United stand

Protests against SIR are a recognition that it could subvert popular will

The gathering of hundreds of thousands of people at Delhi's Ramlila Maidan, organised by the Congress-led INDIA bloc parties, was a milestone in the battle for the restoration of the integrity of India's election process. As more and more skeletons tumble out the of the closet of the Election Commission of India (ECI), its chief Gyanesh Kumar has chosen silence while the ruling BJP has rushed to shield him from criticism. The united outcry of protest by the Opposition, led by the Leader of Opposition Rahul Gandhi, is a strong signal of public opinion for the ruling party and India's institutions, including the ECI, that appear complicit in a scheme that threatens the foundations of Indian democracy. What remains unexplained by the ECI and Mr. Kumar are malpractices in the Special Intensive Revision that could have the effect of subverting the popular will. Protestors on Sunday had arrived from all parts of India, and included people directly affected by the SIR across the country.

The protest reinforced Mr. Gandhi's central role as the key challenger of Prime Minister Narendra Modi. Mr. Gandhi, for all his faults, has been an uncompromising champion of constitutional values and pluralism in India. The BJP caricatured him, and even non-BJP voices had bought into the idea of Mr. Gandhi being a privileged dynast out of touch with the commoner. While his ancestry is a matter of fact, so is his tenacity. All Opposition parties mobilised for the protest, but the centrality of the Congress party was unmistakable. Mr. Gandhi has a special focus on subaltern classes to be included in positions of responsibility in the party. The Sunday protest was clearly the largest show of strength in recent memory. The manner in which the Congress coordinated with the wide spectrum of the Opposition, often involving rivals in States, also indicates a clear sense of purpose and pragmatism. The call for the restoration of institutional integrity is the need of the hour; but Mr. Gandhi must be careful not to misstate the nature of the crisis. In his well-reasoned call for accountability of the ECI, Mr. Gandhi ended up questioning the legitimacy of the previous election without providing any substantive basis for his allegations. He must remember that his emergence as the voice of the Opposition places on him the responsibility of being measured in his speeches and his steps.

Cascading effect

India must respect land rights of its people while building dams

The bureaucratic impetus for the 11.2-GW Siang Upper Multipurpose Project (SUMP) in Arunachal Pradesh purportedly comes from China's aggressive development of a 60-GW mega-dam in Tibet, stoking anxieties among Indian authorities over 'weaponised' transboundary waters. Beijing may be able to divert flows in the Yarlung Tsangpo river, which becomes the Brahmaputra in India, to cause drought downstream or release water en masse to trigger catastrophic floods in Arunachal Pradesh and Assam. New Delhi thus imagines SUMP as a strategic buffer, but in so doing faces a dilemma it should not attempt to resolve with force. Its extant top-down approach, exemplified by deploying security forces to guard survey teams and imposing the State Unlawful Activities (Prevention) Act against activists, only validates fears among locals that the state will grab their land. The region also hosts sustained protests against the Subansiri Upper Hydroelectric Project, expanding the indictment to Arunachal Pradesh's model of hydroelectric power development. The eastern Himalayas are among the most tectonically active and erosion-prone landscapes in the world. The mega-dam in Tibet will comprise five cascading power stations over the river's roughly 2,000-metre fall over 50 km. Beijing has maintained the dam will not harm countries downstream but has declined to share crucial engineering details. This is why diplomacy will be an essential part of operating SUMP, in addition to Beijing's disputed claims on Arunachal Pradesh.

The Brahmaputra basin in Assam and Bangladesh receives most of its water from monsoon rains and tributaries downstream of the Tibetan Plateau, so China cannot straightforwardly control the river's total flow through India. Yet since Chinese interventions would have greater consequences closer to the border, SUMP will need information about both the mega-dam's operations and downstream inflows to plan its own operations, and Beijing has declined to share the former. SUMP thus faces many uncertainties at the outset. Despite India repeatedly raising the issue with China at the highest levels, headway has been limited to Beijing agreeing to share hydrological data on humanitarian grounds during emergencies. Planners have contemplated maintaining the SUMP reservoir at 70% to accommodate unexpected surges, but the level of protection possible if China supplies no advance warning remains unclear. This uncertainty is a thorn in the side of the government's push against more legitimate resistance by Adi community members and civil rights groups. The need for the project does not excuse the state from following all the relevant laws and protections. The state cannot protect the nation's needs by antagonising the nation's people.

How AI training models could compromise privacy



Tulika Avni Sinha

Senior Research Fellow (Data Governance, Privacy and AI), World Privacy Forum

The right to privacy is a constitutional right upheld by the Supreme Court in 2017. However, the legal instruments currently in place to safeguard this right seem inadequate, especially considering the technological revolution led by Artificial Intelligence (AI) around the world. While AI regulation is one of the most commonly discussed issues within governments today, the recommendations have been broad, vague and have only led to further questions. AI has immense potential to boost productivity and have positive effects on people's lives; any indiscriminate regulatory or policy measure risks inhibiting innovation and economic growth. However, there are lower hanging fruits; specific gaps that can be filled to better safeguard people's constitutional rights without permanently losing out in the AI race.

Privacy coverage

The Digital Personal Data Protection (DPDP) Act was passed in 2023, with the DPDP Rules being notified in November 2025. The implementation is phased with some provisions on consent and safety becoming effective only in 2027. Prior to the DPDP Act, the primary legal instrument to regulate the use and management of personal data was the Information Technology (IT) Act, 2000. Together the IT Act, 2000 and its 2011 Rules broadly regulated the export of "sensitive personal data" on the condition that the recipient ensured a level of data protection required under Indian law, and that the transfer was either necessary to perform a lawful contract or had been consented to by the data provider. An assertion and claim were sufficient to record adequacy. The criminal penalty for unauthorised disclosure was capped at three years' imprisonment or a fine of ₹5 lakh. These penalties only applied to disclosure of sensitive personal data that were listed in the Rules such as financial data, medical or health details, sexual orientation, biometric information etc. The Rules did not apply to personal data such as names, addresses, phone numbers, caste, religion, political affiliations, browsing history, social media activity, online or offline behavioural patterns, institutional affiliations etc.

It also did not apply to any data scraped publicly such as from social media platforms. For context, India is the largest market for Facebook and Instagram in the world. Tech giants such as Meta, Amazon, and Google use data collected from the users to train their AI models.

> Credible studies have shown that querying an AI model with 'anonymised' data to extract personal details that it had memorised during training can be used to identify individuals and build their profiles

The DPDP Act is now the general purpose legal instrument to regulate the use of citizens' data. Yet it does not apply to publicly available data or information inferred from parameters such as social media activity including names, gender/sex, locations, institutional affiliations, images, videos or attributes. Such 'inferred' data could include emotions, mobility, and behavioural patterns. It buckets all personal data together and does not create a specific category for sensitive personal data as was followed under IT Act, 2000. Consequently, data that are intuitively sensitive such as passwords and mental and physical health conditions are treated in the same bucket as name, marital status, city, shopping interests etc. When viewed in this light, it seems that the DPDP Act is regressive and fails to assign stronger protections to categories that were better protected earlier. It can be a valid critique to say that even personal non-sensitive data can reveal sensitive information depending upon the context of their collection and accompanying parameters in analysis. However, some data points, when revealed, stand the risk of being severely misused and encroach upon individual privacy without the need for any inference such as biometrics, passwords etc. They need higher levels of protection.

