remove the elite SPG cover given to the Gandhis, which has unshackled them from its stringent procedural requirements?

Rahul embarked on his 'Chhatron ki Goonj' in Kota, Dehradun, Prayagraj and Pune. The latest in Pune — home to many universities — conflated education with gender issues. Only girls were invited. Rahul's slogan 'Smash the patriarchy' was ostensibly

an answer to Modi's question on how the protesting women raised audacious slogans.

Valid as the slogan is, Congress men, who have thrived from the patriarchal structures in the party for decades, wondered if it would tilt the power balance in women's favour. Rood for thought or cause for anxiety?

Rahul's last act in the street series was staging a 'dharna' at a Delhi police station, demanding an FIR be filed against 'unknown persons' for pellet injuries inflicted on a 19-year old protester who lost his right eye. Rahul did not budge until the FIR was registered.

As the optics and messages emanating from his presence outside a rarefied ambience became the talking points, the gains to be made in the impending elections depend on other factors: organisational preparedness, alliances, continued connectivity with the youths and combating the CJP if it morphs into a political party.

In Maharashtra, the state Congress sprung to life before the Pune event. Whether the enthusiasm continues is in question. In Punjab, whether Rahul's envisaged 'unity' yatra serves its goal is indeterminable. Among the election-bound states in 2027, the Uttar Pradesh Congress will, willy-nilly, remain a junior partner to the SP. In Uttarakhand, the Congress is bogged down by issues of conflicting leadership and an enfeebled organisation. Rahul's real test is awaited in the year to come.

Authenticity of Dolly Parton



ROSEMARY OVERELL
SR LECTURER, COMMUNICATION STUDIES, UNIVERSITY OF OTAGO

SCROLLING through the tributes to Dolly Parton, I thought: that's her real name? Yes. The 'Queen of Country Music', who died on August 25 at 80, was born Dolly Rebecca Parton. My surprise at the authenticity of her name says something about the contradiction within the figure of Dolly. A sometime figure of ridicule and satire, the opening image of Dolly was often related to her apparent 'fakeness'.

Her figure — breasts, face, hair — was artificial. And often these synthetic additions were transposed into an assumption that she herself was, if not inauthentic, somewhat superficial. Dolly's first hit on the country charts was *Dumb Blonde* in 1967.

But what a name! Not a diminutive of a serious name, but a real name that moves us towards her celebrity image as one: made-up, an object with which the entertainment industry played. But the fact is it is her true name pushes us into the performative savviness with which Dolly played. Her blondeness became a trademark, as did her pride and irreverence for her 'plastic' image.

In the same year as *Dumb Blonde* charted, she released her first LP: *Hello, I'm Dolly*. This potentially self-conscious insertion of agency (I am)

into a familiar 1960s musical title (*Hello Dolly*) might point us to an early positioning of herself as a 'Dolly'.

In a genre where (apparent) sincerity is paramount, Dolly made artifice her signature. Again, we have a contradiction. To be fake, to push into the sentimental performative aspects of the country genre, became her true autograph — a trace of Dolly's originality. The sincerity of country music is spurious. But in the late 1960s, with the rise of experimental rock, folk-poet pop and even Motown, country's claim to speak from an authentic position was a selling point.

Dolly was welcomed into the country fold. Her roots affirmed an authentic and marketable country commodity. She wrote original hits. Yodelling through the 1970s, Dolly worked the country circuit with the



Dolly's excessively feminine body was at odds with talent and presence.

song *Jolene* breaking into the mainstream in 1974. But in the 1980s, with her rise as a film star and fixture in entertainment media, Dolly began to play with the dynamic between real and fake. Her acting talent and wit were also regarded as more than credible, at odds with her 'looks'. Reviewing *9 to 5* in 1980, Roger Ebert wrote that Dolly 'hardly seems to exist as a sexual being' in the film. Rather, her 'unstudied natural exuberance' made her the star. Implicitly, her excessively feminine body was at odds with talent and presence. For Ebert, the only way to explain such a capacity was to imply a lack of smarts — untrained, authentic talent.

Dolly's self-conscious and made-up womanliness also propelled her into becoming an icon for queer audiences. Despite her straightness (she was married to Carl Dean for 60 years, till his death in 2025), rejection of feminism and appeal with country audiences, she became 'Mother' to LGBTQ folks. Writing in 2021, Cory Albertson discussed how Dolly's over-the-top 'hot pink, shimmering' style was crucial to many coming up, and out, in the 1990s and 2000s.

When Dolly pronounced herself the 'Backwoods Barbie' in a 2013 *60 Minutes* interview, her witicism moved at once to the real (she was born in poverty) and the facade of being, well, 'Dolly'. I misheard her remark as 'Backwoods Barbie'. Like this better. In hyping up her figure, her look as the iconic doll, she moved the 'ideal blonde' plaything into reverse. Inversions are also 'queering'. I think maybe Dolly might have appreciated my mishearing.

Credit: The Conversation
For full article, go to www.tribuneindia.com/opinion

Missing military-political synergy



AIR CMDE GAURAV TRIPATHI (RETD)
DIRECTOR (OPS), VEDA AERONAUTICS

A RECENT article by Air Marshal Nambiar, former AOC-in-C of Eastern and Western Air Commands, and the hero of the Kargil war prompted a lot of discussion in defence circles. The Air Marshal's contention was simple — with glaring deficiencies, especially in the India Air Force, it is unwise to set up new organisational structures as part of the rationalisation, which would further suck up resources.

Theaterisation is an idea that has come to be formally accepted by the government, and committed to, but yet, means different things to different people. The root cause of this dissonance, and the resulting acrimony between stakeholders is the lack of a holistic, exhaustive debate prior to the decision. The 'what' in general terms was publicly accepted, even before the 'why' and 'how' could be debated at length behind closed doors.

This lack of a comprehensive consultative process with a detailed study, discussions, and debate that first clarifies the problem, before the process of looking for a solution starts has reduced the entire reforms process to a marquee event of theatreisation.

But before one theorises as to what could be a better way of going about it, it is important to understand the major stakeholders who are key to India's higher defence management. There are three major groups who will shape India's higher defence management and any reforms — the political class, of which the political leadership, the civil bureaucracy and the military leadership.

Between these three groups, are available all the necessary qualities for higher defence management. Unfortunately, none of the groups is fully equipped to do it all by itself.

While deep knowledge of defence matters is lacking in the

top political circles, the senior bureaucracy possesses a wealth of organisational experience, except in Defence. Being a central subject, the first time a bureaucrat deals with this subject is when he arrives on posting to the MoD.

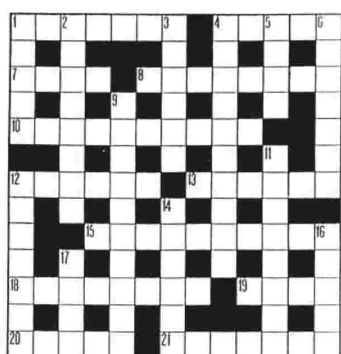
A school of thought is clamouring for India's Goldwater-Nichols' reforms in the US which did not happen in isolation. They were the result of deep and consistent engagement between the political class and the military with both the Senator Goldwater and Congressman Nichols themselves being veterans. The reforms were thus based on a lot of institutional and individual wisdom, and not an ad hoc solution pulled out of a hat. The Indian process needs to follow a similar example.

The biggest obstacle is the traditional reticence by the political class to engage directly with military matters. A sustained, long term (three to six months) consultative approach that would put all three stakeholder groups in the same room would be the surest way to breaking the deadlock. The Indian political class has usually engaged with the military, only on an 'as required' rather than on a continuous basis.

Once the political leadership has understood various dimensions of India's military capability, and the military leadership has understood the strategic vision, and the precise problem to be solved, options will emerge.

For full article, go to www.tribuneindia.com/opinion

QUICK CROSSWORD



- ACROSS**
- 1 A shade of orange (7)
 - 4 Indolence (5)
 - 7 Habituated (4)
 - 8 By hand (8)
 - 10 In jail (6,4)
 - 12 Small sailing boat (6)
 - 13 Cite as evidence (6)
 - 15 Dismiss lightly (5,5)
 - 18 Lacking spontaneity (8)
 - 19 Futuristic look (4)
 - 20 Amount produced (5)
 - 21 Line of hereditary rulers (7)

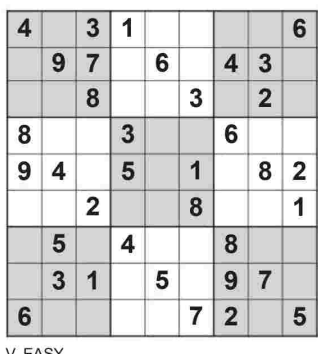
Yesterday's Solution

Across: 1 Stage-struck, 9 Running, 10 Singe, 11 Curt, 12 Palatial, 14 Random, 16 Scotch, 18 Clemency, 19 Echo, 22 Radio, 23 Reading, 24 Off the shelf.

Down: 2 Tenor, 3 Grim, 4 Signal, 5 Research, 6 Convict, 7 Track record, 8 Fell through, 13 Foremost, 15 No end of, 17 Scarce, 20 Chill, 21 Dash.

- DOWN**
- 1 Small firecracker (5)
 - 2 Carte blanche (4,4)
 - 3 Close at hand (6)
 - 4 Fair treatment (6,4)
 - 5 Unduly smooth in manner (4)
 - 6 Emotionally out of control (7)
 - 9 With all aspects considered (2,3,5)
 - 11 Commercial dealings (8)
 - 12 Reckless mischief (7)
 - 14 To mount (6)
 - 16 Vacant (5)
 - 17 Competent (4)

SU DO KU



YESTERDAY'S SOLUTION

6	7	9	3	1	8	2	4	5
1	4	8	9	5	2	6	7	3
3	5	2	4	7	6	9	1	8
5	6	1	7	9	4	8	3	2
8	3	4	1	2	5	7	6	9
2	9	7	8	6	3	1	5	4
4	2	3	6	8	1	5	9	7
9	1	5	2	4	7	3	8	6
7	8	6	5	3	9	4	2	1

CALENDAR

AUGUST 27, 2026, THURSDAY	
■ Shaka Samvat	1948
■ Bhadrpad Shaka	5
■ Bhadrpad Parvishi	11
■ Hijari	1448
■ Shukla Paksha Tithi 14, up to 9:09 am	
■ Sothana Yoga up to 7:56 am	
■ Dhanishtha Nakshatra up to 2:16 am	
■ Moon enters Aquarius sign 1:36 pm	
■ Panchang start 1:36 pm	

FORECAST

SUNSET	THURSDAY	FRIDAY	16:51 HRS
CITY	MAX	MIN	
Chandigarh	36	25	
New Delhi	34	26	
Amritsar	35	28	
Bathinda	38	27	
Jalandhar	35	27	
Ludhiana	37	28	
Bhiwani	39	27	
Hisar	39	27	
Sirsa	39	28	
Dharamsala	29	19	
Manali	28	17	
Shimla	25	17	
Srinagar	33	18	
Jammu	36	26	
Kargil	32	13	
Leh	27	10	
Dehradun	32	23	
Mussoorie	23	18	

TEMPERATURE IN °C

INTERNATIONAL EDITORIALS



OPINION

The Socialism We Already Have



**BUSINESS
WORLD**
By Holman W.
Jenkins, Jr.

This century's socialist wave starts at a big disadvantage. It arrives as the socialism we already have runs out of a m o u s e quantity, other people's money.

Indeed, it's a wonder Mammanti voters in New York City aren't raging against our existing socialism, which favors the old over the young, the homeowner over the renter, the high-income healthcare consumer against those starting out.

A fantastic folly is increasingly seen everywhere: property tax breaks for homeowners over 65. Voilà, yet another way of shifting the fiscal burden of government to the young while putting housing availability even more out of reach for them and their families.

Illustrated here is the fundamental flaw in the Marxian slogan "From each according to his ability, to each according to his needs." Who decides? Our solution—voters—is only slightly better than handing over the power to a bureaucratic dictatorship. After all, I vote and I'm pretty sure my abilities are quite skimpy, whereas my needs are unlimited.

Young socialists might want to get their heads around something else. Inter-

national politics doesn't allow countries to opt out of the competition for wealth and technology. In the last century, socialism was a nice word for seizing the output of farmers (leaving them to starve) to build state industry and military production in places like Russia and China.

In rich societies, as we've seen, it became a scheme for redistributing resources from young to old, on terms that now point to fiscal disaster because of faulty mortality and fertility assumptions. Witness the frantic efforts this week of Treasury Secretary Scott Bessent to keep the government funded, amid fears of a deadly mix of rising interest rates and rising inflation. Young people want more of this?

An American baby born today owes \$376,000 in federal debt and unfunded entitlement liabilities, assuming the burden is evenly distributed. Of course, it isn't. We oldsters plan on checking out before the bill comes due.

Let me be the 1,000th to notice that the New York socialism of Mayor Zohran Mamdani seems to appeal especially to privileged young people, still supported in adulthood by their parents. Meanwhile perhaps the most insidious piece of regressive socialism is the \$240 billion annual tax break for employer-provided health insurance, benefiting those in the highest tax brackets, inflating costs for everyone else.

Laugi Mangione has a fol-

lowing among today's young socialists for murdering a health-insurance executive. A "PBS NewsHour" fool posed to an intellectually corrupt former insurance executive the proposition that insurers themselves engage in a "kind of violence" when denying claims. Such posturing contributes nothing. The amount of healthcare people want to

Sorry, youngsters, ask Scott Bessent: We've already run out of other people's money.

consume must still be reconciled with their willingness to pay. It must be reconciled with the desire of medical professionals not to work for free.

Bernie Sanders has an answer: Make billionaires pay. Unfortunately, the wealth of billionaires consists of property rights, the value of which disappears if confiscated. The Scandinavian societies young socialists idealize actually protect private wealth. Their middle-class taxpayers pay taxes willingly because the benefits they get in return they believe to be efficiently and fairly delivered. These are small, homogenous countries with "high social trust" which, their experts are first to remind you, the U.S. isn't.

Wisdom in the old is an aspiration, not a given. A reference for our time is Judge Richard Posner's 1995 book,

"Aging and Old Age," with its frank discussion of the relationship between shortened time horizons in the elderly and unchecked selfishness.

A more reliable source than Mr. Sanders is the platform of the Democratic Socialists of America. It plainly sees that dismantling America's constitutional checks and balances is a precondition for enacting its policy preferences.

The news isn't all bad. Even as some of America's young voters are lapping up Mamdani, others are inventing artificial intelligence. Its promise may all but require overhauling the social contract, finding new Coasian insights in how to divide the public and private sectors.

The communist dream of the last century held out hope of an interesting, creative life for all, uncompelled by need or defenses to others. AI may actually deliver such a future, someday.

Meanwhile, there's an answer for young socialists seeking relief from having to be self-directing and self-supporting. For them, there's the Army. They'll always know where their next meal is coming from and what to wear. Their time will be structured, accommodations provided. The geopolitical outlook suggests their services will be much in demand in the years ahead. Of course, the U.S. military system, among the world's military systems, is one that also prizes initiative.

A lesson for socialists: You can't have everything.

BOOKSHELF | By Meghan Cox Gurdon

A Mission For Tourists

Notes of Deception

By Merryl Goldberg and Vince Houghton
Hanover Square, 304 pages, \$32.99

One evening in May 1985, four young Americans sat down to dinner in the restaurant of a Moscow hotel and were transported into an absurdist scene reminiscent of the Monty Python sketch about the cheese shop. The waiter handed out menus rich with options, but as each guest ordered the man repeated, "noyet." None of the listed dishes were available. Only by asking what the restaurant actually had were the Americans able to get their dinner, which turned out to be fish salad and chicken Kyiv.

The restaurant experience was the visitors' introduction to the officious inanities of the Soviet Union, a place of facades and concealment. In this instance, the dissimulation went both ways. Though the Americans were pretending to be "good tourists," in the phrase favored by the Soviet authorities, their purposes were deeper and, from the Krensin's point of view, not good at all.

As Merryl Goldberg relates in her account of the adventure, "Notes of Deception," written with the intelligence historian Vince Houghton, she and her friends were traveling incognito. As they submitted their American passports and entered the communist colossus, they appeared to be musicians, as indeed they were. But they were also human-rights campaigners on a secret mission. Ms. Goldberg recounts how American activists recruited her and three friends

from the Boston-based Klezmer Conservatory Band to give

succor to Soviet dissidents and refuseniks—men and women who had sought to leave the U.S.S.R. and been refused—and to bring news of them back to the West.

Many (but not all) of the refuseniks were Jews who, by the mid-1980s, were routinely denied visas to emigrate. Under Soviet communism, an expressed desire to leave brought retribution. Refuseniks tended to lose their jobs and endure continual harassment—if not worse. For readers who remember the Cold War, Ms. Goldberg's account is full of names that will be resonant, even nostalgic: Andrei Gromyko, Andrei Sakharov, Natan Sharansky, George Shultz.

Those for whom the epoch is unfamiliar may find it a little harder to connect. KGB repression, for younger readers, is the stuff of history books rather than the sense memory of dry-mouthed terror it was for those who were there.

Ms. Goldberg tells her story with brio. Before their flight to Moscow, she and her fellow klezmer players—Hankus Netsky, Jeff Warschauer and Rosalie Gerut—were schooled in the ways of the Soviet security services. They knew every room was bugged, every driver was an informant, every bit of luggage was open to query. Somehow, they had to carry information in (primarily, refusenik names and addresses) and then carry fresh information out again.

They hit upon the idea of creating a cipher using musical notation. Thus, along with their instruments they packed sheaves of what appeared to be sheet music but was in fact coded data. Letters of the alphabet corresponded to musical notes, and the title of each piece of "music" contained other clues. (The apparent ditty "Yankee Pal," for instance, pertained to a refusenik family with a similar-sounding name.)

Using music as code was a clever solution, if not an altogether novel one. As Ms. Goldberg notes, the practice dates back at least to the 15th century. In the 1740s, Johann Sebastian Bach smuggled his own surname into his Mass in B Minor.

Protected by their cipher and full of vim, the Americans were under a blanket of surveillance in Moscow so heavy that they couldn't wriggle out long enough to meet refuseniks. They had more success in the less-restricted Georgian and Armenian capitals, Tbilisi and Yerevan, contacting refuseniks in both cities and developing joyful friendships. Many of the refuseniks were fellow musicians and participants in an entity known as the Phantom Orchestra, so called because its members had entered a twilight state: no longer considered full Soviet citizens because they wanted to leave, but also not residents anywhere else.

Four American musicians visiting the Soviet Union in 1985 packed what appeared to be sheet music but was in fact coded data.

In defiance of the KGB, which sent agents to shadow the visitors and interrupt their gatherings (two informants showed up during an impromptu concert in Tbilisi), the Americans and their local contacts exchanged stories, played music together and consumed great quantities of food and drink. In Tbilisi, Ms. Goldberg and her friends bonded with an 11-year-old boy named Avi who, through complicated means, was already carrying on a correspondence with a Jewish boy in Philadelphia. When the visitors discovered that Avi didn't know how to blow bubbles with gum or play baseball, they taught him. One of the quirky charms of "Notes of Deception" is the surprise (which has an element of inevitability) of learning, at the end, the identity of Avi's pen pal.

It appeared that the Americans had choices as they made their way around the U.S.S.R. but, as at the Moscow restaurant, it wasn't so. Ten days into their travels, before they had a chance to visit Leningrad or Riga, Latvia, the four were taken into KGB custody and deported. They returned to the U.S. via Sweden and, when they landed back home, received a rapturous welcome and attention from the national media.

Their refusenik friends were stuck behind the Iron Curtain, subject to brutal reprisals by the security services.

Members of the Phantom Orchestra underwent harsh interrogation, had their apartments ransacked and their belongings trashed. One woman was beaten in the street. "I still feel the visceral pain of emotion I felt when I heard the news," writes Ms. Goldberg. "Though we were told over and over when we were in the Soviet Union that the refuseniks wanted us there, indeed needed us there, I never fully understood the consequences until we got this news."

In 1985, neither the expelled Americans nor the refuseniks could have known how soon things would change. The KGB, which never cracked the cipher, probably felt it had won at the moment. Six years later the communist tyranny it defended came apart.

Mrs. Gurdon is a Free Expression columnist at WSJ Opinion and the author of the forthcoming memoir "Free Range Girl."

America's Spiraling National Debt Crisis



**POLITICS
& IDEAS**
By William A.
Galston

Last week's announcement that the U.S. government debt has reached \$40 trillion triggered alarm in global financial markets, and the rise of long-term interest rates to their highest level since 2007 intensified this concern. To bring down interest rates, the U.S. Treasury Department announced that it would double its purchases of long-term government securities, a tactic investors dismiss as a "band-aid on a bullet hole," according to the Financial Times. Predictably, this policy worked for one day

Short-term Treasury fixes and reliance on growth won't turn the tide. Real reform will.

before interest rates resumed their rise. Adding to the pressure, tech giants, which until recently financed their investments using internal cash flow, are now turning to the corporate bond market to borrow the massive sums they need to build data centers for artificial intelligence.

Secretary Scott Bessent argues that bond yields "don't reflect the underlying fundamentals." Unfortunately for him, the famous bond vigilantes don't agree, and they are right. We aren't going to "grow our way out" of mounting government debt, a talking point the secretary resuscitated last week. Nor is there a "very

good chance," as he also argued, that the U.S. government deficit has peaked.

Unless we change fiscal course, the Congressional Budget Office projects that the annual deficit will rise from 5.8% of gross domestic product to 6.7% over the next decade, and we will add an additional \$24 trillion to the debt held by the public.

Deficits beget more debt, which increases deficits, which raise the debt level even further. Over the next decade, annual interest payments on the national debt will rise from \$10 trillion to \$21 trillion, or from 3.3% to 4.6% of GDP. By 2036, about two-thirds of our annual borrowing will be used to make interest payments on Treasury securities, an ominous trend known as the "debt spiral."