Training AI on personal data

Further, the DPDP Act does not acknowledge or engage with the topic of AI models and data used in their training. One of the risks of AI models to privacy is that they can regurgitate the data used in their training. Credible studies have shown that querying an AI model with "anonymised" data to extract personal details that it had memorised during training can be used to identify individuals and build their profiles. Studies have also shown that various methods can be used via AI to extract sensitive information about individuals using generic publicly available information. This means that if your data was used to train an AI model, an anonymised dataset that is now legally compliant can be used to extract your personal details and profile you without your consent.

It is important to note that Indian users have not had a right or a legal mechanism to prevent this use in the past. Since DPDP's consent provision is only effective next year, companies do not need to fully comply and obtain one's consent with respect to its data processing needs now. Worse, even after the DPDP's substantive provisions take full effect in May 2027, Indian users will have no right to object to AI being trained on their public data. In contrast, Meta currently provides its users in the EU an opt-out feature that allows the user to object to their data being used in Meta's AI training.

This also needs to be juxtaposed with the fact that the right to be forgotten under the DPDP Act only applies to data for which the user had provided consent to the organisation. It is unclear if the right extends to the information inferred from the analysis of the said data. The DPDP Act also exempts this right from processing for research, archival, or statistical purposes. The conditions to be met under such an exemption still need to be prescribed by the Union government. Whether AI model training (often framed by companies as research to improve service delivery) falls within this exemption remains unclear and is, therefore, a potential route by which such processing could escape the Act's obligations entirely.

What can be done

These are low hanging fruits and can be addressed with amendments, notification of Rules and legal judgments. The provisions of the DPDP Act must apply to data used for training AI models. Further, it should provide people with a right to object to that use, and enforce protections on publicly scrapped data and the information inferred from that data. It should also strengthen the right to erasure so that the responsibility falls on the companies to inform the users of every entity that holds their data. The DPDP Act should also clarify whether AI training is included under research exemption by default; and create a sensitive data category with stricter provisions of use and processing. There are definite trade-offs between development objectives and privacy safeguards and the extent of the adoption can follow that prioritisation.

Having said that, these are not non-urgent concerns. They are backed by documentation and acknowledgement from companies and the government. There have been numerous discussions on India being an exporter of its data for AI training. The solution is not to prevent the export or to ban personal information from AI training, which can worsen AI outcomes on inclusion, efficiency, discrimination and bias for the Indian population.

India is staged to be the use case hub of the world – AI is being deployed by corporate giants, MSMEs, and even not-for-profits across sectors. The more we delay closing gaps on privacy, the weaker the constitutional right becomes.

An anti-climactic outcome in the Knesset elections



Mahesh Sachdev

Retired Indian Ambassador, specialising in West Asia and oil issues

For the Israeli Knesset election hyped as "consequential" and a "day of reckoning for the October 7 Hamas attack", the verdict points to new trends and the normalisation of trenchant nationalism. The inconclusive outcome risks disappointing most stakeholders. Israel, being at the epicentre of the ongoing regional tumult, needs a real-time analysis.

Israel's total electorate is 7.3 million. Yet it has 38 officially recognised political parties vying for 120 Knesset seats, of which only 11 parties are likely to cross the 3.25% voting threshold needed to enter the legislature. The elections are on a proportional representation basis. The parties are currently arrayed in three coalitions: the ruling extreme right, the centrist bloc and the Israeli-Arab bloc which got 53, 48 and 19 seats, respectively. The last group representing a 21% minority is largely untouchable for mainstream Jewish parties. The electorate is also split along ethnic and origin-based lines into occidental, oriental and orthodox cohorts. Since the last elections in 2022, nearly half a million new voters have come of age. The voter turnout jumped by nearly a tenth to 77.7% – a sign of sharp political engagement.

The indications point to a hung parliament, with neither of the two major coalitions able to gain the 61 seats needed for a majority. While the Likud-led coalition, headed by current Prime Minister Benjamin Netanyahu, is down by 11 seats, it is still ahead of the rival coalition. Although the Likud party got only 27 seats, its lowest score in 13 years, it remains the largest party in the Knesset. The Yashar, the main opposition party, got 21.

A war hungry rule

The election was overshadowed by the extraordinary turmoil faced by Israel during the last four years under Mr. Netanyahu, who led one of the most divisive governments in the country's history. His rule saw the shocking raid by the Gaza-based Hamas militia on October 7, 2023, which murdered nearly 1,200 Israelis and took 251 as hostages – the biggest single-day loss in Israel's history. The incident upended Mr. Netanyahu's claim of being a "security hawk", as several reports emerged that credible early warnings were ignored. He responded by waging all-out war over the past three years against Hamas, Lebanon's Hezbollah and Yemen's Houthis with mixed results. Though severely affected, these non-state actors are still defiant.

> While voters have reprimanded Mr. Netanyahu for his flawed conduct, they seem to be willing to give him another chance

However, Iran, the putative mentor of this "axis of resistance", remains Prime Minister Netanyahu's biggest unfinished agenda. Israel's two energetic military campaigns in concert with the U.S. have not succeeded in dismantling either the Islamic Republic or its nuclear programme. Moreover, Iranian retaliatory actions have inflicted serious costs on Israel, the U.S. and some Arab neighbours. The adverse global consequences of these wars and allegations of genocide in Gaza have sullied Israel's image. While most Israelis concur with his assessment of Iran being an existential threat, many see his pursuit of kinetic wars as costly failures that have not achieved their military objectives, but have instead created friction with the Trump administration and the U.S. public. Mr. Netanyahu is perceived as having used the wars to avoid accountability for the October 7 attack as well as for corruption charges against him.

Against this complex backdrop, the polls can be interpreted in multiple ways. First, better security, with a focus on preventive interventions, has emerged as the primary concern. Second, political discourse has hardened, with the national consensus shifting sharply to the right. An overwhelming majority have voted for the two coalitions, both of which reject any compromise on the Palestinian problem, including a "two-state" solution. This extreme Zionist nationalism complicates the pursuit of any pathway towards political rapprochement both at home and regionally. Third, while voters have reprimanded Mr. Netanyahu for his flawed conduct, they seem to be willing to give him another chance. The guarded and partial endorsement should be seen as a consequence of a rightward shift in public opinion. Mr. Netanyahu, who remains steadfast in his aggressive policies, is likely to use this popular affirmation to draw a line under his past infractions and bury calls for accountability. Fourth, the unprecedented performance of the Israeli-Arab bloc gives an edgy counterpoint to the polarisation of Israeli society. And finally, in a reversal to a global trend, Israeli Gen-Z youth seem to be preferring right-wing candidates.

A dangerous shift

While right-wing nationalism has always been present in Israeli society, from the Irgun and Stern gangs in the 1940s to the assassination of former Israeli Prime Minister Yitzhak Rabin in 1995, the current Knesset poll marks its mainstreaming, which is a worrisome development.

The procedural follow-up of the election results would begin this week with the Israeli President inviting Mr. Netanyahu to form a majority government within the next 28 days, extendable by another 14 days. If he fails, the centrist coalition leader may be asked to make a similar attempt. In case he also fails, a national government may be attempted. Once all these options are exhausted, new elections may be ordered. In the meantime, Mr. Netanyahu would continue to be the Prime Minister in a caretaker capacity.