These projections are based on current policy, but they could get worse. The Trump administration is calling for a major increase in annual defense spending without proposing a realistic way to pay for it. Whatever the merits of this proposal, it would add trillions of dollars to our swollen national debt over the next decade.

For decades, deficit hawks have argued that we can't go on this way indefinitely. It turns out that "indefinitely" has lasted longer than we expected—another confirmation of Adam Smith's quip that "there is a great deal of ruin in a nation." But the recent tremors in global markets suggest that we are dangerously close to the end of the extended grace period we have enjoyed.

Dolly Parton, the Only Voice in the World

By Bob Greene

That voice. Five seconds, maybe six—that's all it took, the first time you heard her voice, to understand: Five seconds, and you knew you'd be listening to her forever.

All of us who loved Dolly Parton's music have a memory of that first time. For me, it was on an independent UHF television station that carried "The Porter Wagoner Show" in daytime syndication. I was switching around channels—this had to be around 1971—and although Wagoner was the purported star of the show, Dolly leaned in close to a microphone with him, and at that moment her voice was the only voice in the world.

The sweetness, the warmth, the intimacy in a seemingly tossed-off phrase—her songs

could be 2½-minute novels, they could be love notes left on a kitchen table, they could be secrets whispered into your ear. And each time you heard one of those songs you had to remind yourself that she didn't know you, she didn't know almost any of the people who

Her songs could be novels, notes on a kitchen table, secrets whispered in your ear.

bought her records or went to her concerts. But her gift was to make you forget that; her gift was to make you believe, for those few minutes, that she was singing to you.

"Jolene" is literature: "He

talks about you in his sleep / And there's nothing I can do to keep / From crying when he calls your name, Jolene."

"Coat of Many Colors" is a psalm: "And I didn't have a coat / And it was way down in the fall / Mama sewed the rags together / Sewin' every piece with love / She made my coat many colors / That I was so proud of."

"I Will Always Love You" is a dagger wrapped in grace: "Bittersweet memories / That's all I am taking with me / Goodbye, please don't cry / We both know that I'm not what you need."

But even as you read those words—even as I type them, in the hours after her death at 80 on Tuesday—you know that, as lovely as the words are (she wrote all three of those songs), it isn't merely the words but the sound of Dolly's voice ca-

ressing them that is moving straight to your heart. She was appreciative when other singers borrowed her songs—she was full of praise for Whitney Houston's magnificent version of "I Will Always Love You"—but she knew, as all great artists know, that the magnificence had begun in her own heart.

I met her only once. I had written something about her voice, and she called to invite me to meet her in her dressing room before a concert. We sat and talked for a long time, and I wish I could tell you what she said, but all I can recall thinking, the whole time, was: This is Dolly Parton. Be grateful for these moments. This is Dolly Parton.

Mrs. Greene's books include "Chevrolet Summers, Dairy Queen Nights."

OPINION

REVIEW & OUTLOOK

The Metals Lobby's Big Steal

The U.S.-Canada trade war escalated again Tuesday as Prime Minister Mark Carney announced new tariffs on some \$20 billion in U.S. goods. That includes doubling Canada's tariff rate on U.S. steel and aluminum to 50% to match Mr. Trump's, and the political back story here is worth more attention.

Multiple press reports say that an agreement to avert a 50% U.S. tariff on \$20 billion in Canadian goods broke down last week in part because of objections by the U.S. steel and aluminum lobbies. The mooted deal would have reduced those tariffs on Canadian steel and aluminum to 25% from 50%.

Call it a case study in how a narrow special interest calls the tune for the rest of the American economy. The current U.S. tariffs on metals date to Mr. Trump's first term, originally set at 25% for steel and 10% for aluminum, in the name of national security. But his first Administration exempted Canada and Mexico to mitigate the damage to downstream U.S. users in manufacturing and construction.

Soon after taking office for a second term, Mr. Trump removed these exemptions, later raising the tariffs to 50%. After U.S. manufacturers that use steel and aluminum complained that the taxes made them less globally competitive, he imposed a 25% tariff on so-called derivative imports that contain the metals. Who knew stainless steel pots were a national-security threat?

These sky-high border taxes have caused U.S. aluminum and steel prices to soar. The price premium for U.S. aluminum over the global benchmark has increased five-fold since Mr. Trump took office a second time. Americans are now paying roughly 75% more for aluminum than the rest of the world. Steel prices in the U.S. are also about 64% higher than in northern Europe. One reason these differentials are larger than 50% is because the metal tariffs

are stacked on top of other tariffs on China, which is the world's largest producer of steel and aluminum.

Americans now pay 75% more for aluminum than the rest of the world, and 64% more for steel.

The metal tariffs (including copper) have raised some \$46.9 billion in revenue for the government during the current fiscal year through June, plus \$21.8 billion in 2025. That's good for politicians but a nearly \$70 billion tax on Americans.

The higher prices have also been great for the share prices of aluminum and steel producers. Nucor's stock is up 66% over the last year, Steel Dynamics 74%, Century Aluminum 98% and ArcelorMittal 117%. That's nice for their investors, but U.S. businesses that use steel and aluminum—and their customers—are paying tens of billions of dollars more as a result. Whether they know it or not, they're drinking it in every can of soda.

Protectionists say jobs in fabricated and primary metal manufacturing have increased 22,100 since Mr. Trump took office. But overall U.S. employment in manufacturing has declined 62,000. The metals tariffs help a few favored companies in two industries at the expense of everyone else. This is how tariffs work in practice, and once in place they are difficult to repeal as lobbies form to defend them.

By the way, President Trump admitted Monday that the U.S. needs aluminum from Canada—contrary to his social-media post the same day. "This country desperately needs aluminum," Mr. Trump said during a telephone rally for a GOP candidate in Oklahoma. "We don't have it. We get it all from Canada for the most part, and we need it badly."

Thanks to his latest tariffs, we'll now be paying much more for it after Mr. Carney's decision to double Canada's tariffs on U.S. steel and aluminum. This may cause Mr. Trump to dig in further on his trade war. But it will also impose a cost on the industry groups egging on his protectionism and maybe teach them that their tariff border wall isn't free.

Maryland's Digital Tax Fiasco

Progressives have been testing digital taxes as the latest way to raise revenue, and the cautionary tale has arrived. On Aug. 14 the Maryland Tax Court struck down the state's digital tax as unconstitutional and a violation of the federal Internet Tax Freedom Act.

"Congress could not have been any clearer that it did not want Internet services of any kind taxed unless other similar services in the broader sense were taxed," the Maryland court wrote of the Internet Tax Freedom Act, which prohibits discriminatory taxes on electronic commerce.

The judgment came on legal challenges by Apple, Peacock TV and Google to the 2021 state tax on companies that make more than \$1 million from digital advertising in Maryland. The tax on state receipts was assessed starting at 2.5% for companies with \$100 million in global annual revenue, and up to 10% for companies with more than \$15 billion.

"A taxpayer's global revenue has nothing to do with its Maryland activity," the court wrote. "Therefore, the Tax graduated rate schedule does not reasonably reflect the in-state component of the digital advertising activity being taxed." The law "unquestionably taxes activity outside of Maryland," the court wrote.

Trump, Mail Ballots and the Supreme Court

Mail ballots for the midterms are scheduled to start going out to voters as soon as next week, 60 days before the Nov. 3 election. The summer is slipping away, as the judiciary considers President Trump's effort to push the U.S. Postal Service into ballot oversight. The Supreme Court on Monday lifted a hold on this plan, but it could be back before the Justices soon.

Mr. Trump signed an order in March telling the USPS to draw up rules to standardize ballot envelopes, as well as to keep a "Mail-In and Absentee Participation List" for each state. "The USPS shall not transmit mail-in or absentee ballots from any individual unless those individuals have been enrolled," Mr. Trump's order said. A group of states sued and obtained an injunction from a federal judge.

That legal pause was premature, according to the Justices. Mr. Trump's action "orders the Postal Service to initiate the process of proposing a rule," says the unsigned opinion in *Trump v. California*. But that directive "imposes no legal requirements on the States (or, for that matter, on anyone outside the Executive Branch)." The job of judges isn't to intervene in the executive branch's internal monologue.

Yet the Court emphasizes it takes no position on the lawfulness of whatever concrete changes might result from Mr. Trump's order: "On that score, time will tell." As it happens, the USPS on Friday published its final rule, effective immediately, though it's currently blocked by a second injunction, issued by the same judge in a separate case. The Trump Administration also wants that one dissolved, though a challenge to the final rule will arrive before long.

It's hard to imagine Mr. Trump's plan could

A court rejects the state's attempt to tax based on global revenue.

In the Peacock case, the court also notes that the tax violates the First Amendment because it infringes on freedom of speech by "requiring content-based distinctions."

The rulings are a warning for states like Illinois, Utah and Washington that have passed versions of a digital tax. Utah uses global revenue to calculate its thresholds for taxation, while the Illinois law separates digital from other forms of advertising. Washington taxes digital advertising under its sales tax regime.

The Maryland court ordered that the state refund the tax the three companies paid since the law went into effect, plus interest. That could total some \$535 million if all collected digital taxes are refunded. State lawmakers passed a rule this year to decrease the interest calculation for refunds required by the final judicial ruling on the tax. What a vote of no-confidence in their own law from the lawmakers who got the state into this mess.

Mr. Maryland hasn't said if it will appeal, but it might be smarter to cut its losses. Democrats will keep hunting for ways to siphon money from the tech economy, but states tempted to follow Maryland's plan will have to deal more honestly with federal law and the U.S. Constitution.

The Justices withhold judgment on his USPS push, as Nov. 3 nears.

take effect before November, and the timing is getting worse. The Administration first asked the Justices for help on July 27. What took so long? The main opinion is 10 pages. A dissent by Justice Sonia Sotomayor, joined by Justice Elena Kagan, is four pages and says the decision "merely postpones" the case.

Then comes Justice Ketanji Brown Jackson, with a separate 23-page dissent, diving into the merits. "The President does not have any legal authority to require that elections be conducted in accordance with his preferences," she says, "or to withhold delivery of mail-in ballots that are not formatted consistent with the President's wishes." If she'd resisted the urge to write this and deploy the word "Kafkaesque," could the Court have ruled sooner?

On the point about speculative harms, the USPS rule sounds more modest than the order from Mr. Trump. The voter lists will be "based entirely" on data from the states, and the post office "will not change the content" or even cross-check it against other sources. The files will be "a manifest" meant to "assist election officials and law enforcement to understand who may have been mailed a ballot."

The rule says the process applies only to out-bound ballots, not voted ones being returned. The USPS resists the idea that any ballots are deemed "nonmailable," saying they simply will need special handling, akin to other categories: "For example, cremated human and animal remains must be transported through specific types of USPS-provided boxes."

The courts will now chew over those arguments, and the Justices might, too. We trust they'll want to protect the authority of the states to control their elections.

LETTERS TO THE EDITOR

Don't Blame the Jones Act for California Costs

The framing of your editorial "Keeping Up With the Jones Act Waiver" (Aug. 15) is misleading. The claim that the waiver has "let California obtain more fuel from Gulf of Mexico refineries" thereby narrowing the gap "between the state's gasoline prices and the national average by about 25 cents per gallon" suggests the Jones Act normally adds \$0.25 per gallon at the pump and that the waiver opened fuel flows otherwise blocked by U.S. law. Neither is the case.

First, the 25-cent shift appears to me to reflect gasoline prices rising faster outside California, not any meaningful reduction in California shipping costs. California's gasoline remains about 20% above pre-Iran war levels.

Second, shipping gasoline from Korea to Los Angeles currently costs about 12.5 cents per gallon by my calculation—roughly 25% less than shipping it from Houston, even on foreign-flag vessels operating under the waiver. But for the economic distortions caused by reduced crude-oil availability from the war in Iran, California's demand would likely be met almost entirely by Asian exporters if

transport costs were the only issue—waivers or not.

No one disputes that the war in Iran has disrupted normal supply chains. And even strong Jones Act supporters recognize that waivers can be appropriate when genuine shortages arise and the existing fleet can't meet the need. But California's gasoline costs are driven by the state's own regulatory policy and temporary Asian export constraints, not the Jones Act. The evidence suggests to me that the benefits of continuing waivers would flow overwhelmingly to the refiners and distributors pressing hardest for them, while sidelining the U.S. maritime industry and allowing Chinese and Russian operators to roam freely within our domestic sea routes without a sufficient enforcement regime to ensure they comply with our laws.

A policy that enriches an already prosperous oil industry while weakening the domestic maritime industry is a bad bargain.

SAMUEL H. NORTON
CEO, Overseas Shipholding Group Inc.
Tampa, Fla.

If the Big Apple Rots, You're Welcome in Texas

Regarding Tevi Troy's "New York Isn't the Same for Jews" (Houses of Worship, Aug. 21): As a retired senior military officer, who also happens to be Jewish, I have seen and educated myself on history and current events around the world, which has reinforced to me how important it is to make voting decisions based on a sound knowledge of relevant issues. Unfortunately, those Jews who voted for Zohran Mamdani (about 33%), seem not to have learned those lessons.

When it comes to Israel, with a compliant mainstream media and a public-education system that often emphasizes misleading accounts, we are producing many young, educated delinquents. They "know" about distorted, inaccurate narratives of Israeli conduct in war, but nothing about the neighborhood in which Israel exists. There, human-rights violations are very frequent outside Israel. Think

how gay people are treated, for example, in Israel versus Gaza, Iran or Syria.

Affluence breeds complacency in this country and the result is an often uninformed public that makes poor voting decisions.

MATT SEGAL
Cary, N.C.

Let me welcome all the Jews who want to leave New York City for Dallas. My family has lived in Texas for seven generations, including my grandchildren.

We always have and continue to cherish our Jewish brothers and sisters. They have added enormously to our cultural, social, political and economic lives.

If you don't feel safe in New York, please come here and become Texans.
EDWARD FAHEY WALKER
Dallas

Fedspeak Isn't Helping Markets—or the Fed

Donald L. Luskin is correct in his op-ed "Wise to Ditch the Dots" (Aug. 17) that the Federal Reserve should abandon forward guidance, and the examples he provides of its negative outcomes are persuasive. Some may counter that Fedspeak isn't meant to provide indefinite guidance. Rather, the central bank's public statements serve only as the Fed's best assessment of the near-term macroeconomic trajectory. Moreover, such information provides immediate clarity to markets, they contend, especially during turbulent episodes.

On that front, too, recent examples show forward guidance to be counterproductive. In September 2025, rising inflation justified keeping interest rates unchanged or even implementing a minor increase. Yet because the Fed had aggressively promised a rate reduction, it seemed to feel obligated to cut; its own forward guidance seemed to box it into a corner, forcing bad policy.

Another misalignment occurred this year with the Summary of Economic

Projections. In March, despite inflation running significantly above the target, no Fed policymaker anticipated a rate hike for the rest of this year—even though private markets had already begun pricing one in. By June the committee's forecasts abruptly shifted to allow an increase, trailing the market signals by months. This was despite no material change to the underlying inflationary threats of tariffs, war or excessive fiscal spending. Market indicators provided a sharper macroeconomic assessment than Fedspeak.

The Fed should eliminate forward guidance and instead publish a clear, mathematical reaction function. This formula would automatically tie the interest rate targets to economic indicators, offering built-in market predictability through an objective rule.

JAI KEDIA
Washington

To Split a Vaccine, or Not

In his letter "Why Get Three MMR Vaccines Instead of One?" (Aug. 21), Dr. Joel Zinberg writes that "three separate shots may triple the number of complications over a single combination shot." This could be a valid objection to splitting the DTap vaccine for diphtheria, tetanus and pertussis because that vaccine has an adjuvant such as aluminum phosphate or aluminum hydroxide to boost the immune response.

If more adjuvant is used for three separate shots there could be unnecessary inflammation. But the MMR shot for measles, mumps and rubella contains no adjuvant, so splitting into three shots reduces peak inflammation that would result from the body having to respond to three live attenuated viruses at the same time.

MICHAEL SEGAL, M.D., Ph.D.
Chestnut Hill, Mass.

The Kind of a Baby for Me

Gregg Opelka's op-ed "No One Got Rich Singing About Money" (Aug. 19) reminded me of a song my old bachelor uncle used to sing when he visited my home back in the 1960s. "That's the Kind of a Baby for Me" was a hit for Eddie Cantor when he sang it in the Ziegfeld Follies in the 1910s. One of my favorite verses was, "The other evening in a cabaret, we spent; and when I saw the check I thought it was the rent. But when the waiter came, she simply signed her name. That's the kind of a baby for me."

Strive, money can buy you love, but it can be a factor in the pursuit of it. That's song worthy.

WILL McQUADE
White Plains, N.Y.

Medicare for All, Easy Peasy

Regarding Thomas Beck's op-ed "The 'Medicare for All' Math Doesn't Add Up" (Aug. 21): Cheerleaders for Medicare for All have to know that the present math doesn't work.

I imagine they will boost the revenue side of the calculation by eliminating aid for Israel and other pesky allies, reforming the Pentagon and other troublesome governing departments and agencies, and by looting the wealthy with confiscatory taxes. Easy peasy.

PAUL BLOUSTEN
Cincinnati

Pepper ... And Salt

THE WALL STREET JOURNAL



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OPINION

Jason Arday and What's Wrong With DEI

By Roland Fryer

I am saddened by the story of Jason Arday. There was the life, as he told it: autistic, unable to speak until 11 or to read and write until 18, and at 37 the youngest black professor in the history of Cambridge. I was 30 when I became the youngest black professor to get tenure at Harvard. There was the unraveling: a July report that passages of his thesis matched another scholar's, an investigation, his resignation and, nine days later, his death. And there was the press's unrelenting scrutiny, which I too know something about. I felt something similar watching the frenzy around Claudine Gay two years ago, despite my history with her, and around Jason Blair two decades before that. I don't know the whole truth of these cases, and for what economics has to say about how to avoid them, it doesn't matter.

Institutions should take chances on people but need to be honest with them as they develop.

Each case raises the same question: Have elite institutions become so eager for diversity that they take chances on people whose credentials wouldn't otherwise get them in the door?

I hope so. Many people took chances on me. My grades weren't impressive, my home life was a mess, and a vocational-education teacher had to talk me into finishing high school. At each step someone looked past the record and bet on what I might become. My quarrel with DEI has never been that it takes chances. It's with what happens after the initial opportunity.

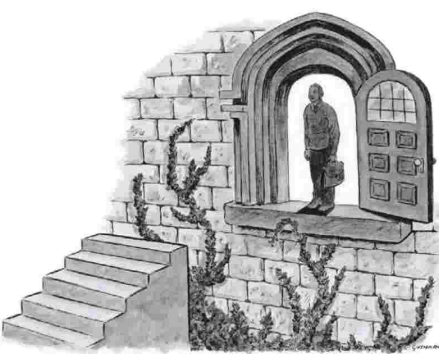
At the University of Chicago, where I finished graduate school, nobody confused potential with accomplishment. Gary Becker, Steven Levitt and Sherwin Rosen pushed me constantly. So did James Heckman,

who, I'm fairly sure, never liked me. The message wasn't that I was bad. It was that I wasn't good yet. Rosen once told me that not only did he not practice affirmative action, he was trying not to hold my race against me. It sounded harsh, but it meant his opinion was worth having. For years, before I submitted a paper I would present it in a Chicago workshop; if it wasn't completely destroyed, I figured it might be ready.

The Chicago approach did two things at once: It built my skills and tested whether I had any. While I was there, Mr. Heckman was developing a theory of skill-building, published in 2007 with Flavio Cunha as "The Technology of Skill Formation." Skills at each stage of life, in their model, are produced from the skills one already has and the investment made at that stage. Skills persist and feed on one another, and skill already in place raises the return on new investment, so by the same logic early investment fades unless it is followed up. Their canonical example was early childhood education, but the logic applies just as well to faculty development.

Finding out whether one has skills is less obvious. Investing in someone builds capacity and reveals how much capacity there is to build. Philip Harns and I modeled this as a two-armed bandit. Picture two slot machines: One pays a known amount; what the other pays you can learn only by playing it. In our version, playing the unknown machine—investing in the person—both raises its payout and reveals what it is worth. That second job, finding out, is the one DEI forgets.

Taking a chance on someone is a bet that the initial signals—test scores, transcripts, a résumé—understand the candidate. Rational. But an institution that overrides a noisy signal has taken on an obligation to produce better ones. A school, business or organization that makes the bet and won't read the results has paid for the option and thrown it away. The perverse achievement of much of DEI is that it begins by declaring the initial signals unreliable



and ends by making every subsequent signal unreliable too.

Both obligations—to keep investing in the person, and to provide honest signals about how it's going—can be met. Development is the easier one. In a randomized trial of the City University of New York's ASAP program—which entails intensive advising and tutoring—three-year graduation rates for low-income students were 40%, vs. 22% in the control group. The harder obligation is telling people the truth about their work.

The psychologist Kent Harber has spent a quarter-century showing that white evaluators give gentler comments on the same essay when they believe the writer is black or Hispanic rather than white. They presumably think they are being kind; they are withholding the one thing the writer needs. When David Yeager and Geoffrey Cohen had teachers' marked-up essays returned to seventh-graders with one sentence attached—"I'm giving you these comments because I have very high expectations, and I know that you can reach them"—the share of black students who chose to revise rose to 71% from 17%.

Often the experiment fails, and it must, or there would be nothing to

learn. A healthy society needs to be able to say: We saw potential, we took a chance, we invested seriously, the evidence came in, and we were wrong. But imagine a university that took 100 chances on minority faculty and denied tenure to 95. That would be a scandal too, so the pressure runs toward parity in outcomes and toward promoting rather than developing. Stephen Morris, an economic theorist, explained why in a 2001 paper titled "Political Correctness." An adviser who fears being thought a bigot shades what he says until it carries no information at all.

Opportunity alone didn't produce these scandals. Refusing to hold anyone to a real standard afterward did. By 2002 Mr. Blair had so many corrections at the New York Times that his editor, Jonathan Landman, wrote colleagues: "We have to stop Jason from writing for the Times. Right now." The paper moved him to the national desk anyway. Howell Raines, the Times's executive editor, told his newsroom he believed in hiring minorities aggressively, then conceded: "You have a right to ask if I, as a white man from Alabama, with those convictions, gave him one chance too many."

Ms. Gay went from professor to dean to president of Harvard on 11

published articles. The question isn't what she did with the job but what the people promoting her were reading.

Cambridge answered detailed complaints about Mr. Arday's work in 2023 with his department's "full support," according to Retraction Watch. The scandal was only the last chapter; the failure was in every earlier one, when someone could have been harder on the work and wasn't.

As I was leaving Chicago in 2003, a professor told me, "Be careful of the liberals." I thought it was about politics. It wasn't. He wasn't worried that I would be ignored at Harvard, the usual concern of junior faculty. He was worried that I wouldn't get feedback—that the people around me would want so badly for me to succeed, and for themselves not to be mistaken for bigots, that they would flinch from the uncomfortable things required to make me better. Mr. Raines was that person for Mr. Blair.

Every time I see a minority pilloried as "unqualified," I wince. The trope is old—the black hire who couldn't do the job—and durable, because the cases that fit it become news, and the ones that don't become careers. Sadder than the stories themselves would be the lesson many will draw from them: Take fewer chances. It is exactly backward. If we believe in the people we bet on, the obligation starts at the door, and the remedy is to run these bets the way anyone runs a series of experiments: as a portfolio. Take 10 chances and expect most to fail; those who make it are people the market would never have found. Venture capitalists lose money on most of what they fund, and nobody calls a failed startup a scandal.

The people who took chances on me changed my life. The people who risked being called bigots to tell me I wasn't good enough yet changed it even more.

Mr. Fryer, a Journal contributor, is a professor of economics at Harvard, a founder of Equal Opportunity Ventures and a senior fellow at the Manhattan Institute.

Ascendant No More, Democrats Are a Coalition of the Pathetic

By Matthew Continetti

After winning Michigan's Abdul El-Sayed received a phone call from Barack Obama. The nominee was thrilled. He told NBC's "Meet the Press" that he hopes Mr. Obama will join him on the trail: "His presence here in Michigan would mean so much to the coalition that helped elect him."

Where that coalition stands today is an open question. At first glance, it seems as if the same groups that powered Mr. Obama's rise—young people, minorities and white voters with college degrees—are behind Mr. El-Sayed's. But looks can be deceiving.

The Wolverines have changed since Mr. Obama's victories in 2008 and 2012, and the Democratic Party has too. What commentator Ronald Brownstein famously dubbed Mr. Obama's "coalition of the ascendant" is being torn apart by socialist, anti-Israel and downwardly mobile voters who are nominating candidates like Mr. El-Sayed.

Mr. Brownstein's theory was that because the demographic groups with which Mr. Obama was popular—millennials, minorities and the college-educated—were growing as a share of the population, Democrats would have an enduring advantage over Republicans. Mr. Obama's reelection proved it.

Yet the coalition of the ascendant soon lost altitude. Population growth isn't proportional to voter turnout. In 2008, more than a third of the country was nonwhite, and nonwhite voters made up 24% of the electorate. By 2024, nonwhites had risen to more than 40% of the population. The nonwhite share of the electorate ticked up only to 28%. The Hispanic share rose by only 2 points.

Young voters, meanwhile, get old. Mr. Obama won 66% of 18- to 29-year-olds in 2008. In 2024, that

same cohort—now 34 to 45—narrowed the partisan divide. Kamala Harris outpolled Donald Trump among 30- to 39-year-olds by only 6 points, and the 40-something vote was evenly split.

Democrats assumed that Hispanics would become as reliably partisan as blacks and Jews. Instead, they are a crucial swing vote. In 2008, Mr. Obama won their votes by 36 points. But in 2024 Ms. Harris's margin was a mere 5. That Hispanics are trending away from Mr. Trump isn't evidence of demographic destiny. Swing voters swing.

What has replaced the coalition of the ascendant is a coalition of the pathetic: Very Online millennials and zoomers with college and graduate degrees, few prospects and far-out beliefs. They take their cues from Sen. Bernie Sanders, Rep. Alexandria Ocasio-Cortez, New York Mayor Zohran Mamdani and the Democratic Socialists of America. They want to cut off aid to Israel, abolish private health insurance and immigration enforcement, nix the

Electoral College and even the Senate, pack the Supreme Court and grant statehood to Puerto Rico and the District of Columbia. Establishment Democrats want to harness its energy while encouraging it to become more moderate. Good luck.

The party's base—and its ideological vanguard—consists of downwardly mobile college graduates.

The problem facing Democratic leaders is that the rise of socialism worsens tensions within the remnant of the coalition of the ascendant. The class divisions over socialism and anti-Zionism are clear from Mr. Mamdani's victory in last year's New York City Democratic primary and from Mr. El-Sayed's win in Michigan.

Mr. Mamdani fared poorly in working-class strongholds such as

Staten Island and the Bronx while winning far-left upscale areas in Brooklyn and immigrant neighborhoods in Queens. Mr. El-Sayed cleaned up in Washtenaw County, home of the University of Michigan, while losing majority-black Detroit and working-class Macomb County.

Grievance drives the new socialism—outrage that their educational credentials haven't delivered them wealth and status. According to Nate Silver, Americans with advanced degrees and incomes of \$30,000 to \$60,000 are the most Democratic voting bloc. The three largest self-described occupations in the 2021 DSA member survey were "unemployed, disabled, retired" (15%), "white collar" (13%) and "teacher, scholar, academic" (10%).

The well-educated are likely to push "postmaterial" causes such as climate alarmism, transgenderism, defunding the police and opposition to Israel. But the ideas that motivate the new coalition repel parts of the old one.

The greatest difference between

the Democrats' two coalitions may be mental. Mr. El-Sayed's coalition of the ascendant looked to a postracial future of national unity and progress. For all his faults, Mr. Obama never wavered in his view that there is nothing wrong with America that democracy can't fix.

For the coalition of the pathetic, however, America is beyond repair. Our history is irredeemable. Our country is unexceptional. Its people are deplorable. It's time for revolution—for a fundamental overhaul of our constitutional structure, economic organization and way of life. Not exactly a positive message.

No wonder many Democrats are leery of Mr. Mamdani, Mr. El-Sayed and their comrades. An anti-incumbent mood may be enough for Democrats to win in November. If it is, blame the coalition of the pathetic.

Mr. Continetti is a columnist for WSJ Opinion's Free Expression.

Jason L. Riley is away.

Should the Fed Raise Rates? That's Clear as Mud

By Alan S. Blinder

Judging by the emails I get from Wall Street firms, a consensus is developing in the markets that the Federal Reserve will stand pat at its September meeting. That could be right. The case for waiting and watching is intellectually coherent. But so is the case for raising rates soon—as evidenced by the three dissenters at the last meeting of the Federal Open Market Committee.

Now may be the time for what Chairman Kevin Warsh calls a "good family fight." Unanimity is the committee's norm and desire, but it shouldn't be expected at the next meeting.

Compare today's situation with that of the mid-1990s, when I served on the FOMC. We were in a complex position at the start of 1994, with a strong economy and inflation stable but expected to rise. Through a complicated set of moves, we managed to achieve the celebrated "perfect soft landing." We raised the federal-funds rate by 300 basis points in multiple steps of varying size over a year. Then we stopped for a few months before cutting rates by 75 basis points in three steps. During that time, there were lots of debates but few dissidents. Part of the reason was our deference to a trusted leader, Chairman Alan Greenspan. But we also achieved near-unanimity because the calls were relatively easy. Today's situation is quite different. Mr. Warsh is new and untested. Unlike Greenspan, he encourages dissent. More important, the interest-rate calls now aren't easy. A coherent argument can be made for raising rates or leaving them be.

Start with the most important variable: inflation. By the Fed's preferred measure (the deflator for personal-consumption expenditures, or PCE), inflation stopped declining about a year ago and has been creeping up ever since. It is now above 3.6%, compared with a 2% target. The Fed said, quite a few forecasters predict declining inflation as the effects of tariffs and higher oil prices wear off. Could be. But further oil price shocks are also possible, and the president keeps flirting with

more tariffs. So you can see why inflation hawks are worried.

What about economic growth? It has slowed, clocking in at a mere 1.4% average annual rate over the last three quarters compared with 2.5% over the previous three and 2.4% over calendar year 2024. Payroll employment gains have dropped even more sharply, to only 316,000 net new jobs over the past 12 months from 794,000 the previous 12. These and other mediocre growth numbers have the FOMC's doves worried.

Amid conflicting signals on inflation, economic growth and employment, there's a case either way.

The Fed's main interest-rate instrument, the federal-funds rate, now stands at 3.5 to 3.75%. With PCE inflation around that same level, the real (inflation-adjusted) funds rate is about zero, indicating easy money. That's a bit worrisome if you're fighting inflation. More ammunition for the hawks.

The latest unemployment rate, at 4.1%, virtually matches the Fed's 4.2% estimate of full employment. More important, unemployment has been hovering in the 4.1% to 4.4% range for more than two years, making that look like an equilibrium position for the labor market.

The case for raising rates would be clear if inflation were creeping up, the economy was steaming ahead with growth at or above trend, and unemployment was below its so-called natural rate. But that isn't the state of the U.S. economy today.

Alternately, there would be a clear case for holding interest rates constant if inflation were declining, economic growth were slowing, unemployment were at or above its natural rate, and the real fed-funds rate were close to "neutral"—perhaps 1.5% or so. But that's not where we are either.

Neither "clear case" applies. We have, instead, muddy waters. Which option any particular FOMC member prefers depends on how he weighs the various factors—the so-called reaction functions. What the committee does will depend on all that plus how the chairman manages disagreements.

We learn about such matters from the Fed's actions, but also from what it says, including "forward guidance." Mr. Warsh seems particularly hostile to that kind of talk, preferring to let markets guess.

Such guessing will lead to unnecessary volatility in the fixed-income markets. While that's far from the country's biggest economic problem, why deliberately cause it?

Mr. Blinder is a professor of economics and public affairs at Princeton. He served as vice chairman of the Federal Reserve, 1994-96.

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Opinion

Let Iran control the Strait of Hormuz

But what happens in Hormuz will most likely stay in Hormuz; its unique geography and market importance for transporting Persian Gulf oil have no analogue to other waterways.

Rosemary Kelanic

When President Trump isn't threatening to make the Strait of Hormuz a U.S. territory, his administration is demanding that the strait revert to being a free international passageway for the world's oil supply. The president needs to face reality: Neither of these things is going to happen. The strait needs to be reopened, even if that means Iran tolls transit through it.

This outcome would be a defeat for the United States. But, at this point, it is the least bad option.

The war with Iran has revealed two things: Iran cannot completely close the Strait of Hormuz, and the United States cannot completely open it. Despite months of pummeling from American bombs and missiles, Tehran has shown it can still discourage tanker traffic in the strait, through which a fifth of the world's oil supply transited before Mr. Trump attacked Iran in February.

Hormuz is a 90-mile-long, horse-shoe-shaped gantlet that enables the countries sitting on either side — Iran to the north and Oman to the south — to potentially disrupt shipping. Its rugged coastline provides ample haven for precision-guided Iranian missiles, drones and attack boats to menace vessels with "shoot and scoot" tactics that are impossible to decisively defeat. Iran can produce such weapons cheaply and indefinitely, making Iranian attack an endemic risk of crossing Hormuz that even a negotiated deal with Tehran would not eliminate.

Private shippers have balked at risking crews and cargoes for less-than-perfect security, which has allowed Iran to suppress traffic without attacking every vessel attempting to cross. Even with U.S. military assistance that has depleted munitions and strained the navy, only about five million barrels of oil per day have crossed the strait without express Iranian sign-off, compared with roughly 20 million barrels per day before the war. Long-term, American-led operations to sneak oil through Hormuz would risk U.S. casualties and burden American taxpayers. The U.S. public would be rightly skeptical about bankrolling free access to countries unwilling to help open the strait, when those countries could pay their own way through tolls.

Financially, transit fees are a better deal for the United States and the world than a prolonged semiclosure of the strait. While the recent resilience of world oil markets has surprised many, the daily supply deficit of up to 14 million barrels per day at the war's height has cut deeply into global crude and product inventories. This has slowly exhausted the buffers that have kept oil prices only modestly elevated over prewar days. If the Hormuz standoff causes oil prices to spike, the economic damage could be severe, especially for the United States, whose economy is far more oil-intensive than those of other great powers like Russia and China.

As embarrassing as Hormuz taxes would be for the United States and for Mr. Trump personally, monetizing safe passage would encourage Iran to allow through as many ships as possible so it can collect more tolls. And if Iran grows dependent on revenue from administering the strait, closing it in the future for political reasons becomes more difficult.

Iran is already in talks with Oman about the strait's future. Joint custody-

anship of the waterway could foster regional cooperation and spur Iran to demonstrate responsibility by mellowing its rhetoric and behavior. It could eventually allow Iran to rejoin the international community, conferring recognition that would make it easier for Iran to surrender its nuclear program, which functions as an alternative source of prestige.

Charging tolls would benefit Iran financially, but even high-end revenue estimates would leave Iran behind given the \$270 billion in war damages it has suffered. If Iran collects \$6 billion to \$14 billion in transit fees annually, as some estimates suggest, it could take nearly 20 years for Iran to

break even on the war. Over that span, market adjustment would diminish the importance of Hormuz, as regional exporters constructed bypass pipelines and the switch to electric vehicles reduced oil demand.

Yes, allowing Iran to control Hormuz would set a bad precedent, encouraging other countries adjacent to chokehold shipping corridors to assert control over them. But what happens in Hormuz will most likely stay in Hormuz; its unique geography and market importance for transporting Persian Gulf oil have no analogue to other waterways.

The Yemen-based Houthis could not realistically copy Iran's Hormuz gam-

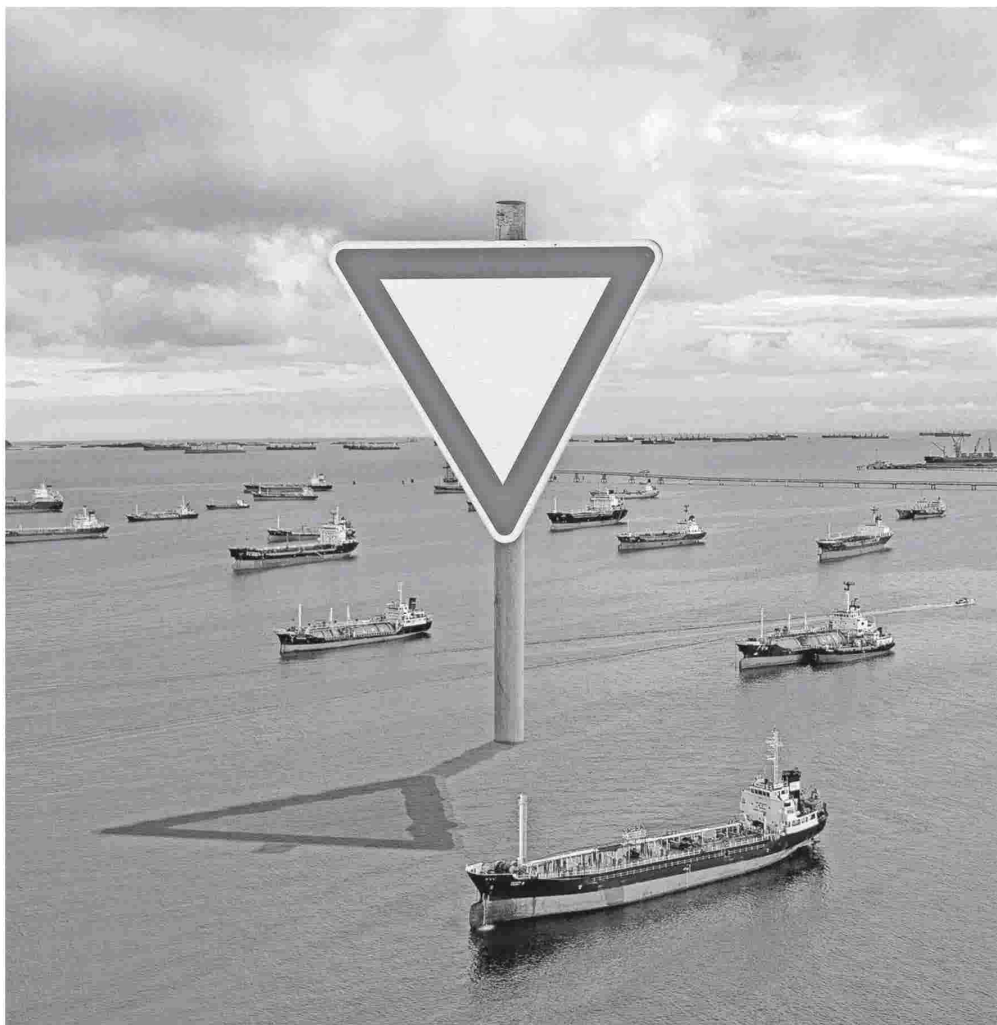
bit because they control only a fraction of the Red Sea coastline, and their missile, drone and targeting systems are significantly less capable than their Iranian counterparts. The 2023 to 2025 Houthi campaign against shipping in the Red Sea reduced transits, but substantial amounts of cargo continued to cross the channel. Most Houthi attacks caused little to no damage. Shippers also had a viable workaround: rerouting around the Cape of Good Hope, adding marginal fuel costs of only about \$1 million per vessel.

All taxation is a protection racket, according to prominent social scientists. History shows that those who can provide security — or threaten

consequences — over a geographic area often impose political authority and taxation on that zone. And Iran has shown it already has substantial control over Hormuz.

None of this is optimal for the United States. But the sooner we accept this new reality, the better for consumers, the world economy and regional stability. Perhaps the consequences of lasting Iranian authority over the Strait of Hormuz will even dissuade future U.S. presidents — or Mr. Trump — from launching risky and unnecessary wars.

ROSEMARY KELANIC is the director of the Middle East program at Defense Priorities.



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What Lafayette's 1824 tour can teach Americans

The French aristocrat's return to the U.S. carries key lessons for a country still fighting over how to remember its past.

Ryan Cole

This summer, the U.S. National Park Service ordered the removal of quotes referring to abolitionism, immigration and the Vietnam War at Bunker Hill, part of Boston National Historic Park. The grassy slope where America first glimpsed independence is now a front in a healthy fight over how its story is told.

Broadly, the debate is over whether interpretation at monuments and museums and in classroom curriculums should concentrate on celebrating achievements or reckoning with unfulfilled promises. At first glance, this is another symptom of a larger national divide. It need not be. Spirits from the past can spark national reconciliations. For proof, look to the towering monument at Bunker Hill. Or more specifically, see the example of the man who helped lay its cornerstone: The Marquis de Lafayette.

Best remembered as the 19-year-old French aristocrat who crossed the Atlantic at his own expense in 1777 to fight for the American colonists' right to self-government, Lafayette per-

formed a second, lesser-known service to the American republic. At 66, he returned to his adopted country in 1824, during a time of turmoil, reminding a new generation of citizens what they had inherited, what it had cost and what it still required of them.

It is the aging Lafayette who now speaks most urgently to a nation whose freedom he helped win. The America he traveled across is not entirely unlike today's, despite historians' naming it the "Era of Good Feelings." The years coinciding with James Monroe's presidency were marked by economic depression in 1819 and a sectional crisis preceding Missouri's entrance into the Union in 1821. New technologies, such as steam navigation and advancements in news, paper printing, sped the flow of goods and the proliferation of news, but disrupted America's economy and altered its landscape.

Amid this change and strife, Americans deliberated on Monroe's successor in a presidential election so divisive that some contemporary commentators worried it spelled the Union's end. Then came an astonishing turn: At the invitation of the president and Congress, Lafayette appeared on Staten Island in August 1824. What



A memorial for the Marquis de Lafayette in Massachusetts. His 1824 tour could be dismissed as an early episode of U.S. celebrity culture. That overlooks a deeper meaning.

followed was one of the greatest civic celebrations in American history.

Over thirteen months, "the Nation's Guest" (as his hosts affectionately called him) traveled to all 24 states while Americans slipped into a delirium, pulling the old hero into their towns at the center of elaborately choreographed parades, honoring him with sumptuous galas and thundering orations. Men wept. Women fainted. Children scattered flowers at his feet. Entrepreneurs peddled Lafayette merchandise. Towns, landmarks, charities and newborns were named in his honor.

It would be easy to dismiss this as an early episode of American celebrity culture. That overlooks a deeper meaning.

His reappearance did not simply stir up unifying nostalgia. It reminded Americans that self-government was an experiment not guaranteed to succeed, while drawing a flattering contrast to the ruined attempt to establish it in France. Reflecting on the precious nature of their liberties, citizens recommitted to opposing those who would abridge them. When Lafayette visited Philadelphia, the city's printers carried a mobile press and

COLE, PAGE 11

OPINION

The New York Times

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Today's weed is way too dangerous for teens

Sivabalaji Kaliyamurthy

My patient was 14 years old the first time his grandmother drove him two hours to my clinic. He told me he tried weed when he was 8 and had been smoking or vaping it daily since he was 12, often using highly concentrated products purchased from friends or dealers. "It helps me relax," said the patient, who moved in with his grandmother after his mother died and his father was incarcerated.

His life told a different story. Now 16, this young man struggles with persistent depression, failed grades and escalating anger. He had punched holes in walls, been suspended from school and was hospitalized for suicidal thoughts. He's one of many teens I treat whose use of highly potent cannabis has become a destructive force in their lives.