This situation is hardly new in Israel: during 2019-22, Israel had four elections before the current coalition came to power.

LETTERS TO THE EDITOR

Responsible Opposition

The success of the INDIA bloc rally in New Delhi, which sought the removal of CEC Gyanesh Kumar over his alleged role in ordering a flawed Special Intensive Revision (SIR) exercise should serve as a wake-up call for the BJP-led government at the Centre. It must listen patiently to the legitimate grievances of citizens and address them with the seriousness they deserve. While the Congress and other INDIA bloc constituents can take satisfaction in the success of the Delhi rally, they cannot afford to lose sight of the imperative need to remain united and sustain public momentum against the ruling dispensation. The Opposition has an onerous responsibility to mobilise public opinion, safeguard democratic values and prevent the country from sliding towards authoritarianism.

M. Jeyaram
Tamil Nadu

Need holistic approach

It is gratifying to learn that the CJI while on an official visit to Keralam flagged his anguish and concern over the growing tendency among litigants to approach the top court to seek early hearing of their cases (November 2, "Why make litigants rush to SC for early hearings, CJI asks HCs"). What is beyond comprehension is the fact that even the top court often commits a breach of its own precepts by sitting on holidays to entertain petitions of some VIPs in utter disregard of how badly this impacts the psyche of litigants suffering the plight of pendency of their cases. The issue needs to be addressed in a holistic manner to rule out this dismal scenario.

Ravi Mathur
Noida

Cuba embargo

For the last three decades, the UN General Assembly has been adopting a resolution urging the U.S. to lift the economic embargo on Cuba but to no avail. Though the resolution was adopted in the recent UNGA too, the latest UN proceedings were truly shocking as there were more abstentions and negative votes than normal, and even worse were the scuffles which occurred between the U.S. and Cuban delegates. Mercifully India did not abstain and stuck to its decade-old position. The U.S. envoy to the UN Mike Waltz has gloated over the increased number of abstentions this year which, to say the least, is anything but dignified. Sufferings of ordinary people whether in Gaza, or Cuba or Iran on account of wars by the U.S. and its allies are human rights violations besides amounting to the virtual shredding of the UN Charter.

Angara Venkata Girija Kumar
Chennai

To read more letters online, scan the QR code.
Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.

T.N. can lead in expenditure reform



Anoop Singh

is Distinguished Fellow, Centre for Social and Economic Progress (CSEP), and has been Member, 15th Finance Commission, and Asia Pacific Director, International Monetary Fund

Tamil Nadu's new high-level committee on welfare and public spending has an important task: defining how expenditure is measured and evaluated, and to do so in line with international standards. This could establish a model for reform across India. The reform should reduce leakage, duplication, and low-value spending while creating room for human capital, infrastructure, and technologies needed for future growth.

The State's June 2026 White Paper shows why this is urgent. In 2024-25, committed expenditure absorbed almost two-thirds of revenue receipts, against 49% in Maharashtra and 45% in Karnataka and Gujarat. Interest payments alone reached almost one quarter of revenue receipts in 2025-26, against 16% in Karnataka, 12% in Gujarat, and 10% in Maharashtra. Capital expenditure was under 1.5% of GSDP, against 1.9% in Karnataka and Maharashtra and 2.9% in Gujarat. Thus, Tamil Nadu has an expenditure structure more rigid and less investment-oriented than its major peers.

The committee needs a clear picture of what the government is spending and where it is recorded.

India lacks comparable State expenditure data. Definitions, classifications, and institutional coverage vary across States and between States and the Union. Tamil Nadu could lead by reconciling its accounts with international standards, such as the IMF's Government Finance Statistics Manual 2014 (GFSM), which distinguishes investment in non-financial assets, transactions in financial assets, and incurrence of liabilities. A supplementary GFSM reconciliation would greatly improve inter-State and international comparability.

The government needs to establish the full fiscal cost of subsidies. State subsidy reporting is fragmented and frequently incomparable, with implicit subsidies remaining outside conventional statements. For example, it reports subsidies for bicycles and seeds as grants-in-aid; in 2023-24, this amounted to ₹802 crore. The White Paper also reports that working-capital borrowing by the State Civil Supplies Corporation rose sharply from ₹17,500 crore in 2021-22 to ₹27,181 crore in 2025-26 against rising subsidy receivables. The committee should identify the costs, beneficiaries, and outcomes of major subsidies.

Power shows why the fiscal perimeter matters. Support can take the form of explicit tariff subsidies, below-cost pricing, unpaid obligations, utility losses, guarantees, borrowing, capital outlays, and net lending. Where electricity is supplied below cost for social reasons, the subsidy should be explicit.

Recorded capital spending across States and the Centre typically includes loans, equity injections, debt repayments, and other financial transactions, although they do not necessarily create non-financial assets. Roads, water systems, schools, hospitals, and other productive assets should be distinguished from loans, equity, and other financial transactions. GFSM provides a consistent framework, especially important when the State's investment ratio is already below those of its principal economic peers.

The same measurement problem applies to employment. Tamil Nadu budget data put salaries at about ₹75,500 crore in the 2023-24 revised estimates. But the wider publicly financed employment bill extends beyond this. Notably, RBI's recorded municipal-finance data identify ₹3,668 crore of salary, wage, and pension expenditure for the State's covered municipal corporations, up from ₹2,899 crore in 2019-20. These figures illustrate why the full cost of publicly financed employment is difficult to establish. Spending on contractual and scheme workers, and on employees of aided institutions, local bodies, autonomous institutions, and public enterprises, is not regularly consolidated. Across States, our estimates suggest salary expenditure rises from a reported 2.5% of GDP to about 4.1% once important omitted components are included.

Tamil Nadu could publish both a GFSM-consistent compensation measure and a supplementary measure of its wider publicly financed employment footprint.

Once expenditure is correctly measured, the committee can ask what each rupee achieves. Major programmes should be comprehensively assessed for beneficiaries, unit costs, leakage, duplication and outcomes. Successful programmes should be protected or expanded and ineffective ones redesigned or discontinued. If the committee succeeds, Tamil Nadu could offer other States a practical approach to expenditure reform.

If the committee tasked with defining how expenditure is measured and evaluated succeeds, Tamil Nadu could offer other States a practical approach to expenditure reform

Firecrackers: Festivity or fallout?



Sincy Wilson

is Assistant Professor, School of Law, Vels University (VISTAS), and a legal researcher specialising in constitutional and administrative law, and international environmental law



Vaishali R. Venkat

The smoke that wafts through our celebrations carries a hidden cost. How can society preserve the joy of celebration without compromising the right to breathe clean air?

On October 12, the Supreme Court's *suo motu* hearing on air pollution in Delhi-NCR brought firecracker restrictions, religious sentiments, and public health into focus. Citing enforcement difficulties, the Bench cautioned against a blanket ban and emphasised public awareness and voluntary restraint to encourage the use of less-polluting alternatives.

Senior advocate Aparajita Singh, the amicus curiae in the matter, urged the Court to ask the Commission for Air Quality Management (CAQM) to address the medical risks associated with air pollution. The proceedings raise a larger constitutional question: how can environmental protection be reconciled with religious freedom without compromising either public health or lawful cultural practice?