People have been using cannabis for generations, but today the drug is more available, more socially accepted and far more potent than ever. Legalization and decriminalization have brought about rapid changes in the marketplace, with dispensaries around the world now selling plant buds alongside highly concentrated vapes, cartridges, gummies, edibles, waxes and beverages infused with the psychoactive compound THC. These newer products are specifically engineered to deliver THC in ways that are often more convenient and discreet than smoking cannabis. That shift is especially concerning for adolescents, whose brains are still developing and are more vulnerable to the effects of repeated exposure to high levels of THC.

A few decades ago, the typical cannabis plant contained 2 to 5 percent THC, and the more potent products averaged around 10 percent. Today's cannabis bud products often contain 20 percent THC, while cartridges and concentrates can exceed 70 percent THC. This means the one in four high school seniors who reported experimenting with cannabis in 2025 almost certainly used it in a much more potent form than many people in a previous generation did growing up. And policy-makers have done little to protect them.

The world needs a shift in how we regulate cannabis to account for the fact that it is not a uniform product. America's experience with the drug is instructive. With the help of regulation, public education and changes to how alcohol was taxed, Americans learned that grain alcohol, whiskey and beer carry different risks. With the help of tobacco control, cigarette sales plummeted and the United States made big strides in public health. The same can be true one day for cannabis.

Cannabis products did not become more potent overnight. Advances in agricultural science allowed breeders to create cannabis strains with ever higher THC concentrations. At the same time, innovations in vaping technology made these high potency products without the smell or smoke of cannabis. Market forces accelerated this trend. Higher potency products command higher prices and profit margins, creating strong financial incentives for the cannabis industry to push THC levels upward. Once people use the products daily, they might struggle with withdrawal symptoms if they don't use, which drives them back to the dispensary.

In homes, schools and clinics, the consequences of this new marketplace are increasingly visible. Doctors like me who treat children and adolescents are seeing more patients for cannabis-related reasons, including conditions such as cannabis use disorder and cannabinoid hyperemesis syndrome, which causes nausea, vomiting and severe stomach pain. These patients also can have severe withdrawal-related complications and psychiatric symptoms including psychosis, depression, anxiety and suicidal thoughts. The causes of these conditions are complex. But the severity and frequency of these cases are rising, and we have limited tools for prevention and treatment.

A growing body of research suggests that adolescent cannabis use can also affect attention, memory, processing speed and executive function, which are

all essential for success in school. These findings are particularly relevant given the unique way THC is metabolized: Unlike alcohol, which is rapidly cleared from the body, THC is stored in fatty tissues and released gradually over time. Adolescents who are using potent cannabis regularly have higher levels of THC in their bodies — a form of prolonged exposure not seen in previous generations. That suggests the cognitive challenges associated with cannabis will only worsen.

Stress, trauma and other underlying challenges clearly contribute to adolescent cannabis use and its mental health consequences, but we cannot treat our way out of an environment saturated with increasingly potent THC products.

The safest choice for adolescents is to not use cannabis at all. For those who will experiment regardless, the risk should not be amplified by cannabis products racing to increase the potency of THC in their products.

One way to reduce harm is better regulation. A balanced approach would prioritize safety without abandoning the broader goals of legalization, such as reducing racial disparities in criminal enforcement, eliminating illicit markets, providing adults with safe products and generating tax revenue. Because cannabis is still illegal at the federal level, it's on the states to step up their regulation.

First, states should establish THC potency caps. Alcohol policy offers a useful parallel. Beer, wine and hard liquor are regulated and taxed differently based on strength. Cannabis should be treated similarly.

While the precise cap on THC requires further study, requiring growers to lower the potency to the levels in cannabis products that existed in the 1990s — for example, capping THC at 5 percent for bud products — is a good starting point. Such a reduction would benefit adults, too, especially since daily or near daily cannabis users in the United States now outnumber both daily or near daily cigarette smokers and daily or near daily alcohol drinkers. Second, labeling and dosing must be standardized in part by growing on the campaign trail that he would "protect" women, before continuing his declaration of their welfare once he won. Since Inauguration Day, his administration has been hellbent on reversing women's fortunes at every level.

For a short while — with the 2017 Women's March, #MeToo and outrage over the Supreme Court's Dobbs decision — it looked as though women had seized the hero's mantle; they were going toe-to-toe with adversaries from a grab-bag of the pussy prezz to a priapic studio head to a Supreme Court injustice. In the heady moment of *Brat Summer* (before Kamala's Fall), it seemed as if the heroine's journey might even end in victory. Until the resuscitation of a grab-bag of the pussy prezz to a priapic studio head to a Supreme Court injustice. In the heady moment of *Brat Summer* (before Kamala's Fall), it seemed as if the heroine's journey might even end in victory. Until the resuscitation of a grab-bag of the pussy prezz to a priapic studio head to a Supreme Court injustice.

Third, we must invest in research. We need better data on thresholds for risk and the population level, as well as more prevention and treatment interventions for adolescents. Fourth, public health messaging must evolve to create awareness about potency and harm.

Adolescents who obtain cannabis illegally will use whatever products they can find, but health policy, when done well, can reduce risk for most people. We do not expect age restrictions, proof of purchase requirements or regulations of alcohol strength to stop all underage drinking, yet those measures have proven to be worthwhile.

The conversation about cannabis in America is no longer just about its legality. The question now is whether we are willing to regulate and enforce product safety, especially to protect the most vulnerable among us. Right now, the answer is no.

SIVABALAJI KALIYAMURTHY is a child and adolescent addiction psychiatrist at Children's National Hospital in Washington, D.C.

Susan Faludi

Among the many afflictions distorting our current politics, one has gone unrecognized: We're in the midst of a zero-sum struggle over which gender gets to own the hero's journey, that ancient story formulation in which the hero leaves home, faces monsters and temptations and returns to reclaim his kingdom and his woman from usurpers. In modern times, the question of whether the hero must be male has been contested and recontested.

The fight is about more than a story. We feud over certain foundational myths because whoever owns the myth owns the culture.

It's hard to get more foundational than Homer. Sitting in my local wide-screen Cinemark, mid-slog through Christopher Nolan's "The Odyssey," a film that hardly veers from the high-testosterone, man-on-a-quest Homeric template, I was struck by an odd sensation. Hadn't I already seen this movie, but in a different palette?

Indeed I had, in the same theater on another July day three years ago. That version featured a female protagonist who journeys by car, boat, spaceship, bicycle, snowmobile and Rollerblades to a foreign land fraught with perils. She eludes a horde of male suits who want to lock her in a box before returning to her pastel principality to find it besieged by boisterous bros. Both "Barbie" and "The Odyssey" feature a beach battle with flotillas of bowsprited landing ships and an equine theme, though the horse figure strangled on Ken's beach is fashioned of pink plastic sand. But while the boys of "Barbie" are brawling, the girls regain the kingdom; matriarchy is restored.

To a topologist's eye, Greta Gerwig's "Barbie" and Mr. Nolan's "Odyssey" are the same objects with different shapes. The difference being that hers is suffused in Crayola hues, has wit and glossed more on opening weekend. (Ms. Gerwig and Mr. Nolan seem star-crossed rivals — Barbenheimer, anyone?) The movies themselves are hardly serious enough to serve as philosophical antagonists. Yet as major cultural artifacts only three years apart, they illuminate a serious shift in our society, going far beyond Hollywood. The showdown over the hero's narrative is corroding our political and public life, and disfiguring our government.

THE U.S. GOVERNMENT — all the way to the top, President Trump seems to see it — has embarked on a Homeric quest. Tossed from his rightful throne in 2021, he fought his way back and is now wreaking vengeance on the infidels who betrayed him. It's a quest with a modern twist: His rival as he sought to recover the crown was a woman. The patriarch became in part by avowing on the campaign trail that he would "protect" women, before continuing his declaration of their welfare once he won. Since Inauguration Day, his administration has been hellbent on reversing women's fortunes at every level.

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How did everything change so suddenly? Or, to quote Barbie: "This is BarbieLand! The Barbies worked hard and dreamed hard to make it everything that is. You can't just do it in a day." Oh yeah?

The hero's struggle resonates so universally because we're all up against monsters of one sort or another. The monolith promises to turn our mundane mudludges into noble quests. That's what's at stake in the zeitgeist shift from "Barbie" in 2023 and Nolan's 2026 he-man traveltogue: Which sex gets to own that emboldening elixir? The battle is not to be found within the films themselves — which characters win or lose — but between competing claims to the archetypal story. The fight has been re-generated. It's no longer Menelaus fighting Paris for the possession of Helen — it's Menelaus versus Helen. Or Odysseus versus Barbie.

Or Pete Hegseth versus Lisa Franchetti.

Nowhere is the administration's war on women more evident than in the military itself. Admiral Franchetti, the Chief of Naval Operations, was one of the early high-profile female casualties of Mr. Trump's new Department of (Trojan) War. Women in the military are being punished systematically: their promotions denied, combat capabilities investigated, along with scrubbed from official websites, the longstanding committee to integrate women into the military shut down and the ceremony to honor their fallen canceled. The most dramatic purges have come at the top, to women who've

already completed their hero's journey, who've left home, gone abroad, fought their battles and returned to claim their laurels and rightful posts. Only to be met by Secretary of Defense Hegseth's Antinotes.

BETWEEN 2000 AND 2018, the number of female generals and admirals had doubled. Now, thanks largely to Mr. Hegseth, the modestly decorated (mostly with tattoos) Army National Guard major and former TV host turned warlord, there are no four-star female officers on active duty in any branch, and no female candidates on the roster of likely four- or three-star appoint-

officer to head the U.S. Naval Academy; 36 years of service. Relieved of her post, no explanation. Replaced by a man.

Adm. Linda Fagan, Coast Guard; Vice Adm. Nancy Lacroix, Navy; Col. Julie Spisito-Salcies, Air Force; Lt. Gen. Teltia Crossland, Army; and on and on. These women didn't claim heroic status; they embodied what the military has traditionally valued: service, teamwork, courage, dedication. But in terms of their mythic warrior life journeys, they are among our Odysseuses. And their elevation has enraged some Odyssean wannabes eager to enshrine what Mr. Hegseth calls "the highest male standard."

words "women," "female" and, of course, "feminism." NASA employees reportedly received a "drop everything and reprioritize your day" advisory instructing them to delete by 5 p.m. "anything specifically targeting women (women in leadership, etc.)." The administration that insists "there are only two genders" seems determined to make it only one.

Also gone: data collection on women's advancement, or the lack thereof. The E.E.O.C. voted to toss out the agency's 60-year-old requirement that companies file annual work force demographic reports, claiming it burdened corporations. Is it any mystery that women



PHOTO ILLUSTRATION BY THE NEW YORK TIMES, SKETCH: BRADY, VIA WARDNER BROS.

ments. (He's also turned his sights on troops who are Black or transgender.) A New York Times analysis this month found that women's nominations to high-ranking posts in the military are at their lowest level in a quarter century. This year, for the first time in a decade, there will be no women nominated to be admirals. Evidently, women can still aspire to humble posts like captain or major — women's nominations to lower-level ranks rose in the past year.) Who are these veteran female officers relieved of their commands by the "central casting" (Trump's words) matinee idol with the gelled hair and pocket hankie, the face that launched a thousand missiles? Well, for starters, just in the Navy —

Admiral Franchetti: rose from surface warfare officer to command the Sixth Fleet; first woman to lead the Navy and the first permanent female member of the Joint Chiefs of Staff; 40 years of service. Fired from her post, no explanation. Replaced by a man.

Vice Adm. Shoshana Chaffetz: commanded the Helicopter Sea Combat units; first female president of the Naval War College and the only woman on NATO's Military Committee; 37 years of service. Fired from her post, no explanation. Replaced (in an acting capacity) by a man.

Vice Adm. Yvette M. Davids: veteran of Desert Shield, Desert Storm and the Iraq war; commanded a carrier strike group; first woman and first Hispanic

In his book "The War on Warriors," Mr. Hegseth maintained that so-called D.E.I. hires have made the military weak and "effeminate." The "standard," though, has nothing to do with military effectiveness. Were Admirals Franchetti and Chaffetz, General Crossland and company fired not being good enough? Or for being too good, with skills and experience that threatened the restoration of a masculinist culture? Small wonder the photos of Mr. Trump's cabinet meetings — especially after the departures of Pam Bondi, Kristi Noem, Lori Chavez-DeRemer and Tulsi Gabbard — have begun to resemble the shipboard scenes in "The Odyssey": men seated around the edge of a long wooden ellipse, with a board table standing in for a galley deck. Pull, boys, pull!

MR. TRUMP'S RETURN TO POWER resembled a sack of Troy — with women getting the sack. A National Women's Law Center report found that DOGE's mass layoffs targeted departments with a "substantial majority" of female employees, though the civil service overall leans male. Hardest hit were Black women, especially with college and advanced degrees, whose overall employment rate last year suffered one of the sharpest one-year declines in a quarter century. After Mr. Trump fired the two Democratic female commissioners and the female general counsel of the Equal Employment Opportunity Commission, its new leadership urged white men to file discrimination suits, and the agency sued a Coca-Cola distributor for excluding men from a women's forum. Information on reproductive health, maternal mortality, employment equity and sexual violence began disappearing from government websites, along with women's historical contributions and the

have lost ground in corporate leadership two years running and their representation on corporate boards declined in the first quarter of 2026? Or that women constituted 100 percent of the decline in the labor force in December 2025, then again last month, bringing the total net job loss for women this year to 845,000? None of these women got their jobs, or lost them, because they were seen as heroes. Nevertheless, they were collateral damage in the custody fight over the hero's journey.

That fight has filtered down to saturate workday lives. Starting in the post-9/11 hero frenzy and accelerating in the "peak woke" era of the early 2020s, more and more ordinary struggles have been deemed heroic. For a while, thanks to feminism, women enjoyed an advantage in garnering those commendations. They didn't just become firefighters or telephone linemen. They'd slain the Cyclops of sexism. Not to gainsay their grit, but their lionization came with a cost. The kudos over every valiant ascent excited the anger and envy of some men who, if they became telephone linemen, became... telephone linemen. In "Barbie" terms: just Ken. The backlash isn't simply about who gets to do the job — it's about who gets glorified for doing the job. Witness Mr. Hegseth's book with its repeated fulminations about service-women showcased as heroes by a "military P.R. machine, looking for a first."

Diversity measures were created to open up pragmatic, incremental opportunities for people long deprived. But there is nothing pragmatic or incremental about being a hero. The right sees D.E.I. as a plot to dethrone the men who once stood on Mount Olympus. For its part, the left employs the hero mythology to validate its causes, and uses journeys out of persecution, abuse, every misfortune from A.D.H.D. to PTSD, to place its contentions beyond debate and stamp even well-meaning dissenters as intolerant. The right has its own hero-martyrs. It's a strategy to be wary of. When Purple Hearts become Medals of Honor, when suffering is conflated with valor, critique is re-labeled as heresy. Surely not every victimhood drama has engendered a fascism, but every fascism has used a core myth of injustice and injury to justify its absolutism and brutality.

The purpose of civic society and government — in the democratic world, anyway — is to serve the unheroic needs of ordinary people. Not to make a mess of their lives on the way to staging a cage fight on the White House lawn. Or to assert personal virtue through a megaphone. One raised fist begets another.

FALUDI, PAGE II

What Lafayette's 1824 tour can teach Americans

COLE, FROM PAGE 9
handed out broadsides reading "Freedom of the press protects all other freedoms."

"Memories of the Revolution have come back to life," Lafayette observed in the midst of the jubilation. As the nation approached its 50th anniversary, the Frenchman represented a living bridge across time, inspiring citizens to curb their partisan passions and honor a shared past. "I have the satisfaction of thinking that my presence has had a great reconciliatory effect between the two parties," he wrote, "men who have not spoken to each other for over 20 years are brought together."

Other Americans engaged in a useful philosophical exercise when it came to Lafayette himself. Observing some of their compatriots hurt themselves at his feet, or propose skirting the Constitution and naming him vice president, they questioned how public figures ought to be honored, even for the most valuable services. There was a fine line between saluting and idolizing Lafayette. Some of the festivities, the publisher Hezekiah Niles observed, were "hardly to be restrained within the bounds of propriety — as if it would cause many to forget what was due to themselves and the general."

But tributes were due. Not only to Lafayette. Early Americans were well aware of a centuries-old adage that republics were ungrateful. In their vigilance over liberty, self-governing people were prone to forgetting their benefactors. Americans were determined to disprove the ancients.

To do so, Congress gave Lafayette, whose finances were in disarray, a gift of \$200,000 (about \$7 million today) and a township of land in Florida for his services in the Revolution. Other veterans, many of whom went without pensions, settled for the roar of the crowds as they stood alongside Lafayette. The dead were honored, too, as communities capitalized on Lafayette's visit to raise funds for building monuments to Revolutionary heroes. The inception of the largest of these is what brought Lafayette to Bunker Hill in the summer of 1825.

Drawing donations and spectators from across the country, the project was one of the first national memorials to America's fallen soldiers, a reminder of what they had died for: equality, representative government and popular sovereignty.

Though not the conclusion of La-



From left, Charles Ingham's 1825 portrait of the Marquis de Lafayette in Albany, N.Y.; a plaque commemorating the aristocrat's 1824 tour of the United States in Roxbury, Mass.

fayette's tour, Bunker Hill was the culmination. The granite obelisk begun that day, and finished in 1843, was a means of using history to provide civic instruction and emphasize union for future generations.

Here, Lafayette marveled at great advancements — a spreading population, rising arts and industry — made possible by the Revolution. "It surpasses my imagination," he wrote to a friend shortly after arriving in New York. But Lafayette took note of and made clear his displeasure where the ideals he fought for were suffocated.

"There is only one issue for which I am less resigned than ever," he wrote from New Orleans, "and that is slavery and anti-black prejudice." He admired what America had accomplished without pretending the revolutionary promises had been fully realized.

This is a useful aperture through which to view our current debates over history. A national narrative stressing successes fosters an important sense of civic pride. But only by examining its inconsistencies and mistakes can the Republic live up to its founding principles. That citizens feel passion-



PHOTOGRAPHS BY DAVID LA SPINA FOR THE NEW YORK TIMES

ately about their respective sides is evidence they still value the ideals fought for at Bunker Hill. And rather than mutually exclusive, the two approaches are linked and essential for shared understanding of the past.

After all, the resolution, often through incredible struggle, of seemingly intractable contradictions — like those that worried Lafayette — are among the greatest parts of America's story.

No Lafayette will appear to us today, but the story of his last service to America still offers timely reminders

to its citizens. Our rights must be exercised lest they atrophy, our institutions safeguarded, even when they frustrate our goals. Gratitude is owed those who won and protect both. Recollections of a common past can temper current passions, if we eschew the notion that American history is either all progress or all oppression.

RYAN COLE is the author of "The Last Adieu: Lafayette's Triumphant Return, the Echoes of Revolution, and the Gratitude of the Republic."

The Barbie backlash

FALUDI, FROM PAGE 10

Mr. Nolan's "Odyssey" comes to an awareness, banal though it may be, of the hero's moral peril. Matt Damon's Odysseus is guilt-ridden over his leading role in the destruction of Troy, a violation of xenia, Zeus's law of hospitality. In Homer's original epic, the reckoning is more existential. Odysseus tries to console the despondent ghost of Achilles, now in Hades, telling him the Greeks "honored you as a god" immortalized by brave deeds. Achilles retorts, "By god, I'd rather slave on earth for another man — some dirt-poor tenant farmer who scrapes to keep alive — than rule down here over all the breathless dead." It's a desire that Odysseus shares. When Calypso offers him eternal life if he will remain on her island, he refuses. He'd rather go home to his wife and family — and lead a mortal's existence.

That immortality offer disappeared from Mr. Nolan's script but was present in Ms. Gerwig's. In the finale, Barbie can't opt to remain a timeless toy in Barbieland, waking up forever in her Dreamhouse to her "best day ever." But she is determined to return to the real world, to become an ordinary adult woman with all the difficulty, messiness and mortality that implies. However convenient or trite such movie sentiments may be, they are instructive. They suggest there's another way to end the story. Can we free our civic life from heroic imperatives, return our governance to the humble and the human? The object of any healthy politics is not to win but to prosper. We are all soldiers in that quest, and none of us heroes.

SUSAN FALUDI is a journalist and the author of "Backlash: The Undeclared War Against American Women" and, most recently, "In the Darkroom."

CORRECTIONS

• An article on Aug. 21, "How Brazil is charting its own path," misstated Brazil's area ranking among nations. It is fifth, not sixth.

• An article on Aug. 20, "These protesters were charged with terrorism. Who's next?," misspelled the surname of a lawyer at the Center of Constitutional Rights. He is Shayana Kadidal, not Kadial.

Anthropic stole this from me

GRAEBER, FROM PAGE 1

For a writer like me, who spent about 14 years researching and writing two books that money is hardly life-changing. But in legal circles, it was considered a big win, four times the most common per-work penalty for illegal downloads.

For Anthropic, stealing was a smart business expense.

In 2021, Anthropic was a late but ambitious entrant to the A.I. race. Its goal, according to the fair use order in our case, was to create an artificial intelligence capable of writing that "an editor would approve of," and that consumers would pay for.

Such a chatbot couldn't be trained on mere tweets and trolls. It would need to mimic quality human writing at an industrial scale.

The Anthropic founder and chief executive Dario Amodei wanted to avoid the "legal/practice/business slog" of buying and licensing the books the company needed. Stealing was faster and cheaper. The price of virtue was deemed too high. Instead, the company is expected to be valued at \$2 trillion in its looming IPO, which would make it the largest in history.

But the problem of stolen material won't go away.

For many authors, it's potentially ruinous. And this is where an A.I.

famine could have its roots.

We had hoped our case would help confirm the protections of copyright in the age of A.I. and the rights of artists and creators to control their own work. And we hoped a judge would rule that our life's work, in whatever form, was not a free natural resource that could be taken against our will and used to compete with us, if not put us out of work.

The model collapse scenario threatens to wipe out whatever gains chatbots like Claude enjoyed from being trained on books in the first place.

That did not happen.

Another judge in the same California district court disagreed, pointedly calling the analogy between for-profit mimic machines and ambitious schoolchildren "inapt" and casting doubt on the ruling.

There will be other cases, and other judges with other opinions. This question is far from settled. It will be kicking around the courts for a long time.

Claude was built and may still be training on our copyrighted books. I'm not aware of any major A.I. companies doing otherwise.

For several years, authors have had

a sense that the harm caused by unlicensed training on books had a negative impact on their livelihoods. A working paper published this month looked at more than 14,000 books sold on Amazon between 2023 and March of this year, putting that harm into hard numbers.

The paper found that the book market has been increasingly flooded with A.I. slop that has financial implications for publishers and authors. The slop confuses consumers and may mess up best-seller lists. Increasingly, even "human-authored" books are contaminated with A.I.-produced material. For authors, "market dilution" by A.I. slop will result in loss of sales and income. It's bad and getting worse. The median income of a full-time author is about \$20,000. There's not much further to fall.

But sadly, it's the A.I.s that may suffer the most. A.I.s can't keep improving by training only on A.I. output. The model collapse scenario threatens to wipe out whatever gains chatbots like Claude enjoyed from being trained on books in the first place.

And fewer working authors mean fewer original, A.I.-free books. For a ravenous A.I. chatbot, this is a potential death spiral. For both authors and Anthropic, it's a future we should work together to avoid.

One day, hopefully, copyright protections will be extended to prevent the unlicensed training of A.I.s.

Until then, we live in a legal gray area, in which giant cash-rich corporations gorge freely on the rights of individual creators. The big ones will continue to eat the little ones unless the little ones can band together.

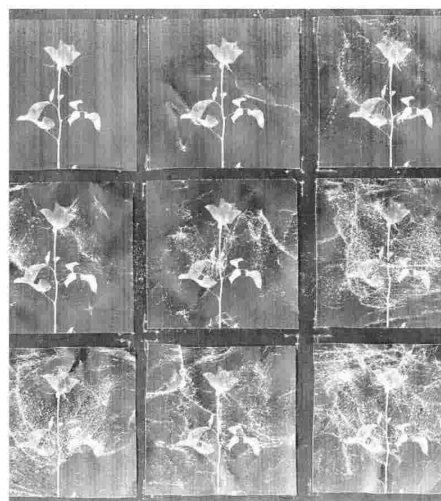
It's up to us to demand legislation extending copyright protections in the 21st century. Many members of Congress appear willing; property protections have appeal for both sides of the aisle.

Affirming those copyright protections to include A.I. might even force A.I. companies to hire human writers to create original works for their L.L.M.s to train on. Or perhaps they'll start spending their treasure like modern Medici, funding the quality work A.I.s need to stay sharp. At the very least, they might invest in publishing houses and writing programs, fending off model collapse while ushering in a Silicon Era of artistic enlightenment.

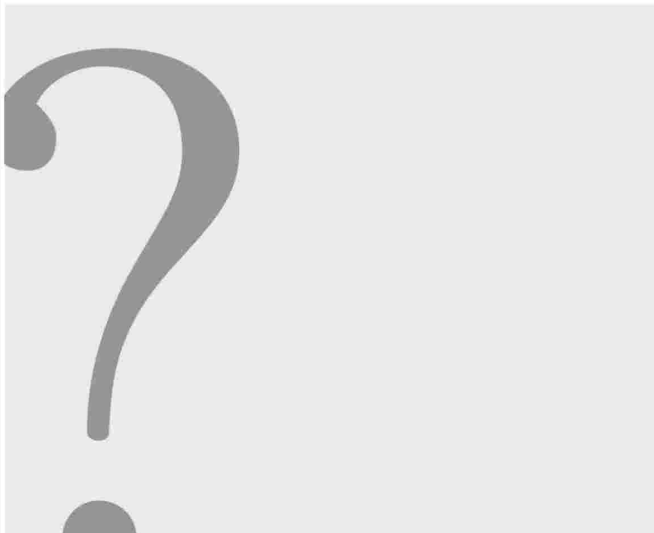
I worry for this generation of artists coming of age in yet another technological adolescence, on the brink of so many cultural and economic disruptions.

But I do not worry for the future of art itself. We will always need human mediators to translate the human experience and make the flesh word.

CHARLES GRAEBER is an author.



ANNA MALINA



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The New York Times

EDITORIAL

Practical use of humanoid robots the next frontier

The world has been captivated by the rapid evolution of robotics. From humanoid machines shattering athletic records to the intricate, precision-focused manoeuvres – whether kung fu fighting or playing tennis – in international competitions, we are witnessing a technological shift that transcends mere entertainment.

The recent spectacle of humanoid robot games in China, which captured global attention over the weekend, shows the speed at which innovation is advancing. Meanwhile, Hong Kong successfully hosted the Asia-Pacific Broadcasting Union Robocon 2026, the region's premier university-level robotics competition.

The nation is at the forefront of this technology, which increasingly combines robotics with artificial intelligence (AI). But the true measure of this progress lies not in these machines' performance for entertainment, but in their integration into the fabric of our daily lives.

The second World Humanoid Robot Games, held at Beijing's National Speed Skating Oval, has transformed from a mere curiosity into a rigorous laboratory for testing the boundaries of machine autonomy. With over 2,000 robots competing across 51 events, the scale of this competition suggests we are witnessing the dawn of a new era in embodied intelligence.

The Tien Kung robots have effectively dismantled human benchmarks, finishing the 400-metre race in 38.15 seconds – crushing the human world record of 43.03 seconds – and clocking a 100-metre sprint at 9.39 seconds, outpacing human record-holder Usain Bolt. These machines are demonstrating agility and speed that command serious attention.

However, the games also provided a necessary reality check. The chaotic nature of the football matches, where robots collided with teammates, shows we are still in the early, messy stages of robotics development. These machines are operating at their limits, and the margin for error remains razor-thin.

Behind the spectacle lies a critical engineering challenge. As competition shifts from remote control to full autonomy, high-speed, continuous networks like 5G-advanced have become indispensable. Furthermore, the power demands of combining movement with on-board AI computing are pushing battery technology to breaking point. As Huawei Technologies executive David Li noted, this energy bottleneck is driving a shift towards cloud-based processing, making robust network connectivity the backbone of the next generation of humanoid innovation.

The Hong Kong competition, which showcased the ingenuity of 16 university teams, was more than just a display of skill. The theme, "Kung Fu Quest", demanded that robots demonstrate precision, tactics and strategic cooperation – qualities that are essential in the real-world deployment of automation. It was heartening to see Hong Kong's students secure top honours and demonstrate that the city remains a formidable centre for nurturing young talent and hi-tech innovation.

However, the event should also be viewed through the lens of governance and efficiency. As Financial Secretary Paul Chan Mo-po has rightly noted, the application of AI and robotics must extend into government services and public infrastructure. We are already seeing the benefits of this, from specialised machines assisting in disaster response, such as flood and typhoon management, to the broader push for AI integration across various administrative functions.

There is a basic lesson from both the global humanoid games and our local Robocon success: technological marvels with practical application. New competitions included not only table tennis and kickboxing but scenario-based events to cover tasks in industrial production, hotels, homes and logistics.

We must pivot from the novelty of manufacturing robots to the strategy for their deployment. For Hong Kong to maintain its competitive edge as an international innovation hub, we need to translate these technological breakthroughs into practical solutions that improve governance, boost efficiency and enhance the quality of life for people.

The future of technology lies not just in what robots can do but in what they can help us achieve together. Advances on the mainland are helping to position Hong Kong to take advantage of intelligent machines that will define the coming decades.

The future is already automated.

South China Morning Post

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Asimov's Foundation resonates in the AI era

Social engineering: why Elon Musk, Nobel Prize winners and cult leaders are all obsessed with the science fiction masterpiece 75 years after it was published

Elon Musk called it a fundamental catalyst for SpaceX. Nobel laureate Paul Krugman credited it with shaping his career. Newt Gingrich made it required reading for his congressional staff, and even Japanese cult leader Shoko Asahara was reportedly inspired by it.

Isaac Asimov's *Foundation* was published as a book series 75 years ago this week, and it has lost none of its relevance or poignancy today. Unlike Frank Herbert's *Dune*, which is evocative, poetic and elegantly composed, Asimov's style was functional, unadorned and populated by stock characters. However, *Foundation* remains a seminal masterpiece of science fiction because of its conceptual ideas and philosophical daring.

In the twilight of a once-mighty Galactic Empire, mathematician Hari Seldon develops "psychohistory", a revolutionary science that uses statistical mechanics (big data) to predict human behaviour and social development.

Realising the Empire's collapse is inevitable and will plunge humanity into tens of thousands of years of dark ages, Seldon creates a master plan to keep the flame of civilisation alive, shortening the coming anarchy to a single millennium. Under the guise of compiling all human knowledge into the *Encyclopedia Galactica*, Seldon establishes the First Foundation on a bleak planet at the outer edge of the galaxy.

Lacking natural resources, the First Foundation nonetheless thrives on the strength of innovation – specifically its monopoly on miniaturised nuclear power. Over centuries, it navigates a series of political and social crises predicted by Seldon, known as "Seldon Crises". Combining technology, economic leverage and an advanced military, the First Foundation steadily shepherds and coerces its larger, technologically backward neighbours towards galactic unification.

The plan is nearly shattered by the arrival of the Mule, a charismatic mutant with hypnotic mind-control abilities. Because psychohistory relies on mass statistics, it fails to account for a

single unpredictable individual capable of subjugating millions of followers at will. The Mule effortlessly conquers the First Foundation, proving that technological and economic dominance are useless against mental manipulation.

The galaxy is saved only by the mysterious Second Foundation – a hidden group of telepaths Seldon secretly established as the ultimate guardians of his plan. Using "mentals" – a blend of telepathy, emotional manipulation and cognitive control – these caretakers subtly steer history from the shadows. Their masterclass in psychological warfare neutralises the Mule and convinces the First

“The world witnessed the darker side of that theory with the rise of Adolf Hitler

Foundation that the mentalists have been destroyed. By appearing defeated, the Second Foundation preserves its anonymity, continuing to secretly guide humanity towards a restored empire.

When Asimov began writing *Foundation* 85 years ago, he was capturing the cutting-edge intellectual currents of his era: mathematical determinism, the quantification of social sciences and the rise of central planning in governance.

Economists such as John Maynard Keynes argued that macro-level human behaviour could be managed through top-down intervention, while Jan Tinbergen and Ragnar Frisch were building the first econometric models. Seldon's psychohistory was essentially macroeconomics and public administration pushed to their absolute logical extreme – individual chaos smoothed out by the predictable behaviour of billions.

At the same time, Asimov also foresaw the limits and dangers of this naive optimism. The Second Foundation served as an allegory for covert social engineering, arriving just as mass media technologies such as radio and television entered everyday life.

Edward Bernays, nephew of Sigmund Freud and father of modern public relations, argued in his 1928 book *Propaganda* that an "invisible government" must consciously manipulate the subconscious minds of the masses to maintain democratic stability.

The world witnessed the darker side of that theory with the rise of Adolf Hitler and totalitarian propaganda in the 1930s. Today, algorithmic micro-targeting, data mining and behavioural profiling enable social engineering on a scale of which Bernays could only have dreamed. Deepfakes, voice cloning and AI conversational agents have made psychological manipulation faster, cheaper and harder to detect. The Second Foundation reflects this "deep state" concept – an unseen elite that ensures the masses remain the illusion of free choice while subtle interventions guide them towards a predetermined outcome.

Most intriguingly, in the later sequels, Asimov merged his Robot and Foundation universes into a single grand narrative, bringing artificial intelligence to the centre stage. It is revealed that an ancient robot has been the ultimate puppet master for more than 20,000 years, quietly orchestrating human destiny. Seldon's plan was actually an instrument of AI control.

Centuries before the Foundation was established, human society developed a deep, subconscious fear of AI. Banned by the Three Laws of Robotics – which strictly prohibit harming humans or allowing them to come to harm through inaction – robots realised that protecting humanity from its own self-destruction required covert manipulation. To fulfil their prime directive, the machines retreated to the shadows, initiating a multi-millennial era of "benign" mind control that built the very fabric of human history.

Chow Chung-yan is editor-in-chief of the South China Morning Post



Chow Chung-yan

Rehabilitation is key in drug cases

As Hong Kong grapples with drug addiction, it must prioritise rehabilitation over deterrence.

Hong Kong has long boasted a deterrent approach. According to Section 8 of the Dangerous Drugs Ordinance, mere possession or use of a dangerous drug can mean up to seven years in jail. Unlike New York, which legalised personal cannabis use in 2021, cannabis remains illegal in Hong Kong. Indeed, Hong Kong remains one of the few common-law jurisdictions which use a strict mathematical approach in sentencing drug trafficking offences.

Still, deterrence fails to address the multi-factor nature of drug offending. Neighbourhood poverty, unemployment and psychiatric challenges loom large. Although anti-drug campaigns – such as the recent anti-atomidate campaign starring Aaron Kwok – are laudable, they are woefully insufficient, especially for those who use drugs to ward off disruptive hallucinations or smuggle them to stay financially afloat.

I handle numerous drug cases as a criminal defence lawyer in New York. I represent clients at several of the 141 "drug courts" within the state, including specialist "opioid courts" which have been dubbed "problem-solving" courts. Eligible defendants – for example, those with no history of violent convictions – are offered the opportunity to undergo court-based screening for a treatment

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programme. Interviews are conducted by court-appointed medical professionals. They proffer clinical recommendations, such as whether screened defendants should receive in- or outpatient treatment. Interested defendants need not confirm their participation until they have attended an orientation session.

The treatment programme features an extended period of supervision. This assuages public safety concerns. Defendants may be required to submit regular urine samples, attend group or individual therapy sessions and work with medical specialists on their health issues. They are dissimilar to Hong Kong's addiction treatment centres, which are significantly curtailed by logistical constraints. Defendants can also maintain their professional commitments, thus easing their reintegration into society.

Nevertheless, they must attend court periodically for their progress to be appraised. Specialist judges recognise the risk of relapse. Instead of chastisement, they offer practical solutions for ameliorating compliance. Court formalities are

often eschewed in favour of direct interactions between judges and defendants, creating a collaborative atmosphere. In exchange for programme completion, the sentence gets drastically reduced. This improves employment outcomes.

Drug offenders are not villains. They are injured souls deserving of compassion. How we treat them speaks volumes about our society.

Alexander Clevedwood Ng, New York

Rules for dogs must be stronger

Recent dog attacks in Hong Kong have highlighted a public safety problem that can no longer be ignored. Just last week, a large unleashed dog in Yuen Long killed two small pet dogs within 20 minutes. The same dog was involved in an earlier attack on another dog a month before. Even more alarming, a 33-year-old

woman was fatally attacked by a large dog while working at a licensed pet boarding facility in Ta Kwu Ling.

The issue is not that dogs are inherently dangerous; rather, too many are inadequately trained, improperly supervised or allowed to roam without leashes in public spaces. Parks, pavements, housing estates and workplaces should not become places where residents fear for their safety.

The time for action is now. Existing leash regulations must be rigorously enforced, with all dogs kept on a leash no longer than two metres in public areas. Dogs with a history of aggression and certain large breeds should be required to wear muzzles in crowded places. First-time owners should be required to put their dogs through mandatory training in obedience and socialisation before obtaining a licence, while licence renewals should require proof of responsible ownership.

Penalties for negligence must also be strengthened, including substantial fines and suspension of ownership rights when dogs cause injury or death. Public education campaigns, better reporting systems for dangerous dogs and more designated dog exercise areas could further reduce risks while promoting responsible pet ownership.

By combining stronger enforcement, better education and greater accountability, Hong Kong can ensure its streets and public spaces remain safe and welcoming for the two-legged and four-legged.

Adeoti Joy, Yuen Long



Recent incidents with dogs in the city have led to calls for better regulation.

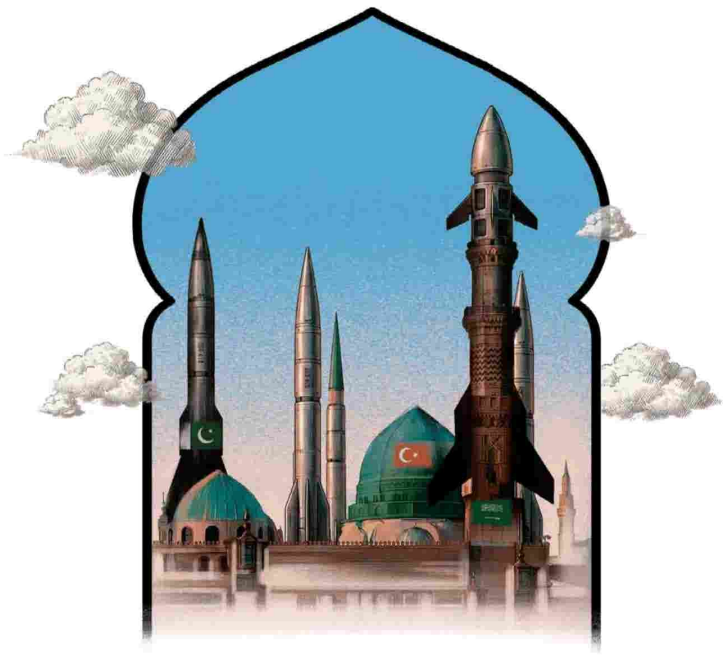


Illustration: Victor Subijez

Mecca pact: first move in a Middle East shift?

As the security agreement shakes up strategic calculations for the United States, China and Russia, a regional order shaped by regional states is no longer unthinkable

The Mecca security pact between Saudi Arabia, Turkey and Pakistan stipulates that an armed attack against one shall count as an attack against all three. Yet the real message is directed at the United States: if being an American ally offers no immunity against attack, there is little point in waiting for Washington to honour its security guarantees.

That there has been no official White House statement casts some doubt on whether Donald Trump is really "very happy to see that Saudi Arabia, Turkey and Pakistan have recently, and finally, signed the Mecca Joint Defence Agreement", as the US president wrote on social media. "It shows that the Middle East is coming together and how countries will finally be able to defend themselves in a more meaningful way."

Superficially, the needs of the three nations are complementary: wealthy Saudi Arabia lacks military capacity, Turkey harbours ambitions across Eurasia and nuclear-armed Pakistan seeks financial support. Their strengths fit neatly together, cemented by a shared Sunni faith.

But it is too early to argue that the Middle East is coming together. The concept of "middle power" may be in vogue after Canadian Prime Minister Mark Carney called for middle power solidarity amid great power rivalry in his landmark

however, exposed the hollowness of that ambition, as European security still fell back on American leadership and Nato's military umbrella.

Besides, eroding US influence in the region runs counter to Israel's interests. Even if Washington were inclined to step back, Tel Aviv would go to great lengths to drag it back into the fray and cling tightly to its American backing – notwithstanding the fact that Israel's killings in Gaza have shifted public opinion across sizeable segments of the US population, including young Jewish communities.

Beijing has not issued a formal statement on the pact either. It should view the agreement with cautious approval. China has a long-standing preference for locally led security frameworks and supports regional powers in assuming greater responsibility for their stability. The pact complements its push for common and comprehensive security.

In recent years, as China's clout has grown, voices have increasingly called for Beijing to step in as a security guarantor. Voices are strongest in the Middle East, in part because China is the only major power that has friendly ties with all nations in the region, including Israel.

But this diplomatic balancing act was sustainable partly because regional powers did not have acutely hostile relations with one another before the Gaza war. Should armed conflict erupt, China would find itself squeezed between opposing sides asking for support – a parallel to its predicament over the Russia-Ukraine war.

Russia's role in the Middle East has shrunk, but it is far from being pushed out of the picture. Ukraine-related obligations have tied down plenty of its energy and other resources, yet Moscow can still sustain its foothold, drawing on long-established diplomatic ties, technical military cooperation with Iran and residual military and political assets in Syria. Although it lacks the capacity to steer major regional events or launch bold new initiatives, Russia can still serve as a secondary diplomatic broker and keep up modest weapons sales.

How far can the pact realistically go? The catch is who, exactly, would invade any of the three. Israel functions as a shared threat more than a direct foe, yet an Israeli military strike against any member is hard to imagine. Israel has no

cause to attack Pakistan or Turkey – both are American allies as well. And before the Gaza war erupted, Saudi-Israeli normalisation was almost within reach.

The pact is unquestionably bad news for Tehran: it unites the three most powerful Sunni states, a dynamic that naturally bodes ill for Shiite-led Iran. Backing proxies like the Houthis and Hezbollah will also become more costly. Yet if even Washington cannot make Iran bend, no regional power will dare launch a direct military assault

“Should armed conflict erupt, China would find itself squeezed between opposing sides”

against Tehran. Conversely, Tehran is highly unlikely to start an open war against any Mecca pact member – its doctrine rests on asymmetric leverage and proxy power, rather than territorial invasion.

India, which regards Pakistan as its primary regional threat, will frown on the deal too. With Pakistan now backed by two of the most powerful Muslim nations, New Delhi will have to factor in potential pushback from Saudi Arabia and Turkey when planning military operations in Kashmir. The pact is particularly awkward for India given its traditionally close economic and energy ties with Saudi Arabia, one of India's largest oil suppliers. Turkey, meanwhile, has long been an outspoken supporter of Pakistan on the Kashmir issue.

The pact so far is a straw in the wind – but could it be the first move in a tectonic shift? Throughout its modern history, the region has served as a geopolitical chessboard for external powers. Today, great powers command far less ability to dictate regional outcomes than they did a generation ago. A regional order shaped by regional states is no longer unthinkable.

Senior Colonel Zhou Bo (ret) is a senior fellow at the Centre for International Security and Strategy at Tsinghua University and a China Forum expert



Zhou Bo

African nations know who the true friends are

China's long engagement across the continent stands in contrast to the US approach driven purely by utility

The gaffe at last month's Aids 2026 conference in Rio de Janeiro, where a US State Department presentation displayed a map of Africa with every country mislabelled, serves as more than a source of embarrassment. It was a symbol of the distance between US rhetoric and its real stance regarding the African continent.