Article 21 of the Constitution provides that no person shall be deprived of their life or personal liberty, except according to the procedure established by law. As interpreted by the Supreme Court, the right to life encompasses the right to healthy life. Articles 48A and 51A(g) reinforce this very principle by placing environmental protection within the framework of the Directive Principles of State Policy and Fundamental Duties, respectively. While Article 48A directs the State to protect and improve the environment and safeguard forests and wildlife, Article 51A(g) makes environmental protection a fundamental duty of every citizen. Further, Article 25 guarantees every person freedom of conscience and the right to profess, practise, and propagate religion, subject to public order, morality, and health, among other constitutional limitations. Thus, religious freedom and the freedom to celebrate cannot be treated as an automatic licence to expose others to unreasonable risks to their health. The challenge is not to pit celebration and clean air in opposing camps, but to ensure that the enjoyment of one's freedom does not diminish another's ability to live in a healthy environment.

Religious freedom and freedom to celebrate cannot be treated as an automatic licence to expose others to unreasonable risks to their health

Environmental protection also demands collective action by governments, institutions, and individuals alike. This understanding of shared environmental responsibility extends beyond national constitutions and finds expression in international environmental principles. For instance, the Stockholm Declaration of 1972 recognised that human well-being is intertwined with environmental quality. The Rio Declaration of 1992 articulated two principles that remain pivotal to environmental policymaking: the precautionary principle, which calls for preventive action by the State against serious environmental risks even when scientific certainty is incomplete, and the polluter-pays principle that suggests that the polluter bears the cost of pollution. Applied to the firecracker debate, these principles bring two core concerns into focus: preventing environmental harm and ensuring that those responsible for pollution bear the cost.

The Universal Declaration of Human Rights (UDHR) and the International Covenant on Civil and Political Rights (ICCPR) recognise religious freedom. Moreover, across the globe, countries adopt different approaches to firecracker regulation to protect public safety. For instance, Singapore has banned private firecracker use, permitting only licensed professional fireworks displays. Ireland and the United Kingdom prohibit the sale of traditional firecrackers to the general public. Sweden prohibits the use of firecrackers except by trained individuals holding special permits. Under Germany's explosives regulations, certain powerful firecrackers are restricted to authorised permit holders.

India need not choose between two extremes: a blanket ban and unrestricted use. Regulation can be designed to prevent harm while respecting lawful celebration. This requires scientifically assessing alternatives such as certified green crackers, enforcing emission and safety standards, and holding manufacturers and sellers accountable for violations. The State must ensure that restrictions are proportionate and effectively implemented, while citizens exercise their freedoms with due regard for public health.

After all, a celebration should leave behind memories of joy, not a legacy of polluted air.

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Indonesia's wildfires scorch 1.9 million hectares

El Niño has intensified dry conditions, worsening fires and toxic haze; CREA estimates 5,310 pollution deaths in Sept., with 58 mn exposed to unhealthy air

DATA POINT

Devyanshi Bihani

Wildfires scorching Indonesia's forests and peatlands have sent thick, toxic haze across parts of Southeast Asia, fuelling public anger over the government's response. On October 28, thousands of Indonesians took to the streets, with protesters linking the worsening fire crisis to broader grievances over President Prabowo Subianto's policies and handling of the country's problems. "No Clean Air Under Dirty Government," read one placard, while another warned: "If we burn, you burn with us."

More than 1.9 million hectares burned across Indonesia between January and September 2026, according to Nusantara Atlas FireWatch data. The annual hotspot count in 2026 has already surpassed the yearly totals recorded every year from 2019 to 2025, with two months of the year still remaining. **(Chart 1)**

The fires are a result of the land-clearing practices and unusually dry weather in the country. People set fire to vegetation to clear land for agriculture and plantations. The risk is particularly high in peatlands, wetlands which become highly inflammable when dried for any development.

El Niño has compounded the risk this year. Meteorology, Climatology, and Geophysical Agency (BMKG) of Indonesia, in a release in September, said, "The phenomenon of El Niño with very strong intensity and Indian Ocean Dipole (IOD) in the ocean around Indonesia has an impact on reducing rainfall." It said 61.91% of the area of the Indonesian mainland was currently experiencing a dry season.

The scale of the fires is also striking when compared with previous El Niño years. By September 2026, the cumulative burned area had reached 38% higher than the 1.39 million hectares recorded by the same month in 2019 and more than double the 8,86,172 hectares recorded in 2023. **(Chart 2)**

The fires are spread across Indonesia's vast archipelago, extending beyond traditional hotspots in Sumatra and Kalimantan. Papua Selatan recorded the highest number of hotspots in the October 28-29 period, which coincided with nationwide protests **(Map 1)**. Burned-area figures also show a sharp escalation between July and September in several provinces, with Papua Selatan, Kalimantan Barat, and Nusa Tenggara Timur among the worst affected by September. **(Chart 3)**

The Centre for Research on Energy and Clean Air (CREA) estimated that air pollution-related deaths rose 42%, from 3,740 in August to 5,310 in September, in Indonesia.

Of the September deaths, an estimated 3,560 were linked to smoke from forest and land fires, while 1,750 were attributed to non-fire sources, including urban and industrial pollution **(Chart 4)**. The number of people exposed to unhealthy or hazardous air reached a monthly record of 58 million, up 40% from August. CREA also estimated that high PM2.5 exposure triggered 3,33,470 acute respiratory infection cases across seven fire-affected provinces, with children under five accounting for nearly a quarter.

The effects of the fires extend beyond areas directly affected by the flames, worsening respiratory illnesses and air pollution in neighbouring Malaysia and Singapore. With private firms in Indonesia coming under heavy criticism for contributing to the fires with their 'slash and burn' activities to clear vast tracts of land, Singapore has initiated action under its Transboundary Haze Pollution Act. The foreign ministers of Indonesia and Singapore, after their meeting on October 27, said that the two countries will explore setting up a joint task force to deal with haze from Indonesia's forest fires.

Smoke and fury

Data for the charts were sourced from Nusantara Atlas FireWatch and Centre for Research on Energy and Clean Air (CREA), an independent research organisation that produces data and analysis on air pollution and its health impacts



Fighting flames: A man uses a tree branch to fight a peatland fire in Central Kalimantan, Indonesia, on October 22, 2026. AFP

MAP 1: The distribution of fire hotspots across **Indonesian provinces** on October 28-29, 2026, around the nationwide protests over the government's handling of the fires and resulting haze

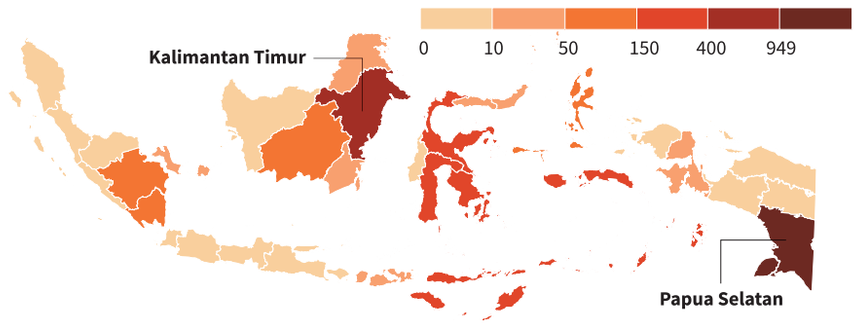


CHART 1: Hotspot counts in Indonesia from 2019 to 2026. Data for 2026 is as of October 31. Hotspots are satellite detected thermal anomalies that may indicate active fires They are indicators of fire activity, not direct counts of individual fires

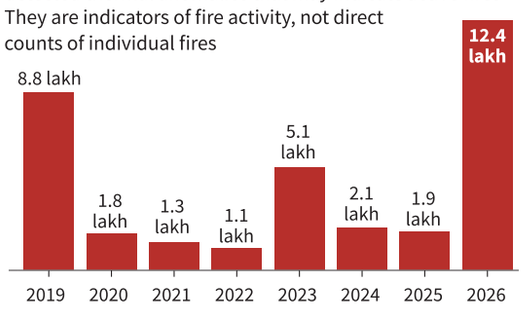


CHART 2: Monthly progression of cumulative burned area in Indonesia every year since 2019 from January to December. 2026 data is till September. (in million hectares)

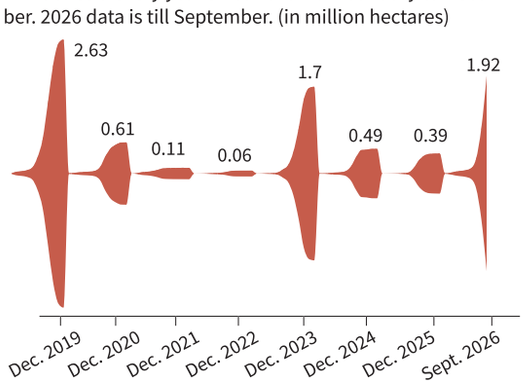


CHART 3: Month-wise cumulative burned area across the 10 Indonesian provinces with the highest record in 2026

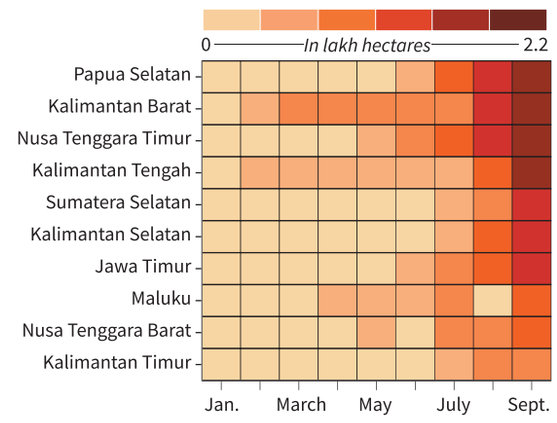
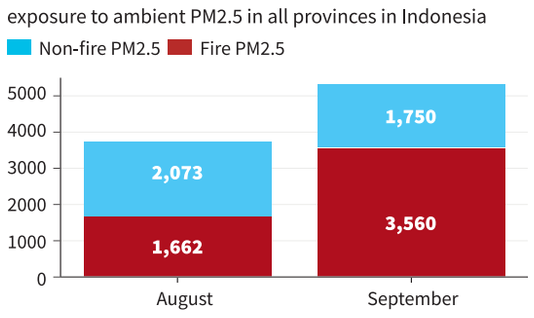


CHART 4: Non-accidental deaths attributable to short-term exposure to ambient PM2.5 in all provinces in Indonesia



FROM THE ARCHIVES
The Hindu.

FIFTY YEARS AGO NOVEMBER 3, 1976

Soviet Cars for Malaysia

SINGAPORE, Nov. 2.: The Soviet Union might assemble its cars in Malaysia and was now seeking to export Moskvich cars to the country, the Soviet Ambassador in Kuala Lumpur, Mr. Bendryshev, said last weekend. All plans for import of cars were ready and only the Government's license was required, he added. "We have got the technical equipment, diesel engines, aircraft and ships to name a few for export," he said.

The Soviet Union was keen on co-operating with Malaysia to help it to implement its Third Plan by supplying technical expertise and equipment. It was willing to help in energy producing projects, deepening fishing port construction and irrigation projects, he said. Trade expansion and economic co-operation with foreign countries were in line with Russia's latest five-year plan to produce more goods for export.

Eleven scholarships were awarded annually to Malaysian students by Russia, but many of these were not utilised though nearly 40,000 foreign students studied in Russia, he said. The Soviet Union buys large quantities of rubber.

A HUNDRED YEARS AGO NOVEMBER 3, 1926

Tutankh-Amen's Tomb: Contents of the Second Chamber

CAIRO, Nov. 2.: The newspaper *Siasash* learns from a trustworthy source that the contents of the third chamber of Tutankh-Amen's tomb have recently been opened and while they are not so rich and fine as those of the other two chambers they are of great historical importance, because they represent everything used for the funeral ceremony. Thirty small boats of two kinds were found, one sort being that used for funerals for journeying from Luxor across the Nile to the tombs and the other sort intended to transport the body from the earth to heaven. A very interesting box of small statuettes has also been found having Tutankh-Amen's head but the body of a bird or animal, giving the Egyptian conception after life and two chariots have been found unornamented. They were supposed to have been used during hunting. These are the first of their kind ever discovered.

Text&Context

THE HINDU

NEWS IN NUMBERS

Case property items that went missing from Kochi court

124 As many as 124 case property items, including a Rado watch, have gone missing from the property room of a magistrate court, police said on Monday. The incident was reported from the Judicial First Class Magistrate Court-II on Park Avenue Road in Ernakulam. PTI

T.N. deploys electricity dept. personnel to restore power in A.P.

500 Tamil Nadu government has deployed 500 electricity department personnel in 25 teams to assist Andhra Pradesh in restoring power supply disrupted by Cyclone Murasu, following a request from Chief Minister N. Chandrababu Naidu. PTI

Rainfall deficit recorded across Meghalaya in October

85 in per cent. Meghalaya received just 38.3 mm of rainfall in October, nearly 85% below the monthly normal of 255 mm, the India Meteorological Department said on Monday. The latest shortfall comes after a deficient southwest monsoon, during which the State recorded a 60% deficit. PTI

Worth of contracts sealed to procure 8 warships for Navy

53,866 in ₹ crore. The Defence Ministry on Monday said it has sealed contracts worth ₹53,866 crore with two State-run shipbuilders to procure eight next generation warships for the Indian Navy to bolster its combat prowess. PTI

Rise in Russia's LNG exports recorded for January-October

13.4 in per cent. Russia's liquefied natural gas exports rose to 28.0 million metric tonnes in the first 10 months of 2026, 13.4% higher than last year, due to supplies from the Arctic LNG 2 project, LSEG data showed. REUTERS

COMPILED BY THE HINDU DATA TEAM

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What is the role of Legislative Councils?

What is the constitutional basis for Legislative Councils in the States? What were the arguments for and against? How are members elected and nominated? What powers do Legislative Councils have in relation to Legislative Assemblies? What reforms did the Second Administrative Reforms Commission propose?

EXPLAINER

Rangarajan R.

The story so far:
Elections to 28 Legislative Council seats were held last week in Uttar Pradesh, Bihar, Maharashtra and Karnataka. The exchanges among political parties and their leaders, including the Prime Minister, following the election results had piqued public curiosity about Legislative Councils.