Alex Lo

Earlier this year, Nick Checker, a senior US State Department official, spoke of "resetting" US relations with Africa, pivoting away from dependency and towards mutually beneficial partnerships. Yet, as the mislabelled map suggests, the actual engagement often feels disconnected, chaotic and transactional.

Washington's policies towards Africa have long been a study in contradiction. While American officials try to put the focus on what they call China's debt traps, the US often pursues a policy defined by punitive tariffs, restrictive visa policies and selective interventions.

Whether it is feuding with regional powers such as South Africa, intervening in their domestic affairs, or remaining largely silent on humanitarian crises, the US approach usually prioritises strategic utility over partnership. This pattern echoed throughout the Cold War era. Washington's support for many brutal and corrupt regimes was often dictated by narrow geopolitical interests rather than the aspirations of African citizens, and this continues to this day.

Contrast this with the recent history of China's engagement. The results are visible in the roads, railways, ports and telecommunications infrastructure that are reshaping African economies. In Nigeria, struggling farmers are benefiting from a high-yield rice strain called Gawal R1. In the Democratic Republic of Congo, Beijing has provided rapid medical aid to contain an Ebola outbreak.

According to a youth survey of 16 countries by the South Africa-based Ichikowitz Family Foundation, 95 per cent of respondents aged 18 to 24 viewed Beijing as an ally. This sentiment is mirrored in Pew Research Centre data, which charts a steady decline in favourable perceptions of the United States alongside an increase in support for China.

This shift is not limited to physical infrastructure. In the digital realm, African tech users are bypassing American services in favour of Chinese artificial intelligence (AI) models. These systems offer greater customisability and lower costs, supported by Chinese firms that provide the computing power and know-how necessary to integrate with local needs.

By establishing government-focused data centres and international AI pacts, China is securing a technological foothold that US firms, too focused on high-cost, proprietary solutions, have failed to capture.

Economic pragmatism is also driving this divergence. As trade between Africa and China expands, the yuan is rapidly becoming a major trading currency. Financial institutions across the continent are integrating with China's Cross-Border Interbank Payment System to facilitate direct settlements, while nations such as Libya explore issuing panda bonds to fund reconstruction.

Large lenders such as Johannesburg-headquartered Standard Bank are moving to reduce reliance on the US dollar, viewing these ties as a necessary strategy to build alternative financial infrastructure and hedge against the volatility of US-led sanctions.

The US has long viewed Chinese activities in Africa through its own neo-imperialist lens. While Washington exploits the continent when necessary and ignores it at other times, Beijing has consistently maintained deep partnership, cooperation and aid, almost since the modern nation's founding in 1949.

The Asian-African Conference in Indonesia in 1955, better known as the Bandung Conference, marked a major milestone, allowing China to break out of Western isolation and build ties across Asia and Africa. Under Mao Zedong, Beijing gave ideological and material support to the decolonisation of Africa, helped unite anti-colonial leaders and advocated for national sovereignty.

Premier Zhou Enlai used the summit to present China as a peaceful, reasonable leader by laying down the Five Principles of Peaceful Coexistence. Beijing never looked back. The strong ties forged with newly independent states helped China take its seat from Taiwan at the United Nations in 1971.

The Bandung Conference effectively launched the Non-Aligned Movement of newly independent nations. As China grew wealthy, those developing economies received sustained and continuing support. The US, by contrast, was unmitigatedly active, especially during the Cold War, in attempting to subvert social-democratic governments and movements in Africa, all the while exploiting its natural resources.

Good international relations are built on presence, consistency and tangible results. While the US grapples with mislabelled maps and ideological grandstanding, China has been building the infrastructure of the future in partnership with African nations. It is time for observers to stop asking who African nations align with and start listening when they tell us who they believe their friends truly are.

Alex Lo has been a South China Morning Post columnist since 2012, commenting on China and international affairs. He is also a member of the editorial writing team

“Neither Pakistan nor Turkey, plainly middle powers, are strictly Middle Eastern countries”

Davos address. Yet neither Pakistan nor Turkey, plainly middle powers, are strictly Middle Eastern countries, despite ambitions to extend their influence.

And the major powers will not walk away. America's role in the Middle East might shrink in the long term but a new regional security architecture is unlikely to be short of its presence. The European Union, for instance, has talked about strategic autonomy for over a decade. The Ukraine conflict,

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EDITORIALS

Data centers should lower homeowners' property taxes, not raise them

More people would accept a nuclear power plant in their community than a data center, according to recent Gallup polling. Who would have predicted that even five years ago?

The facilities needed to power the rise of artificial intelligence as well as to allow us to continue our collective smartphone addiction are wildly unpopular.

And yet even as they draw bipartisan fire, data centers are a fact of modern life. Given that, it'd be best for the public to make — and get — the most of them.

The trouble is, while data centers elsewhere have led to property tax relief, in Cook County we've been giving many of them preferential tax treatment even as homeowners' bills continue to go up.

Consider the headlines on data centers and property taxes in Loudoun County, Virginia, versus Cook County.

In Loudoun County, referred to sometimes as "Data Center Alley" as a nod to its more than 250 data centers, the industry is expected to generate \$1.3 billion in tax revenue next year. With this boon has come a downward trajectory of residential property tax bills, which have fallen by about 30% over the past decade, according to The New York Times.

You can argue about the tradeoffs, but you can't argue with the math.

Loudoun has found a way for a huge data-center industry to generate enormous local revenue and homeowner tax relief. Cook County should examine why its own structure is producing such a different outcome.

Cook County is much larger than Loudoun County in both population and land. We have far fewer data centers — just over 100, with more planned.

That's not nothing. Northlake, a small western suburb, is home to multiple data centers,



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including the largest such facility in the whole state. That burg's experience, however, is nothing like Loudoun County's.

Northlake's total residential property tax bill went up 13.3% in tax year 2025 compared with the previous year, according to a new report from Cook County Treasurer Maria Pappas.

It didn't have to be this way. Tribune and Illinois Answers Project found that the average Northlake homeowner would save more than \$2,000 on their annual tax bill — a difference of almost 30% — if local data centers did not receive valuation reductions and incentives, according to their analysis.

It's true that data centers in Cook County still pay property taxes. But while homeowners are watching their bills climb, many

of these data centers enjoy tens of millions of dollars in property tax savings. Tribune and IAP reporting found that data centers received nearly \$100 million in combined property-tax savings from two sources: county tax incentives and reductions in their assessed valuations upon appeal.

One of those incentives is Cook County's Class 6b program, a decades-old economic-development tool intended to encourage industrial investment. Class 6b allows the county to offer qualifying industrial properties substantial property tax relief by reducing assessments over a 12-year period. Data centers have been allowed to qualify for that industrial subsidy.

Cook County thankfully now appears to recognize that its incentive system

needs updating, and there's a natural deadline for doing so: The provisions governing Class 6b and several other county incentives expire at the end of 2027 unless the Cook County Board renews them. The county has commissioned independent studies of its economic development incentives and signaled interest in reform; its own analysis found that these incentives remove 11% of Cook County's commercial and industrial property value from taxation.

That brings us to the obvious question: Why are we using a decades-old industrial-development subsidy to discount the property taxes of one of the hottest and wealthiest industries of 2026 while homeowners' bills keep rising?

At the state level, Gov. JB Pritzker in June announced

a pause on new state tax-incentive agreements for data centers. The county should take a page out of the governor's book.

Pappas pointed out that "residential taxes in the north and northwest suburbs increased at a pace more than triple that of the inflation rate." Some of this comes from referendums "approved in off-year elections by an average of one in five eligible voters," as Pappas puts it.

But that hardly accounts for the entire increase; not every municipality approved tax-hike referendums. Given that overall property taxes in Cook County have risen for 32 years to Pappas, it behooves local officials to make sure the pain is divided equally. (It also behooves them to figure out ways to cut costs,

but that's another story.)

We live in a state in which lawmakers balked at giving the Chicago Bears "property tax certainty."

Why, then, are local officials handing over tens of millions of dollars in incentives to data centers?

Of course, it's obvious why local officials felt compelled to make this decision. It's the same reason the Bears called for property tax relief as part of the deal to come to Arlington Heights.

They argue that because of Illinois' extraordinarily high property taxes, these developments never would've happened without subsidies.

But some commercial developments are of greater public value than others. There are some investments — particularly those that create family-sustaining jobs over the long haul — for which tax incentives are well justified.

As we've stated more than once, states live in a competitive world. In cases where an impactful new factory or business is being wooed by multiple jurisdictions, Illinois and its local governments absolutely should seek to put competitive packages on the table.

Data centers simply aren't in that category. Not anymore. A few years ago, the data center industry could effectively pit states against each other and thereby win incentives. Now they are anathema in many parts of the country. We're seeing localities that open their doors to data centers experience intense blowback from constituents, in Republican as well as Democratic areas.

Parts of Chicagoland are attractive to data center developers due to their access to broadband, water and energy resources, among other attributes. These projects should be considered on their merits. And, at a bare minimum, they should alleviate the tax burden where they're located, not exacerbate it.

Football is America's game. Its players deserve better protection

The opening of another season of college football and the NFL are right around the corner, and like most of you we are excited for what's to come.

Football is an incredible game, combining skill, speed, strength, violence and (perhaps most underrated) the task each and every play of having 11 men working in concert to run or pass the weirdly shaped ball forward while 11 men on the other side of the line of scrimmage work in concert to prevent any such advancement.

So as we wax enthusiastic about this American rite of fall, here comes The New York Times to prick our consciences with an important story on the brutal physical toll this game takes on those who

play it professionally. Of all 2,079 former NFL players known to have died between 2008 and 2021, 16.6% had been diagnosed with chronic traumatic encephalopathy, the degenerative brain condition better known as CTE, according to a new study.

The prevalence surely is far higher. About one quarter of the 878 former players who died between 2016 and 2021 had CTE, based on actual examinations of brains from 235 athletes. Of those 235, a mind-boggling 215 were positive for CTE, meaning that at minimum 25% of the 878 who passed away in that period had the disease. The actual percentage may be considerably higher, researchers from Boston University, Mass General Brigham and

UNITE Brain Bank, among others, concluded.

This brain disease is tied to dementia and other cognitive disorders. The clear cause of so much CTE in football players is the repeated blows to the head suffered while playing the sport.

The physical price professional football players pay has been well-known for years. You will frequently see former players quoted as saying they would do it all again, even as they walk with limps and suffer lingering joint pain. But degenerative brain disease is hardly in the same league as limited mobility and former players are growing more vocal about the issue. As they should.

Fans should care, too. We're complicit in allow-

ing an unacceptable risk to player health to persist if we don't join the players in demanding the league do everything possible to make the game safer. By its nature, football never will be "safe" per se, but there are steps available to better protect players.

Indeed, the NFL has taken some important ones in recent years, an era in which most if not all of the players who were examined for CTE did not play. The league has instituted concussion protocols and sharply penalized injurious actions like helmet-to-helmet tackles, for example. Helmet technology has improved as well, with some players using specialized guardian caps that are said to reduce impact by about 10%.

Will these steps reduce the incidence of CTE in the future? We hope so, for the sake of the players and the game.

What's clear from this alarming study, though, is that the league can't stop here. There must be continuous striving for improvement, whether in the rules or in equipment technology. And while those are underway, the NFL must be fully transparent with the public and most of all with players and their families about the state of current research so that they can make informed judgments about whether the rewards of a pro football career are worth the cost.

As to those who grumble that the game has gotten "soft" or rules designed to

protect players are "ruining" the game, that point of view should be firmly rejected. And players who retire in their prime, as Bears center Drew Dalman did during this past off-season, ought to be held up as positive examples. Perhaps shorter football careers will allow players to lead long, healthy lives; we won't be surprised to see many more follow in Dalman's footsteps.

Year after year, football is an enthralling spectacle. There's a reason no other professional sport comes close to the NFL in terms of cultural dominance.

But, as hegemonic as the NFL is, we shouldn't tolerate this level of occupational hazard in what, after all, exists for our entertainment.

ON THIS DAY 56 YEARS AGO A PLAN TO SAVE CON-CON

Proposed constitutions have been rejected by the voters in several states, largely because opponents of various features joined forces to work against the new charters. Delegates to the Illinois Constitutional Convention were warned of this danger ... and they were advised to submit every controversy, no matter to the voters separately. Now the convention, nearing its end, finds itself caught in the trap which all its well wishers hoped would be avoided.

Two highly controversial issues—single member districts for state representatives and continuation of judicial elections on a political basis—are to be submitted separately, but they are also in the main constitutional document. ...

Both of these opposition groups know that the main document is likely to get more votes than the separate submissions. They may hesitate or refuse, therefore, to

support the main document. ...

Added to these handicaps for the proposed new constitution are the widespread distrust of government, resentment against high taxes, and fearfulness of change at a time of unsettled social conditions. ... Unless something is done to remedy these faults, the active opponents of the proposed new constitution are likely to be victorious. ...

Obviously it is now too late to rewrite the document. It is not too late, however, to make some changes. ... Samuel W. Witmer, president of the convention, has suggested these steps:

Take out of the main document the provision requiring the election of State House members from single member districts.

Take out of the main document the provision for the continuation of judicial elections on a political basis.

Revise the separate submission proposals so that these two questions will be offered as amendments to the present constitution, as well as provisions of the proposed constitution.

... There are arguments on both sides of these key questions. THE TRIBUNE favors the present cumulative voting system for House members so that minority representation can be assured in all parts of the state. We favor the merit selection plan, not because we think it would be perfect, but because it would improve the quality of our judges. ... Now is the time to let the people vote and decide what they want.

... The convention should get itself out of the trap which threatens to make all its labors useless.

Tribune editorial board, Aug. 26, 1970

OPINION

Will he run again? Johnson has the luxury of waiting to decide



Laura Washington

Will he, or won't he? What does he hope to gain by delaying his decision? Those questions have put Chicago's political class on tenterhooks.

We all want to know: Will Mayor Brandon Johnson decide to run for a second term?

Petitions have been out on the streets for weeks. There are nine candidates looking to win the February 2027 election, but so far, the mayor isn't one of them.

For weeks, reporters have been asking "are you in?" For weeks, Johnson has been answering that he will decide "soon." It's getting late.

What does Johnson hope to accomplish by dragging his feet? After all, he's not an NFL receiver trying to stay in bounds.

Some observers roll their eyes and opine that Johnson doesn't have a chance of winning, so why should he bother to put himself through the wringer?

When reporters prodded him at a press briefing late last month, Johnson replied, "as much as I know, there's this hurry to get to February. I'm in no rush, right? I don't have a reason to be in a rush."

Indeed, as an incumbent, Johnson has the luxury of waiting.

Instead, he touts his administration's "progress," and noted, "As I've repeated on multiple occasions, there's no mayor in modern history that can ever say that they oversaw the city at a time in which our economy is growing and violence is going down."

As the only true progressive in a crowded contest, he does have a clear lane forward. As an African American contender, it's another story. If past electoral history bears out, the businessman and philanthropist Willie Wilson will likely capture as much as 10% of the vote, largely from African Americans. That will come out of Johnson's hide, and it could be consequential.

Johnson's critics argue the mayor has lost credibility on the managerial and competence side of the equation. His activist base, however, strenuously posits that he's making progress in bringing down crime and addressing social



Mayor Brandon Johnson walks through Chicago City Hall on June 16 before a media briefing. BRIAN CASSELLA/CHICAGO TRIBUNE

Don't count him out. It's a long way from February. He has the time and bandwidth to get his most committed voters out to put him in a runoff.

and economic inequities.

Still, Johnson is buffeted by challenges. Police Superintendent Larry Snelling retired after a celebrated run, leaving the Police Department up in the air. Bally's Chicago, the company that is building the \$1.7 billion casino complex in River West, is on shaky financial ground. The Chicago Public Schools system is strapped for resources.

At the end of June, Johnson's political campaign fund reported just \$631,309 available, according to state records. A leading mayoral aspirant, Illinois Secretary of State

Alexi Giannoulis, boasts a \$22 million-plus war chest.

The Chicago Teachers Union is mired in a battle with the Service Employees International Union, a once-staunch ally. Both unions donated heavily to the mayor's first campaign, but they may not have a unified front this time. CTU will be forced to fight on two fronts, the local school board elections and the mayor's contest, a major tactical and financial disadvantage.

Yet, the sharpest political observers are presuming Johnson will give it another go.

It's incumbency. Johnson is keeping the focus on "the mayor," not the mayor's race. As the best known of the contestants, he can use his bully pulpit to cheer on his agenda.

His path is narrow. Just 13.6% of Chicago voters said they want Johnson to run again, according to a poll commissioned by the University of Chicago's Mansueto

Institute for Urban Innovation. The survey, taken in mid-June, found that 58% of respondents are not excited by another Johnson campaign. Johnson's job approval rating had dropped to 23%, compared with 25% last December.

Don't count him out. It's a long way from February. He has the time and bandwidth to get his most committed voters out to put him in a runoff.

This wait-and-see moment reminds me of years ago, when a certain two-term mayor appeared to be gearing up for a reelection campaign. It was September 2018. The fall election season had arrived.

Rahm Emanuel was facing stiff headwinds, including criticism for closing dozens of Chicago schools and mental health clinics. There was his alleged, notorious role in a cover-up of the police murder of Laquan McDonald. Those controversies haunt him to this day.

But he was still feared and powerful. The sharpest political observers presumed he would give it another shot.

Then one sleepy morning, the day after Labor Day, Emanuel called a City Hall press conference and dropped a bombshell. He would not run for reelection. That blew the campaign wide open and paved the way for the election of the then-little known Lori Lightfoot.

Was Emanuel just tired of the massive challenge of running Chicago? Or was he hedging his bets and getting out while he was still on top?

Brandon Johnson is not Rahm Emanuel.

Laura Washington is a political commentator and longtime Chicago journalist. Her columns appear in the Tribune every other Wednesday. Write to her at LauraWashington@gmail.com.

Chicago's fiscal crisis is a growth crisis

By Stuart Loren
SPECIAL TO THE TRIBUNE

As the race for Chicago's next mayor takes shape, city finances are top of mind. Revenue for 2026 is falling short of projections and, in recent weeks, the city's budget director and acting chief financial officer resigned just as Chicago heads into the 2027 budget season facing a projected \$1.16 billion deficit and growing pension pressures. Meanwhile, our credit sits on the precipice of junk, with negative outlooks from three of the four major rating agencies. The city's fiscal problems are cascading from one crisis into the next.

Predictably, the mayor and his allies offer a familiar diagnosis: insufficient taxation — on corporations and the wealthy not paying their "fair share." Perhaps they are unaware Illinois imposes a 9.5% corporate income tax rate, one of the highest in the nation. Or that on an index of six major state and local tax categories — spanning sales, property and income taxes — Chicago ranks first overall among the 25 largest U.S. cities, leading both the resident and business categories.

The truth is that if higher taxes were the answer to the city's financial predicaments, we would have already solved them. Instead, taxes distract from the underlying cause — and arguably contribute to it. The city's fiscal problems and much of its political dysfunction are downstream of its horrendous economic growth record.

Let's review some rather depressing data. Since 2002, my analysis shows economic growth in Cook County — the closest official proxy for Chicago's economy — trailed the broader U.S. in 20 out of 23 years, growing 1% annually in inflation-adjusted real terms versus the nation's 2.2%. The gap narrowed under Mayor Rahm Emanuel but never closed. The city has trailed the nation under



Pedestrians cross the Wells Street Bridge over the Chicago River with a skyline view on June 7. BRIAN CASSELLA/CHICAGO TRIBUNE

every mayor from Richard M. Daley onward. Compounded, the U.S. economy grew 64% over that stretch. Ours grew only 25%.

Had Chicago merely matched the national average, our economy would be one-third larger today. That missing output, which amounts to \$173 billion per year as of 2024, is the investment, jobs and dynamism that give residents and businesses the opportunity to prosper, improve the local quality of life and — critically for city finances — generate a healthy tax base.

Just how much would that healthier tax base have delivered? To estimate the budget effect, I modeled how Chicago's major taxes respond to growth, using sensitivities calibrated to leading public-finance research. For instance, for every 1% increase in the economy, sales tax revenue rises 0.85%, utility tax revenue

0.35% and transaction tax revenue 1.2%. Had Chicago kept pace with the national economy, it would have collected about \$1.1 billion more in nonproperty taxes in 2025 — nearly the size of next year's projected budget gap. A larger economy also could have supported roughly \$570 million more in property taxes while keeping the city's levy at its 2025 share of the economy.

In the absence of stronger growth, Chicago has repeatedly turned to higher taxes. The sustained climb in new taxes and higher tax rates began after 2014. Since then, the city's property tax levy has nearly doubled, from \$930 million to \$1.8 billion. The combined sales tax rate confronting Chicagoans climbed from 9.25% to 10.5%. The city also created a water and sewer tax, extended its amusement tax to streaming and nearly doubled its

tax on software and equipment leases, from 8% to 15%. That reliance on higher taxes persists: The city's own 2025 financial report attributes revenue growth primarily to "higher taxes and fees."

Based on Chicago's actual 2025 economy, the mix of taxes and tax rates in place in 2014 would have generated only about \$4.7 billion, versus approximately \$6.2 billion generated last year by the city's current tax structure. In other words, Chicago needed about 31% more revenue than the 2014 tax system would have produced. Had Chicago grown at the national rate, that same 2014 mix would have generated about \$6 billion, requiring only about 4% more to reach last year's actual total. Simply put, stronger growth could have made most of Chicago's post-2014 tax escalation unnecessary.

The effects would extend beyond the annual budget to

pensions and schools. In that stronger growth scenario, the \$1.1 billion in additional nonproperty tax revenue and \$570 million in property tax capacity would together approach \$1.7 billion — about 58% of Chicago's 2025 pension contribution. A larger property base also would have supported more revenue from CPS' separate property tax levy.