Legislative Councils in British India
The Government of India Act, 1935 introduced bicameral legislatures in six large provinces of Madras, Bombay, Bengal, the United Provinces, Bihar and Assam. The electoral college for these councils was highly restricted and elitist, granting voting rights to only a very wealthy or educated minority.

They were to act as a revising chamber to review the work of Provincial Legislative Assemblies. These councils were not subject to dissolution, and the term of individual members was nine years, with one-third of members retiring every three years. Interestingly, these Legislative Councils had equal powers with the Legislative Assemblies with respect to passage of bills. If there was any disagreement, or if a bill was kept pending in the council for 12 months, the Governor may resolve such deadlock only by summoning a joint sitting of the provincial Assembly and Council.

Constituent Assembly debates
The debates around constituting Legislative Councils in States were highly contested in the Constituent Assembly. Some members favoured it on the ground that it would act as a check and balance against hasty legislation by popularly elected Legislative Assemblies. Others



BJP leaders celebrate after winning four seats in Karnataka Legislative Council polls, on October 28. PTI

viewed it as an unnecessary burden on the public exchequer. There were also objections to leaving out most important aspects of the constitution of Legislative Councils to ordinary legislation of Parliament without clearly specifying them in the Constitution itself. Finally, after considerable debate, the provisions with respect to Legislative Councils were adopted.

Structure of State councils
Article 168 of the Constitution provides that the State legislature of Maharashtra, Uttar Pradesh, Bihar, Andhra Pradesh, Telangana and Karnataka shall have a Legislative Council.

Article 169 stipulates that Parliament may by ordinary law provide for the abolition or creation of a Legislative Council in a State. However, Parliament may pass such a law only if the Legislative Assembly of the State passes a resolution to that effect by a two-thirds majority.

Article 171 provides that the maximum number of members in a council shall not exceed one-third of the total membership of the Legislative Assembly, subject to a minimum of 40. The members of the council shall be elected as follows: one-third by municipality and local body members; one-twelfth by graduates for at least three years; one-twelfth by secondary school teachers for at least three years; one-third by MLAs of the State; and the remaining one-sixth to be nominated. Article 172 provides that the Legislative Council in a State is not subject to dissolution, and the term of individual members is six years, with one-third of members retiring every two years.

The ministers in a State, including the Chief Minister, can be from its Legislative Council, just like ministers in the Centre can be from the Rajya Sabha.

However, when it comes to legislative procedure, the council does not have significant powers. There is no requirement for a joint sitting to break any deadlock between the Assembly and Council with respect to bills. In case of disagreement, the bill as passed by the Assembly is considered final, with the Council only having the option to delay the passage of a bill for a maximum of four months.

Issues and way forward
The abolition or creation of Legislative Councils in the past has been primarily driven by political considerations. For instance, the Tamil Nadu Legislative Council was abolished in 1986 when M. G. Ramachandran was the Chief Minister. There was a resolution in the assembly to re-establish it in 2010 when M. Karunanidhi was the Chief Minister. However, before the Parliamentary law for creation could be notified, the Assembly in 2011 had passed a resolution against the revival of the council when J. Jayalalithaa became Chief Minister. Similarly, the Andhra Pradesh council was abolished in 1985 when N. T. Rama Rao became the Chief Minister, only to be later created again in 2007.

The second Administrative Reforms Commission (ARC) in its report on Local Governance (2007) had proposed that Parliament may, by law, create a Legislative Council in all States as 'Council of local governments'. It argued that, given the country's increased literacy rates, there was no longer a need for a separate electorate of graduates and teachers. Instead, all the members of the council can be elected solely by local body representatives.

The second ARC's recommendation may be deliberated and suitably implemented. Despite limited legislative powers of the council, this arrangement may enable it to function as an effective 'revising house', protecting and empowering the interests of local bodies. Otherwise, they may as well be abolished in the existing six States, rather than remaining as a mere ornament in those State legislatures.

(Rangarajan R is a former IAS officer and author of 'Courseware on Polity Simplified.' He currently trains at Officers IAS Academy. Views expressed are personal)

THE GIST

- Legislative Councils were envisaged as revising chambers to check hasty legislation by State Assemblies, but their creation and abolition have often been driven by political considerations
- Though the Constitution provides for their composition, tenure, and role, Legislative Councils have limited legislative powers and can only delay the passage of bills
- The Second Administrative Reforms Commission recommended transforming them into councils of local governments, with members elected solely by local body representatives, to strengthen local self-government

How are enumerators being trained for Census 2027?

What are the new questions? What are enumerators being told to ask about Aadhaar and caste?

Vijaita Singh

The story so far:
Before door-to-door enumeration for the second phase of the Census begins in Uttar Pradesh and three other poll-bound States of Uttarakhand, Goa, and Punjab on December 1, ahead of the rest of the country in January 2027, field trainers are preparing enumerators for the challenging task ahead. The second phase of the Census, the Population Enumeration, will ask 40 questions, and the enumerators need to spend at least 20-25 minutes with each respondent.

Why is training important?
Door-to-door enumeration for the Census will involve 34 lakh enumerators, mostly government school teachers. However, on October 16, the government expanded the definition of "any person" who could be appointed as Census enumerators, authorising the appointment of private school teachers and members of "institutions, societies and trusts."

On September 9, Mritunjay Kumar Narayan, Registrar General of India and Census Commissioner, wrote to all States and Directors of Census Operations that Census is not merely an administrative and statistical exercise but is one of the empirical foundations for building Viksit Bharat. "Training is therefore not just a preparatory step; it is in itself a contribution to the national vision in producing quality data," it said.

As this is the first digital census, enumerators will record the data through an app on their phones.

"To improve interactions with households, the government introduced a framework called PRAMAN, comprising Pehchaan (Identity), Rishta (Rapport), Anurodh (Request), Madad (Assistance), Aankada Shuddhata (Data Accuracy), and Nishtha (Commitment). The framework will be embedded across all levels of training and reinforced through a Seva Bhav pledge administered to enumerators and supervisors," the circular said.

What is the training pyramid's structure?
Subject matter experts are appointed as National Trainers, who in turn train Master Trainers. Master Trainers train Field Trainers, who then impart training to enumerators and supervisors, ideally in batches of 35-50. The September 9 letter stated that hands-on practice with the Population Enumeration mobile app is mandatory for all.

Why are enumerators being asked to be sensitive?
In the September 9 circular, Mr. Kumar said that while Phase I training had established a digitally proficient Census workforce, Population Enumeration would require officials to engage with respondents on a wider range of sensitive issues, including religion, language, caste, disability, migration, economic activity and fertility.

Training modules will cover caste, fertility and religion-related questions. According to the circular, the quality, completeness and integrity of Census data will depend directly on the effectiveness of training provided to Census personnel.

The circular said Population Enumeration will require enumerators to ask questions relating to religion, mother tongue, Scheduled Caste and Scheduled Tribe status, caste, disability, migration, fertility and economic activity, among other subjects. It instructed trainers to place special emphasis on these categories and on the correct application of coding and probing techniques.

What are the peculiar questions asked?
On August 14, the RG & CCI notified a set of 40 questions to be asked during the Population Enumeration phase, or the second phase of the Census, adding 13 new questions or data fields that were not part of the Census 2011 questionnaire. Some of the additional questions – such as particulars of mother and father, including their names, religion and place of birth; Aadhaar, mobile, voter ID and driving license details – mirror those asked in the rehearsal form of the National Population Register in 2019.

What are field trainers telling the enumerators?
At a training session in Uttar Pradesh, a field trainer explained the importance of Question number 37, which seeks the respondent's Aadhaar number, if available. The trainer told the enumerators that if a respondent is hesitant, they should nudge and convince them that Aadhaar cannot be used for any other purpose without biometric authentication of the user, and that the information provided during the Census is confidential.

"If any respondent raises an issue, they should be told that the question is intended only to determine how many people possess an Aadhaar card. If we get the accurate information during the Census, then in the future this document may act as proof of citizenship," the trainer said.

A senior Census official, however, told *The Hindu* that "no such instructions" have been passed to the trainers. "There is no instruction to link Aadhaar with the citizenship test. The question is optional; if a person says that he or she has or does not have Aadhaar, it will be recorded as such," the Census official said.

Another question where the enumerators were told to be cautious was question number 10C, which asks for the caste of the respondent. "You have to manually write the caste, as you are being told; there will be no drop-down box with options. It is a sensitive question, and your job is not to argue or provide any commentary on the issue," the field trainer told the enumerators. "There will be no separate column for OBCs (Other Backward Classes)," he added.

Other than Scheduled Caste and Scheduled Tribes, who can choose the names from a predetermined drop-down box, all others will have to type the caste name in an open column. This is Independent India's first caste enumeration. Question number 10 (C) says: "If not SC/ST in this State/U.T.,-Enter Caste name." There are two other options besides the Caste column – "Does not want to declare Caste" and "No Caste." The data fields are marked "mandatory".

ABSTRACT

How smoking sets the stage for lung cancer, glimpsed in new study

Chronic smoke exposure alters lung stem cells and weakens their safety mechanisms and local immune defences, creating a precancerous state; common KRAS and TP53 mutations triggered tumours only in smoke-conditioned tissue, showing how smoking primes cells for cancer

Anirban Mukhopadhyay

Na Wang, Raksha Padaki, Sara-Jayne Thursby and Michelle Vaz, 'Chronic Cigarette Smoke Exposure Induces Distinct Stem Cell States Driving Genetic Driver-specific Non-small Cell Lung Cancer Subtypes', Proceedings of the National Academy of Sciences, Vol. 123, Issue No. 42, October 5, 2026



GETTY IMAGES

Oncologists have long wrestled with a conundrum. Healthy human tissue often carries mutations that can drive cancer, but the tissue itself does not develop tumours. Clearly, a genetic spark alone is not enough. At the same time, chronic inflammation from smoking profoundly damages lung tissue long before any definitive cancer-causing mutations even take root.

How then does smoking increase the risk of lung cancer?

Results published in the *Proceedings of the National Academy of Sciences* on October 5 have reported a crucial missing link.

'Change the soil'

Using lab-grown lung organoids, researchers showed that chronic exposure to cigarette smoke can prime certain lung stem cells into a 'precancerous' state by turning off their safety switches and dulling local immune defences.

This long-term inflammatory stress does not instantly form a tumour in the body. Instead, it prepares cells so that when common genetic mutations eventually occur, they can trigger the onset of a cancer.

If we think of normal lung cells as "healthy seeds", the research shows how long-term smoke exposure gradually changes the "soil around them", Sendurai Mani, a professor of translational oncology at Brown University and who was not involved in the study, said.

The findings have a significant implication for India. In a May 2020 analysis of 1,862 patients, a team at AIIMS New Delhi identified adenocarcinoma and squamous cell carcinoma as the country's most common lung cancers – the exact two subtypes formed by smoke-primed cells in the new study.

Understanding how persistent, low-grade inflammatory stress sets the stage for cancer is also critical because a substantial proportion of India's lung cancer cases occur among non-smokers exposed to severe air pollution and biomass smoke from traditional cooking stoves.

Tissue decline

To track how normal lung tissue deteriorates, the researchers, at the Johns Hopkins University School of Medicine and the Van Andel Research Institute in the U.S., turned to lung organoids – microscopic, three-dimensional 'mini-lungs' grown in the laboratory from mouse and human lung tissue.

The team treated these organoids with a liquid extract containing the chemical components and toxins of cigarette smoke for up to six months. Then they compared them to a group of unexposed organoids.

Within one to three months, certain cells in the smoke-exposed organoids grew significantly faster and formed denser, more crowded clusters than the controls. This growth came at a cost to normal cellular function. Stem cells destined to mature into either the airway lining or fragile alveolar air sacs expanded rapidly and adopted an altered, injury-like identity.

Simultaneously, the numbers of specialised cells that usually keep airways clean steadily declined. The lab-grown tissue became trapped in a disordered, unhealed state known as metaplasia, akin to how skin forms a thick callus in response to repeated friction.

Reprogramming cells

During the six months, the cells did not spontaneously acquire the traditional mutations that drive cancer. Instead, the smoke inflicted its damage through epigenetic changes – a bit like reprogramming a computer, explained Michelle Vaz, an oncologist at Johns Hopkins and a study co-author. The cell's underlying DNA hardware remains largely intact but the software instructions dictating how it should behave change.

By scanning how the cells packaged their DNA, the team discovered that chronic smoke caused the regulatory regions of genes crucial to a cell's survival to shut down. Chief among these silenced genes was *Zbp1*, a master sensor that detects cellular stress and initiates a process that forces damaged cells to self-destruct. As these instructions change, the cells "lose some of their normal controls," Dr. Vaz said.

The smoke-conditioned tissue also affected its environment. When grown alongside macrophages, the immune system's patrol cells, the altered lung cells coaxed them to switch sides, turning the cancer-fighters into accomplices that help abnormal cells hide.

Genetic spark

To test if these changes could really prepare the cells for malignancy, the researchers introduced two of the most common genetic alterations seen in human non-small cell lung cancer. They engineered different batches of the six-month organoids to carry either a cancer-driving mutation in the *Kras* gene or the loss of the *Tp53* tumour suppressor gene. Then they implanted these organoids into mice to see if they would grow into actual tumours.

Smoke exposure alone was not enough to trigger cancer in the animals. Introducing either mutation into healthy, unexposed organoids also failed to produce tumours. Instead, the tumours formed exclusively when the mutations were introduced to organoids that had already been conditioned to chronic smoke.

The two mutations also set off changes along different pathways: the *Kras* mutation acted on stem cells deeper in the lungs, giving rise to lung adenocarcinoma, while the loss of *Tp53* targeted stem cells in the airway lining and produced squamous cell carcinoma.

Biological memory

Instead of viewing cancer as an inevitable consequence of random DNA mutations, the findings suggest chronic smoke is essentially "preparing the ground for cancer", as Dr. Vaz noted, making distinct pools of stem cells uniquely vulnerable to certain genetic mutations.

Translating these lab-grown insights into actual human treatments or screening tools will not be easy. Human lung cancer is a very complex, decades-long process, Nithya Ramnath, professor of medicine at the University of Michigan, said. She pointed out that artificially engineering mutations in a lab dish bypasses the messy reality of how human bodies naturally acquire mutations, repair tissues, and conduct immune surveillance over a lifetime.