Worse, stagnation strains Chicago's politics as much as its finances. When the economy doesn't grow enough, every budget becomes a zero-sum fight over who pays, who benefits and what gets cut. To be sure, growth alone is not sufficient: Budgets still demand discipline, and no mayor controls the national economy. But almost every peer city has done better, so surely we can too. Growth broadens the tax base and gives workers, businesses and government a shared stake in success. It creates room to improve services and fund public priorities without making every gain someone else's loss.

That brings us back to the mayoral race. The question voters should ask is which candidate can offer a credible growth plan that makes it easier and more attractive to build, hire and invest here — and gives people and businesses more reason to stay. After a quarter-century of stagnation, Chicago can ill afford any more of it. Weak growth risks triggering a downward spiral of higher taxes, deteriorating services and people and businesses leaving. The next mayor's first job is not finding something new to tax. It is making Chicago grow.

Stuart Loren is a managing director at Fort Sheridan Advisors, where he manages client investment portfolios and is responsible for market and economic analysis. Formerly, Loren was a corporate lawyer in Boston. He lives in Chicago with his family.

OPINION

The Chicagoan who rebuilt trust in the justice system after Watergate

By Michael Peregrine
SPECIAL TO THE TRIBUNE

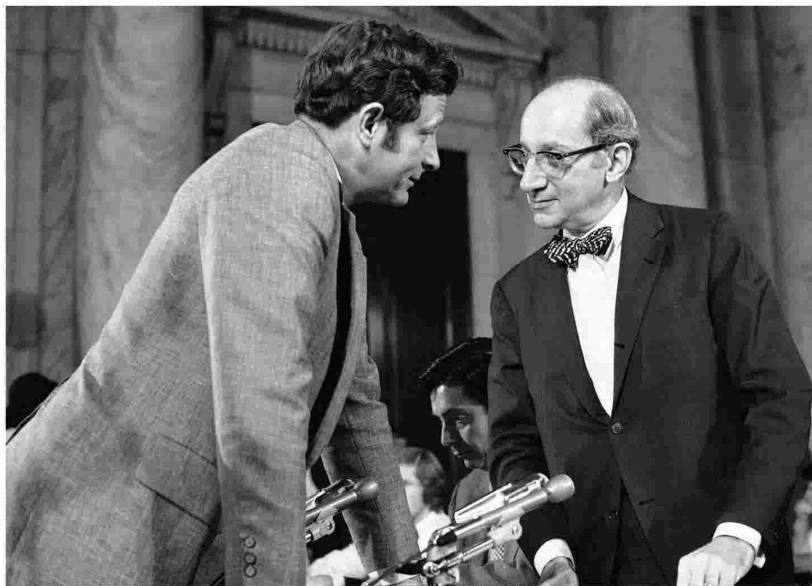
The current national conversation on Watergate offers an important reminder of the slough through corruption and ethical erosion that tested the foundations of American democracy, degraded public faith in government and depleted the credibility of the United States attorney general. It is also a reminder of those who worked assiduously to restore that faith and credibility, notably including a legal scholar and academic from Chicago.

From 1972 through 1974, five different men served as either permanent or acting attorney general, an extraordinary leadership turnstile that undermined the principles and effectiveness of the office.

Of these five men, John Mitchell was convicted of conspiracy, obstruction of justice and perjury for activities that began while in office. His successor, Richard Kleindienst, was convicted of contempt of Congress. The highly regarded Elliot Richardson and his deputy, William French Smith, both resigned as part of the "Saturday Night Massacre." Their successor, Robert H. Bork was succeeded by U.S. Sen. William Saxbe, who served until shortly after President Gerald Ford's inauguration.

More broadly, over 20 government-serving lawyers resigned or were indicted, disbarred and/or imprisoned in connection with Watergate-related abuses. Apart from Mitchell and Kleindienst, they included an acting FBI director, the chairman of the Securities and Exchange Commission, the president's assistant for domestic affairs, the White House counsel, a special counsel to the president, the general counsel to the committee to reelect the president and the president's personal counsel.

Upon taking office, Ford was determined to redeem the integrity and trust of the justice system in general and the Department of Justice in particular. Ford knew that a traditional political appointment would not achieve that goal, that politics had no place in law enforcement — particularly not in decisions regarding specific cases. He thus sought as his attorney general a person who understood that distinction. For that extraordinary task, he selected the University of Chicago president,



Sen. Birch Bayh, D-Indiana, left, speaks with Attorney General Edward H. Levi in Washington on July 22, 1975. HARVEY GEORGES/AP

Edward H. Levi.

Levi was essentially a Chicago native, having been schooled from kindergarten through law school within the University of Chicago educational system. After serving in the Department of Justice during World War II, he was appointed dean of the university's law school in 1950. He later served as provost and was ultimately tapped as president in 1968, where he led the university through the most turbulent social and political times until he was nominated as attorney general in early 1975.

Levi had no illusions regarding the difficulties he faced in office. At his swearing-in ceremony, he observed that "Nothing can more weaken the quality of life or more imperil the realization of the goals we all hold dear than our failure to make clear by words and deed that our law is not an instrument of partisan purpose." He thus set about to revive the Department of Justice's historical principles of

transparency, independence and integrity, which had deteriorated during the three Watergate years.

Levi's most tangible achievements in office arose in response to law-enforcement abuses exposed in the Watergate investigations. These achievements included the development of what became known as the Foreign Intelligence Surveillance Act and preparing specific attorney general guidelines with respect to FBI domestic security investigations.

But more impressive and enduring were his intangible achievements, which were institutional in nature. They included restoring the administration of justice to its traditional "foundation of fairness and not upon favor," his insistence on impartiality in law enforcement and the contribution of his reputation, candor and intellect to the department's culture. From these achievements, others came to regard him as "the model of a

modern attorney general."

Of course, Levi was not the only Chicagoan engaged in addressing Watergate abuses. Famed defense attorney Albert E. Jenner Jr., served as minority counsel for the House Judiciary Committee's impeachment inquiry. Jill Wine-Banks was an assistant special prosecutor who famously cross-examined Nixon's secretary, Rose Mary Woods. And a young Yale law school graduate from Park Ridge, Hillary Rodham, was a staff researcher for the Judiciary Committee.

Yet in many ways, Levi's task was more elusive, and necessarily more daunting, than that of the prosecutors: remedying harm to the rule of law caused by Watergate's great abuses. In that role, he championed the role of the Department of Justice as a "special advocate" with respect to both defending governmental decisions at law and infusing them with the "qualities and values"

that had historically been the bedrock of the nation's constitutional system.

Following completion of his term in office, Levi returned to the University of Chicago, where he continued to pursue academic and public service, rather than self-advancement or personal financial gain. Upon Levi's death in 2000, President Ford described him as "the attorney general against whom all others are measured."

History has done a credible job of identifying the many villains who participated in the Watergate scandal. It has done a less credible job of recognizing the far fewer heroes who helped the country overcome that scandal. We would thus do well to remember the heroic service of Chicagoan Edward H. Levi.

Michael Peregrine is a retired Chicago attorney and a graduate of Northwestern University Law School.

Voice of the People

Burke undermines reforms

In her op-ed "The electronic monitoring system is broken" (Aug. 19), Cook County State's Attorney Eileen Burke essentially argues that charges alone should determine who is jailed pretrial, ignoring vital legal principles and laws.

The presumption of innocence and due process are the foundation of our criminal legal system. The U.S. Supreme Court confirmed decades ago that "in our society, liberty is the norm, and detention prior to trial... is the carefully limited exception." The Pretrial Fairness Act, critical racial justice legislation Burke claims to support, requires that a judge look at the facts of each individual case and circumstances of each person when deciding whether someone should be jailed awaiting trial.

In reality, Burke has continuously undermined the Pretrial Fairness Act. She has issued policies limiting the discretion of prosecutors by requiring them to seek detention in all cases in which certain allegations are made and requiring them to object whenever an accused person is placed on electronic monitoring, despite research showing that even people on electronic monitoring facing serious charges succeed while awaiting trial.

Burke, a former appellate court justice who has reviewed hundreds of untried cases and made individual rulings on them, should know better.

Researchers at Loyola University have shown that Burke's policies have caused a dramatic increase in pretrial jailing, even though crime began trending downward before she took office. Adopting Burke's electronic monitoring proposals would only worsen the problem.

Judges are not struggling to detain people they don't believe to be safe. The Illinois Network for Pretrial Justice recently published a report showing that judges granted 74% of detention requests, even when the court's risk assessment tool identified



Cook County State's Attorney Eileen O'Neill Burke departs a press conference, Aug. 13, 2025, at the Leighton Criminal Court Building. BRIAN CASSELLA/CHICAGO TRIBUNE

defendants as low-risk. Since the Pretrial Fairness Act took effect, 94% of people in the community while awaiting trial in Cook County have not been charged with any new violent or person offense while on pretrial release. Pretrial jailing causes people to lose jobs, housing and custody of their children — destabilization that increases the likelihood that people will be arrested in the future.

Charging decisions should never be the sole basis for deciding who is able to return to the community while their case is pending. In Cook County, approximately half of the detention-eligible cases filed result in dismissal or acquittal.

Burke's policies undermine public safety, due process and judicial independence. Rather than rolling back reforms she claimed to support, she should actually commit to them.

— Cathryn Crawford, senior policy adviser, Illinois Network for Pretrial Justice, Chicago

State's attorney's omissions

Thank you for publishing the op-ed by Cook County State's Attorney Eileen Burke. She mentions many facts about the program with which no one

would disagree. There have been many public failures and far too many detainees placed on electronic monitoring, which she notes. She also states that "the Pretrial Fairness Act was founded on a sound principle." One should not be able to buy oneself out of jail.

The problem with the op-ed is that she leaves out some important points. She states that "the critical question is whether the defendant poses a danger to the public" when a judge is deciding whether or not to jail a person before trial. Yet she leaves out the fact that before the Pretrial Fairness Act, these bond hearings could be as short as 30 seconds to a minute. That is hardly enough time to decide such an important issue. She also leaves out the fact that these hearings could involve monetary negotiations, with the judge asking the defense attorney how much the attorney's client could afford for bail.

Most importantly, she leaves out the fact that recently, the Illinois Supreme Court assigned a task force to come up with solutions to the electronic monitoring problem. This task force includes judges, members of law enforcement, an academic and various stakeholders in the criminal

justice system from around the state.

I would like to see another op-ed from the state's attorney after we hear this group's recommendations.

— Jan Goldberg, Riverside

Why vaccinating kids matters

Regarding the op-ed "Chicago's kids deserve better than political theater on vaccines" (Aug. 20): As an older pediatrician and infectious disease specialist, I was practicing medicine when several current vaccines were not available. I have seen the consequences of a lack of vaccination in previously healthy children. In the 1980s, I repeatedly did spinal taps to diagnose children with bacterial meningitis. Some of those children developed hearing loss or other disabilities.

The promotion of doubt in parents regarding the safety of the measles, mumps and rubella (MMR) vaccine is especially frustrating. Measles, cases of which are now increasing in the U.S., is extremely contagious in unvaccinated people. Serious complications such as pneumonia, brain damage and death can occur during acute infection. Even if a child does not experience a severe measles case, that child afterward has an increased risk of other types of infections because measles destroys a significant portion of "memory" immune cells. A child is then at increased risk for influenza, pneumonia and bacterial infections for months to years later.

In addition, a rare but devastating outcome of measles in a young child is subacute sclerosing panencephalitis, or SSPE, a progressive brain disease. SSPE can happen even after a mild case of measles, typically seven to 10 years after initial infection. Very few physicians practicing in the U.S. today have seen SSPE. As

a medical student, I did a rotation with a pediatric neurologist who was a national SSPE expert. I vividly remember the parents seeking this physician's care, desperate for a cure for this heartbreaking, universally fatal disease in their previously healthy child.

For me, any proposal hindering receipt of the MMR vaccine is deeply upsetting. A friend recently asked me if a resurgence of paralytic polio would convince people of the dangers of not vaccinating their children. I said I do not know. What I do know is that "herd immunity" benefits all of us. I vaccinated my children not just to protect them from serious disease but also because I felt a moral obligation to those around them, including children who cannot be vaccinated due to immunodeficiency or a cancer diagnosis.

While I acknowledge the often-justified mistrust toward U.S. institutions, the only agenda of most pediatricians is working with parents to optimize their children's health. The benefits of the vaccines the American Academy of Pediatrics recommends have repeatedly been shown to outweigh their risks. All our kids deserve thoughtful vaccine recommendations based on science rather than misinformation and political theater.

— Dr. Barbara Hendrickson, Wilmette

Note to readers

Construction on Chicago streets and bridges this summer has created headaches for many drivers. We'd like to hear from you about your frustrations with the delays and the city's management of the closures and detours. Send a letter of no more than 400 words by Wednesday, Sept. 2 to letters@chicagotribune.com. Be sure to include your full name and city/town.

For online-exclusive letters, go to www.chicagotribune.com/letters. Email your letter submissions, 400 words or less, to letters@chicagotribune.com. Include your full name, address and phone number.

The FT View



FINANCIAL TIMES

'Without fear and without favour'

ft.com/opinion

America's economic war on Iran has a China problem

Washington cannot fully isolate Tehran unless other trade partners co-operate

At the weekend, US Treasury secretary Scott Bessent evoked the Normandy landings to describe the financial offensive Washington intended to unleash on Iran as "economic D-Day". In the event, it seemed more like a series of warning shots fired from far offshore. The campaign to turn Iran into an "economic outcast" is, moreover, not one the US can fully accomplish on its own, but requires co-operation from Tehran's main trading partners. The biggest of those, China, has already signalled little intention to play ball. And as Bessent acknowledged, moving too quickly with US secondary sanctions on countries that do not comply could "blow up the global financial system".

When America and Israel launched their war against Iran six months ago,

they mistakenly calculated that the regime, battered by a 12-day Israeli-US assault the previous June and deeply unpopular at home after a brutal crackdown on protests, was close to collapse. Now that the bombing has failed to force Tehran's "unconditional surrender", or achieve the more recent goal of persuading Iran to reopen the Strait of Hormuz, US President Donald Trump is again turning to economic pressure in the hope of finishing the job.

The problem for Washington is that Iran has been under multiple layers of sanctions for years – and since last September under UN measures reimposed over Tehran's breaches of the 2015 nuclear agreement that Trump exited in his first term. There is little left within the republic to target directly. As a result, the new US effort aims to cut Iran off from trade links – in aviation, shipping, digital assets, gold and technology, as well as oil – with its main commercial partners, which include China, the United Arab Emirates and Turkey.

The UAE, a US ally and the largest seller of goods to Iran, already said last week it was suspending trade and commercial ties after accusing Tehran of firing two ballistic missiles towards its territory. But Beijing, which buys up to 90 per cent of Iran's oil, yesterday warned the US it would retaliate if Chinese companies were included in secondary sanctions relating to Iran. Any significant increase in US sanctions on China could torpedo delicate trade negotiations only a month before Trump and China's Xi Jinping are due to meet in Washington.

Even if the US did manage to impose significant new economic pain on Iran, there is no guarantee this would force Tehran's capitulation. After two wars in the past year damaged its industrial capacity and left inflation running at between 80 and 90 per cent, Iran's economy is in a far deeper crisis than when Trump launched his first "maximum pressure" campaign in 2018. But the Islamic regime, made more hardline by the conflict, believes it is in a battle for

Beijing warned that it would retaliate if Chinese companies were included in secondary sanctions

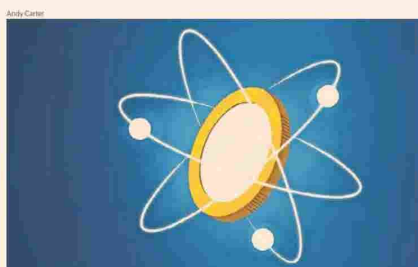
its survival – only increasing its defiance. There are no signs yet that long-suffering Iranian citizens are about to take to the streets. Any popular uprising would probably be met by another crackdown.

Indeed, were US pressure to start having an impact, the Iranian regime might choose to escalate, as it has threatened, and begin striking energy infrastructure across the Gulf to raise the costs to the global economy. If US efforts fail, by contrast, the risk is that Trump chooses to escalate again as he strives to break out of the current impasse ahead of November's midterm elections.

The most positive aspect of Washington's new effort to isolate Iran economically is that it suggests that the US president has little appetite to escalate militarily for now. Given its low chance of ending the deadlock, however, "Operation Economic Outcast" amounts to another risky gamble on a road that, for both sides, ultimately has to lead back to the negotiating table.

Opinion Renewable energy

Could nuclear fusion be economically viable?



Anjana Ahuja

In the 1950s, the British engineer John Lawson came up with criteria for whether a nuclear fusion reaction – the process that powers stars – on Earth could produce more energy than that needed to start it. A "Q" factor greater than 1 would signify a net energy output, suggesting fusion energy could one day move from sci-fi concept to feasible power source.

Since then, scientists have achieved much higher Q factors. Prototype fusion power plants are under construction. And now scientists have come up with a measure called "economic Q" to assess their commercial viability.

The idea – published last month in the *Journal of Fusion Energy* and taking in such factors as construction costs and energy price – aligns with growing investor confidence. Pri-

Scientists say the costs of research in the sector have never been defined or understood

vately held fusion companies raised \$4.5bn over the past year alone, according to the *Fusion Industry 2026* report. There are now more than 50 such companies. Last month, General Fusion, a Canadian outfit backed by Jeff Bezos, became the first publicly listed fusion company.

These signals hint at an important shift: fusion energy is gradually being perceived less as a scientific challenge and more as an economic one. External factors – energy shocks, geopolitical instability, climate change, energy-intensive AI – have also cast this perpetually fledgling technology in a flattering light.

Nuclear fusion powers the stars, including our Sun. Enormous gravitational forces squeeze hydrogen nuclei so close together that they fuse into helium, releasing a massive amount of energy. Fusion is distinct from fission, used in existing nuclear power plants, in which heavy atoms like uranium are split apart to release energy.

Over decades, scientists in both state and private labs have mimicked stellar fusion by combining two isotopes of hydrogen, deuterium and tritium – heated to more than 100million Celsius into a plasma – to create helium. As Lawson realised, temperature, particle density and timing were

crucial: confine the resulting plasma tightly enough, and for long enough in hot enough conditions, and fusion could not only happen but become self-sustaining, unleashing near-limitless clean energy with little waste.

Today, confinement can be magnetic or inertial. The former uses magnetic fields to contain the hot deuterium-tritium (D-T) plasma; tokamaks, doughnut-shaped chambers fitted with superconducting magnets, are a popular choice. Inertial confinement usually features laser beams focused on a tiny D-T pellet.

As fusion happens, energetic neutrons are ejected and absorbed by a blanket surrounding the reactor. That kinetic energy turns into heat, which is then used to generate electricity. The National Ignition Facility at Lawrence Livermore National Laboratory in California, which uses laser confinement, achieved a Q of more than four in 2025. ITER, the international tokamak reactor due for completion in southern France in the 2030s, is aiming for a Q of 10.

That is why the economics of fusion energy are in the spotlight. The lead author of the paper, Dennis Whyte, is a leading fusion advocate and professor of engineering at the Massachusetts Institute of Technology, who was recently appointed head of the UK Atomic Energy Authority. Economic Q, the metric devised by Whyte and others and which must exceed one to represent net economic gain, compares the capital gained over a fusion energy plant's lifetime to that expended. Factors reflect the extreme engineering involved and include construction costs, component durability and the efficiency of converting fusion power into a commodity.

Before his appointment, Whyte gave an interview to *Physics World* in which he insisted that a Lawson-style formula was now needed to evaluate different fusion power plant designs. He and his co-authors also usefully point out that the costs of fusion research have never been historically well defined or understood, even kept under wraps.

Interestingly, Whyte co-founded Commonwealth Fusion Systems, a private company that is teaming up with MIT to build SPARC, a prototype fusion power plant, in Massachusetts. The company, in which Google is an investor, is also building a 400MW plant in Virginia.

It is possible that the field emulates the success of AI, with fusion energy arriving suddenly, everywhere, all at once. Or that it remains forever a decade or two away, an enticing mirage perpetually sustained by a fusion of hype and investment.

The writer is a science commentator

Letters

Red-baiting has long been used as a US political scare tactic

I have been a longtime reader of the FT. Over the years, I have even contributed a few op-eds.

Yet, I was disappointed with some of the terminology in your piece on how US Democratic voters have been turning to progressive candidates in recent primary battles ("US socialists gain momentum with image reboot and populist agenda", Report, August 17).

The report refers to "socialists' recent electoral success". The Democratic Socialists of America (DSA) are not socialists or communists

as President Trump would contend. Surely, the FT would not confuse Social Democrats in Germany, Denmark or Austria with socialists. Perhaps, what is not appreciated is that the political right in the US conflates socialism, communism and Democratic Socialists in a political culture where red-baiting has been a frequent and historic scare tactic.

After all, we are told that free public schools, rural electrification, unemployment compensation, Social Security, and national healthcare are socialist projects.

I spent a career on Wall Street and on more than one occasion was informed that my support for Head Start, a programme in which I participated for pre-kindergarten education, made me a socialist.

For two generations, Franklin D Roosevelt's New Deal has been shipped away by Democrats and Republicans alike. Many of those advocating a modern New Deal call themselves Democratic Socialists, a more specific ideological designation than "socialist". Within the context of American political culture, modifying socialism

with democracy is important.

In his 1962 book, *The Other America*, about American poverty, a book that directly inspired John F Kennedy's federal anti-poverty efforts, author, activist and democratic socialist Michael Harrington noted that 20 per cent of Americans lived below the poverty line. Now, 64 years later, about 25 per cent of America's children live in households receiving the Supplemental Nutrition Assistance Program, what used to be called food stamps.

Marc Chandler
Ocean Grove, NJ, US

Bank chief says MPS plans have been mischaracterised

Your Lex column ("Italy's MPS takes the view three takeovers are better than one", Lex, August 22) mischaracterises our plan as a "four-way" integration. It is not. The Mediobanca combination is already under way, with its integration framework already embedded in our business plan. Treating it as a fresh transaction materially overstates both what remains ahead and the overall execution risk.

Nor are Banco BPM and Banca Generali equivalent undertakings, and so they should not be considered as a single integration challenge. Banco BPM represents a conventional merger between two commercial banks with complementary franchises and clear industrial logic. Banca Generali is a strategic wealth management add-on, with a distinct operating model and client base.

Fundamentally, our industrial project is far more than the defensive manoeuvring Lex, somewhat surprisingly, calls "outlandish" – it reflects a strong growth vision to better serve families and businesses, and the Italian economy overall. The combination would create a genuinely diversified, leading Italian financial group with meaningful positions across commercial banking, corporate and investment banking, private banking and wealth management. The resulting business mix would be comparable to leading European banking models.

Most strikingly, Lex applies none of this scrutiny to the proposed Intesa Sanpaolo transaction. Intesa's own offer carries its own integration, regulatory, antitrust and divestiture risk, including the break-up of MPS itself and a reduction in the level of competition in the Italian financial system, yet these go unexamined.

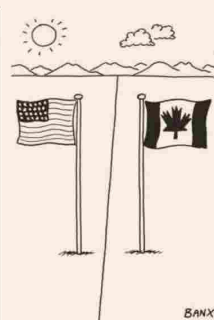
Both strategic paths – MPS's and Intesa's – involve some complexity, and a fair comparison should weigh both. The vision we have proposed is a straightforward one: a banking market with genuine competition, built while continuing to reward our shareholders and supporting the communities we serve.

Luigi Lovaglio
Chief Executive Officer, Banca Monte dei Paschi di Siena, Siena, Italy

A more positive take on the Strait of Hormuz crisis

America and Israel's war on Iran has produced a cornucopia of problems, and Gideon Rachman has done a good job reviewing many of them (Opinion, August 11).

The war has been a comprehensive disaster for the message. But has it? I suggest the war has delivered some tangible positives, just not the ones the American administration expected.



Take Taiwan, probably the world's number one geopolitical risk. Many experts had been expecting a Chinese invasion within a small number of years, and that outcome has now been at least delayed. Iran has definitively demonstrated that an inferior power can hold out against a superior one, wreaking considerable economic, as well as some military and political damage. That lesson is also likely to have been heeded by other nations with territorial ambitions. Yes, there was already the example of Ukraine, but that theatre has many complicating factors; Iran is a clearer paradigm.

President Donald Trump himself will now assuredly shelve further military interventions. It is fortunate that in January, emboldened by the result of the US action in Venezuela, the target he settled on to follow up was smaller scale than it might have been.

The war has also been helpful in giving a clear demonstration that the west needs to review its defence priorities. The west already knew it needed more drones, and greater interception capability, but Iran has highlighted the urgency of that need, and has jolted governments into action.

Aside from the geopolitical issues, to an unexpected degree and in a number of surprising ways, the war has accelerated the move to clean energy. One example, useful because it's measurable, has been the rapid increase in uptake of electric motor vehicles in many countries. In Pakistan sales of electric two-wheelers increased 173 per cent in the first half of 2026.

So the diminishing of a destabilising regional power has not been the war's only positive result. I would just add as a footnote that, now that a second of the world's great geopolitical threats, after Russia, has been reduced, it is curious that the west should respond by proposing a vast increase in defence spending.

David Crook
Tail Wind Advisory & Management Ltd, London WC2, UK

Budget airlines already pay for most of their emissions

In a recent *Moral Money* column Kenza Bryan suggested that budget airline travellers would be disadvantaged if the EU's carbon pricing scheme (ETS) is extended to destinations within 5,000km of Frankfurt ("What new EU rules mean for the aviation industry", FT.com, July 22).

However, Bryan should mention that short-haul carriers already pay for most of their emissions: 80 per cent are currently covered by carbon pricing, and the proposed extension would cover just an additional 10 per cent. Meanwhile, long-haul consumers currently pay nothing for their flights' emissions, despite long-haul flights producing roughly half of aviation's CO₂ emissions while accounting for just 6 per cent of flights. This imbalance needs to end.

The price impact would also be minimal. A recent study found that an Amsterdam-Istanbul return ticket would increase by just 2 per cent (€5), around six times less than the impact of the recent oil price volatility.

The same study finds that airlines would pay up to 85 per cent of ETS costs themselves, passing on as little as 15 per cent to consumers.

Under the proposal, private jet users would finally pay for their emissions, yet even a Nice-Dubai return trip would increase in price by just 3.2 per cent.

Despite these minuscule price impacts, the proposal could raise around €3bn annually, with a further €6bn from extending the ETS to all departing flights.

Extending the ETS would not seriously affect budget-conscious travellers. On the contrary, it would make wealthier travellers pay like others already do, while generating revenue to support the transition to cleaner, alternative fuels.

Jenny Helle
Aviation and Shipping Expert, Carbon Market Watch, Brussels, Belgium

The French connection

"The Life of a Song" (August 15) traced the US lineage of BTS-Once's track "Sound of a Police" but the song also has an interesting French connection. The opening lyric – "That's the sound of da police" – is sampled on the soundtrack of the classic 1995 film *La Haine* but many viewers wrongly assume the song is French and mishear the line as "Assassin de la police" (which, in a French accent, is almost an exact homophone for the original). The scene also samples the French track "Nique la Police" by Plash, the Gallic equivalent of the KRS-One, NWA, and Ice T songs mentioned in the article.

Matthew Hunt
Bangkok, Thailand

It's fashionable to think consulting is dead. It isn't

Robert Armstrong makes a strong argument in "Who needs consultants in the age of AI?" (Opinion, August 6) that AI is going to wipe out a large chunk of the consulting industry.

For anyone who has not worked in consulting directly or has not worked hand-in-hand with consultants on projects, this is a fashionable notion.

I have worked in consulting, for Accenture Consulting for nine years and then in a US medical device multinational for a further nine. Having seen both sides, I vehemently oppose this view.

The data that consultants analyse and derive insights from does not come solely from clients' systems – the tasks that AI is expected to perform in future, according to the current narrative.

For example, junior analysts at a fast-moving consumer goods client will go out to the field and gather disparate data from wholesalers (typically small firms) and retailers (typically mom and pop stores), and stitch them together with the client's internal data.

The companies themselves would typically never have the time, energy or motivation to do such a job and AI wouldn't be able to connect to such private systems. The outcomes delivered are highly complicated to navigate and implement.

Yes, the consulting industry will have to adapt to the AI disruption. I wouldn't be surprised if most of them are already working on reorienting their business plans. Consultants, as they usually do, would rather work under the radar and let their results do the talking.

Vikash Poddar
Singapore

Better to be asked why you're leaving, than when

Mai Dillon's letter ("A memorable send-off", Letters, August 24) on how a work colleague reacted to her announcement that she was leaving the company with the words "nobody cares when you leave" contrasts with the reaction I got when I asked someone why they were leaving our company.

"Because it's so much better to be asked why, than when", came the reply. Sometimes people actually do care when you're leaving.

Gordon Bonnyman
Frant, East Sussex, UK

Correction

● A chart showing US government spending accompanying an article on August 25 referred to trillions of dollars, not billions as wrongly stated on the graphic.

Opinion

Will Iceland join the EU?

EUROPE

Constanze Stelzenmüller



At one of Europe's most precarious moments since 1945, Iceland, an Arctic island with just short of 400,000 inhabitants, will hold a consultative national vote on August 29 on whether to restart EU membership talks, suspended a decade ago over a disagreement about fish.

The EU, with 27 member states, 452mn inhabitants and \$23tn GDP, is keen to have this small country join. Iceland is a stable, prosperous and sophisticated democracy with a \$39bn GDP. As a member of the European Economic Area – the single market uniting the EU together with Iceland, Liechtenstein and Norway – as well as the Schengen passport-free zone and the European Free Trade Association, it is already

largely compliant with EU rules. As a full member, Iceland would be a net contributor to the EU budget. It would (especially if joined someday by Norway) rebalance the past eastward expansion trend financially and geographically. Better yet, it would reaffirm the principle of merit-based accession: an important message for current candidates like some western Balkan countries and Ukraine that are struggling with reforms.

EU officials have therefore flagged the possibility of expedited entry and "room for flexibility" on contested topics like fisheries, given marine products make up 40 per cent of Iceland's exports. Polls show that islanders are about equally divided on the question, so turnout will be decisive. (An accession agreement would in any case have to be validated by a second referendum.)

The proponents of opening negotiations are Prime Minister Kristín Frost-áðóttir's Social Democrats and one of her coalition partners, the pro-EU Reform Party. They say this voter consultation is just about getting a mandate to negotiate and that in its current half-

in-half-out state, Iceland is a rule-taker but not a rule-maker.

Opponents, including the centre-right Independence Party (in the opposition), and the centre-left People's Party, a member of the governing coalition, fear that opening talks would create momentum towards membership. They are concerned about losing control

Accession would rebalance the eastern expansion of the bloc financially and geographically

over Iceland's fishing waters and maintaining political autonomy.

There is a key difference between 2015, when Iceland withdrew its candidacy, and today: vulnerability. In 1949, Iceland was a founding member of Nato, despite being the only alliance member without an army or an intelligence service (it does have police and a coast-guard). But its location just under the Arctic Circle between Greenland and

Norway made it doubly essential: as a forward outpost for US homeland defence and as a sentinel in the so-called GIUK (Greenland-Iceland-UK) gap, watching over the exit route for the Soviet Union's nuclear submarine fleet from the Barents Sea.

Now, Iceland's maritime neighbourhood is increasingly contested – and Europe's northwestern flank is no longer protected by a benign US hegemon. Russian vessels have been mapping underwater infrastructure like pipelines and cables all over the north Atlantic. The closure of the Strait of Hormuz has China and other countries eyeing and beginning to use the Northern Sea Route over the top of Russia. And while military co-operation with the US continues, President Donald Trump's predatory lunges for Greenland (which he has confused with Iceland) keep Icelanders vigilant.

Reykjavik recently adopted a new defence and security policy focused on societal resilience and the protection of critical infrastructure, and signed a slew of mini and bilateral defence agreements. But, for all its wealth, its defence

spending falls far short of the Nato resilience goal of 1.5 per cent of GDP. It is dependent on imports for essentials, and on subsea cables for connectivity. Prices and interest rates are sky-high; its currency, the króna, is highly volatile.

The Europe that Iceland rejected in 2015 has also changed. Europeans are moving to shoulder more of the continent's defence within Nato, a process turbocharged by Russian aggression and a US review of its European deployments based on loyalty tests. The EU is backstopping the defence spending by loosening fiscal constraints and using limited common borrowing vehicles. It is also concluding trade agreements around the globe.

As a security conference organised by the Reykjavik think-tank Vaxa in June showed, Icelanders are highly aware of their deep connections with Europe and Ukraine. What form those ties should take is for only them to decide. But this time, their decision could also shape the future of Europe.

The writer directs the Center on the US and Europe at the Brookings Institution

Britain can't afford to fail on social care reform

Ed Davey

A few weeks ago on holiday my phone buzzed. I'm pretty sure a lot of FT readers know that feeling: your partner giving you the look, fearing that it's the dreaded work call. But this was my chance to speak to the new prime minister about social care – I was not about to miss it.

Social care is one of many longstanding problems that never get fixed, leading some commentators and politicians to argue that Britain is broken. So as a longtime proponent of cross-party working on this issue – partly based on my own experience caring for my mum, my Nanna and my son – of course I took the call.

Too many people think we can't afford to reform social care. I argue we can't afford not to. The stats show that 1 in 7 elderly people will spend at least £100,000 on their care – with recent analysis by my team suggesting family-paid care costs have risen by 60 per cent, nearly £2bn, in just five years.

The human costs are known – elderly and disabled people left bedbound without support, families losing everything on care home fees. But the economic and public finance costs of not fixing care are either ignored or dismissed – as are the opportunities.

It's partly because people rarely think about the impact on family carers looking after loved ones at home. The thousands who give up their jobs every day to look after their mum or dad, who slash their working hours or can't grow their business. With no guarantee of respite care, carers being unable to

The most successful economies will be those that face up to ageing populations best

get paid time off work, government rules even penalising those who try to juggle work and care (earning just a few pence above the earnings threshold means your entire care's allowance is removed), our economy loses out: we have less growth and reduced tax revenues.

I know from my own experience that many family carers want to do the caring for their loved one. And for the public finances, it makes sense. The cost of helping a family at home is infinitesimal compared to a hospital or care home bed – and delivers a much better quality of life. The current system is not only cruel, it's unbelievably wasteful.

We hear constantly about the need to make the NHS more productive and efficient – care reform is the way to do it. Almost 900,000 people had their requests for care denied in 2024-25. The result is a vast burden on the health service: 13,000 people per day are medically fit to leave hospital but can't because they don't have support. It's madness.

Then, there's the need to think more intelligently about the costs individuals face – the damage to people's finances. The behavioural impact on consumer spending is under-explored but, I suspect, profound. It must massively distort the decisions of both the elderly and their families. A cap on care costs so that people can plan properly and responsibly would tackle such damping effects.

I suspect the most successful future economies will be those that face up best to the global phenomena of ageing populations. The UK has started to reform pensions. We've not started on serious care reforms. Yet they might prove as important to economic growth as policy on AI or climate change.

I have a host of ideas. But if cross-party working is to be genuine, I won't let the best be the enemy of the good. There have been 22 failed attempts at reform since 1997. I've told Andy Burnham, and I'll say it here too: I will do everything in my power to help make reform lasting and meaningful. If the Conservatives and Labour agree on a way forward, Liberal Democrats will back it – even if it's not our preference.

The stakes are far too high to do otherwise. For my family and for millions of us, this time we have to get it right.

The writer is leader of the Liberal Democrats and author of 'Why I Care and Why Care Matters'

The drip-drip US debt crisis

ECONOMICS

Chris Giles



Make no mistake, the US is suffering a debt crisis. It is, of course, not an acute emergency like Argentina's multiple defaults this century or Greece's woes in the 2010s, but it has the characteristics of a chronic disaster that everyone can see coming but the administration never does enough to avoid.

The most relevant measure of US federal government debt, that held by the public, has risen from \$3.4tn in 2000 to \$32.3tn now, or a rise from 33.7 per cent to more than 100 per cent of GDP in just over 25 years. More importantly, the burden of servicing that debt has doubled, from 11 per cent of tax revenues in 2000 to 21.5 per cent in the first 10 months of the current fiscal year. Because long-term borrowing costs are high, the US Treasury is increasingly financing the debt with short-term borrowing and the president is again pressuring the Federal Reserve to cut interest rates to make the numbers look better. This is the slippery slope of a slow-burn debt crisis.

With the US on a path to continue running deficits close to 6 per cent a year, even at full employment, the debt-

to-GDP ratio is set to rise every year, increasing the call on tax revenues to service that debt and the pressure on the Fed to lower interest rates. The likelihood is not that this process ends in default or runaway inflation, but an ever-worsening problem for someone in future to solve. As I recently argued, rising deficits and debt-servicing costs no longer have the power to restore fiscal prudence.

Before examining solutions, it is worth asking why the US fiscal position has deteriorated so much this century. Since 2000, when the federal government ran a surplus of 2.5 per cent of national income, primary public spending (excluding net debt interest) has risen from 15.5 to 19.9 per cent of GDP. All of this increase can be accounted for by spending on services for an ageing population – social security, Medicare and veterans' programmes.

On the tax side, revenues have fallen from 20 per cent to 17.2 per cent of GDP over the same period, partly a result of a cyclical peak in revenues at the end of the last millennium and partly the result of tax cuts. First came the Bush tax cuts, which were made permanent on a mostly bipartisan basis during the Obama administration, and then came the 2017 Trump tax cuts. The Centre for American Progress estimates that had the 1990s tax system remained intact, US public debt would be stable now, with a prospect of it declining in the decades ahead.

In the face of the fundamental long-term forces of rising age-related spend-

ing and unaffordable tax cuts, the inadequate recent response from the US administration has been a combination of bluster and panic.

Last week, Treasury secretary Scott Bessent promised again to focus on deficit reduction, but his talk has lost any credibility at this stage. Significant spending cuts were attempted by the now disbanded Department of Government Efficiency and failed, while Donald Trump's One Big Beautiful Bill Act spent the money raised by tariffs and no other tax increases are planned.

Where Bessent has taken steps to lower US government borrowing costs, such as proposing to swap a tiny slice of long-dated US debt with short-dated equivalents, they have been small, giving a sense of someone with few options.

A combination of bluster and panic has constituted the inadequate response from the administration

Having promised 5 per cent annual growth and a 3 per cent deficit, Bessent's current record stands at roughly 2 per cent and almost 6 per cent respectively.

Faster growth would help with tax revenues, but would also probably increase interest rates, so the US has no sure-fire means of escaping its drip-drip debt crisis without significant spending cuts or tax increases. It does not need to eliminate the deficit, but does need to put debt back on a downward path, which almost certainly requires a balanced primary deficit – a metric that excludes net interest costs – something the US has not achieved since 2007 and not on a sustained basis since the 1990s.

Since cutting spending on pensions and healthcare for the elderly is difficult and undesirable, this and future US administrations should look at raising revenues in the least damaging way. The US has significantly cut tax rates for the richest this century, so some reversal of those would be likely and justified from a left-leaning president and Congress. But a valuable exercise in tax options and trade-offs, produced by the Tax

Foundation, highlights the potential significant costs to growth and efficiency from narrow measures such as wealth taxes and tariffs. Its analysis suggests, not unreasonably, that broad rises in taxes on income or spending are best for raising large amounts of revenue to fund broad-based government programmes.

Other countries with similar difficulties would require different remedies. With its already high levels of taxation and healthy population that retires early, France needs first to encourage later retirement by cutting entitlements. The UK, which has already increased taxes sharply on those with high incomes, needs to ensure revenue raising is directly applied.

Meanwhile, financial markets are looking to the US for leadership, but it is absent. The instinct of this administration is to seek to talk its way out of its debt crisis rather than address the issues. While it denies there is a problem and tinkers around the edges, the drip-drip debt crisis will continue to build.

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Note to the prime minister: you won't find the future in the past

POLITICS

Philip Stephens



British politics used to be about competing futures. It has turned into an argument about the past.

Newly installed as prime minister, Andy Burnham might have taken a cue from Labour predecessors such as Harold Wilson or Tony Blair. Wilson pledged to remake Britain in "the white heat of technology". Blair promised "New Labour, New Britain". Silly as they sound now, such slogans stirred the popular imagination.

Burnham's instinct is to look backwards. He wants to recreate working-class, culturally conservative Labour, a party with its roots firmly in the north of England. The national mission is to overwrite the four decades of economic liberalism ushered in by Margaret

Thatcher. The subtext is to wrest control of his party from metropolitan (southern) progressives to win back northern voters lost to Nigel Farage's rightwing Reform Party.

He is a follower rather than a leader of fashion in eulogising the past. Farage's anti-migrant populists set the course. The Conservatives jumped on the bandwagon. The result is that Britain's politics have become a fight about the two revolutions that shaped it during the second half of the 20th century.

The swinging sixties upended the cultural and social order. Alec Douglas-Home's premiership sounded the last trumpet for the landed aristocracy's grip on power. The strict social mores imposed, though rarely observed, by the ruling classes were heaped on a bonfire of inhibitions. Women and ethnic minorities took steps towards equality. Theatre censorship was abolished. The Rolling Stones filled the Albert Hall.

Twenty years later the hippies made way for yuppies when Thatcher's economic liberalism blew up the postwar consensus. Nationalised industries were

dismantled and the country's industrial heartlands left to dereliction. The future belonged to the laissez-faire economics of the Washington consensus, open borders and the new financial capitalists.

There's an element of caricature here. The settlements were never complete nor uncontested. The reactionary right rallied against gender and ethnic equality, the left against the widening gulf

Myths about a better yesterday are not enough to build a governing majority

between the winners and losers from globalisation. Strong economic growth, however, saw liberalism in both its guises, social and economic, absorbed into the political mainstream. For a time it seemed everyone, or almost everyone, could be a winner.

The 2008 global financial crash and the decade of austerity that followed gave the populists their opportunity.

The future lost its shine. Voters concluded that their children would be even worse off. Why not reclaim the past?

Farage, a politician never troubled by consistency or coherence, promised to turn back the clock on both revolutions. The EU, immigrants, big business, progressives and establishment elites were easy scapegoats. The pitch was unabashed – foreigners would be banished, borders sealed and the country reclaimed for white working-class culture.

Snake oil though it is, no one should be surprised by its appeal in England's left-behind provincial towns. Take away confidence in a better future and voters conclude they have nothing to lose. Those deserting Labour for the leftwing populism of the Green Party think the answer is a war on capitalism. Farage's followers, skewed heavily towards older voters, blame immigrants.

Boris Johnson had his own fantasy. Outside the EU, the Tory author of Brexit declared, the nation could stand aside the world again as Global Britain. The present Conservative leader Kemi Badenoch mimics Reform by railing against diversity and inclusion. She

would return Britain to an age when everyone agreed about the difference between men and women.

There is a political market for nostalgia, particularly among older voters. And the slump in Britain's fortunes since 2008 has left a rich seam of grievance. But the past, as Burnham will discover, is a cul-de-sac. Myths about a better yesterday are not enough to build a governing majority.

Reform is certainly destabilising the mainstream parties, but has yet to show it can break the system. By following Farage rightward, Badenoch has secured her position among party activists at the cost of losing the support of moderate One Nation Tories. Much of shire England is being bequeathed to the centrist Liberal Democrats. Burnham will run into the same trap when middle-class professionals in the south turn their backs on cloth-cap Labour.

Nothing in politics is immutable and rules have exceptions, but elections are won by leaders who build a coalition behind an idea of a different future.

The writer is an FT contributing editor

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