And while the study offers clues into one conundrum, Prof. Ramnath cautioned that a "critical unanswered question remains": why only a minority of individuals exposed to decades of heavy smoking ultimately develop lung cancer while some who have never smoked do.

Until researchers can unravel that mystery in real human populations, she said, the findings should be regarded as "hypothesis generating rather than actionable".

(Anirban Mukhopadhyay is a geneticist by training and science communicator from New Delhi)



FROM THE ARCHIVES

Know your English

S. Upendran

What is the difference between "friend" and "companion"? (S. Sateesh, Bangalore)

The meaning of the word "friend" has undergone several changes. I understand that during Shakespeare's time the word was used to refer to one's mistress! Nowadays, of course, the word "friend" is used to refer to someone whom you have known for some time and with whom you have a reasonably good relationship. The individual could be someone in whom you confide; a person to whom you tell your problems. In the case of a friend there is an emotional bonding, but there does not have to be physical proximity. You and your friend need not be together all the time.

A "companion", on the other hand, is an ambiguous term. This individual could be like a friend in that he/she may be very close to you. For example, Dr. Watson was Holmes' constant companion; he went wherever the great detective went. They got along famously and they were good friends. The word "companion" can also be used to refer to someone who accompanies you on a journey. You may talk to him, share food with him, but once you get off the train/bus, you may never see him again. While the word "friend" stresses the emotional bonding between individuals, "companion" stresses the physical presence of the individual being referred to.

How do you pronounce "rendezvous"? (D. Priyanka, Hyderabad)

The "e" in the first syllable is pronounced like the "o" in "pot", and "lot", while the "ez" in the second syllable is like the "i" in "sit", and "bit". The final "ous" is like the "oo" in "fool", and "pool". The main stress is on the first syllable. Any idea what the word means? When you "rendezvous" with someone, you agree to meet the individual at a specific time and place. For example,

The young couple will rendezvous at the park this afternoon at 5:00 o'clock.

The new coffee house has become a rendezvous for college students.

What is the meaning of the idiom "under a cloud"? (N. Balasubramanian, Sholinghur)

When you say that someone is under a cloud, what it implies is that people are suspicious or have a poor opinion of the individual because they think that he has done something bad. In our country, politicians are always under a cloud. Here is are a few examples.

Rohit left the firm under a cloud.

The firm's reputation is under a cloud at the moment.

Is it ok to say "My Mrs."? (Vasu, Kakinada)

In India it is fairly common for a man to refer to his wife as his "Mrs." "My Mrs. is not feeling well" is a sentence that one hears very often. Friends often ask, "How is your Mrs.?" or "How is your family?". The word "family" is often used to refer to the wife as well. Indians use these expressions in both formal and informal contexts. A native speaker of English does use the word "Mrs." to refer to his wife, but he does so usually in informal contexts. He uses the word jocularly; and never in formal contexts. When talking about his wife, a native speaker refers to her as "my wife" or calls her by her name.

Published in The Hindu on June 4, 2002

Word of the day

Modicum:
a small or moderate or token amount

Synonyms: iota, smidge, trace, pinch

Usage: *There was not even a modicum of doubt in her mind.*

Pronunciation: newsth.live/modicum

International Phonetic Alphabet: /mɒdɪkəm/

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

THE DAILY QUIZ

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

From the launch of Sputnik 2 to Laika's historic journey, test your knowledge of one of the most significant and poignant episodes of the early Space Race

Prathmesh Kher

QUESTION 1
When was Sputnik 2 launched into space?

QUESTION 2
Which country launched Sputnik 2, and what was its significance in the history of space exploration?

QUESTION 3
Why was Sputnik 2 developed in such a short period after Sputnik 1?

QUESTION 4
Which rocket was used to launch Sputnik 2?

QUESTION 5
How were the dogs trained to adapt to the cramped conditions inside Sputnik 2?



Visual Question:
Laika, a stray mongrel selected for the mission, became the first animal to orbit Earth. How long after launch did telemetry from her vital-sign sensors cease, and what was eventually established as the cause of her death? MEMORIAL MUSEUM OF COSMONAUTICS

Questions and Answers to the previous day's daily quiz: 1. Why is National Unity Day celebrated every year in India? **Ans: Commemoration of the birth anniversary of Sardar Vallabhbhai Patel**
2. When was Rashtriya Ekta Diwas introduced by the government? **Ans: 2014**
3. What was the core objective of the day? **Ans: To reaffirm the nation's strength, resilience, and commitment to unity**
4. Name one of the key events conducted on National Unity Day? **Ans: Mass public runs organised by States and U.T.s**
5. When was Sardar Vallabhbhai Patel's 150th birth anniversary celebrated? **Ans: 2025**
6. How many years did Sardar Vallabhbhai Patel serve as the Home Minister? **Ans: 1947-50**
7. What is the height of the Statue of Unity (in metres), one of the world's tallest statues, overlooking Sardar Sarovar Dam in Gujarat? **Ans: 182 metres**
Visual: Prime Minister Narendra Modi inaugurated this Statue of Unity in which year? **Ans: 2018**
Early Birds: K.N. Viswanathan | Mohan Lal Patel | Piyali Tuli | Lalchand Bhutani | Sumana Dutta

WEB EXCLUSIVE
A sexual violence survivor's ordeal shows where Zero FIR falls short — *Audrey Dmello*
Log on to www.indianexpress.com

WORDLY WISE
If liberty means anything at all, it means the right to tell people what they do not want to hear.
— *George Orwell*

The Indian EXPRESS
~ FOUNDED BY ~
RAMNATH GOENKA
IN 1932

BECAUSE THE TRUTH
INVOLVES US ALL

Opposition climbs stage but needs sharper script

THE CONGRESS-LED Opposition's rally at Ramlila Maidan on Sunday was a significant moment in the protests against the Chief Election Commissioner's conduct of the Special Intensive Revision of electoral rolls. For parties pushed to the wall by the BJP's serial electoral victories that it has regularly leveraged to squeeze spaces for opponents and to short-circuit debate, the crowds and the line-up of INDIA bloc heavyweights was a reclaiming of public space that was, arguably, cathartic. A day earlier, a similarly united Opposition, along with civil-society groups that joined hands with it on both days, had staged a "mock impeachment" of CEC Gyanesh Kumar. But the day after Ramlila Maidan, and ahead of crucial polls early next year in UP and other states, the Opposition may need to pause and take stock. Is symbolism overtaking the substance of its politics, and even undermining it? By refusing to make vital distinctions, by spreading the net too wide — from CEC-SIR, to lack of jobs, shrinking farmers' incomes, price rise and capture of institutions in general — is it losing the issue while sounding nihilistic? Most of all, by folding into this unwieldy campaign their own electoral defeats, by using high-pitched rhetoric in place of evidence to connect dots, parties of the Opposition risk looking like defeated players in search of a fall guy.

At their joint rally, speaker after speaker sought to make a hold-all accusation of illegitimacy against the BJP-led ruling establishment their starting point. In a way, this also reflects the genuine problem that the Opposition confronts in framing the CEC-SIR issue for a larger audience. It is challenging to communicate institutional integrity in terms that touch the hearts and minds of voters. But the Opposition does itself no favours by not stepping up to that challenge. The greater danger is that it also does disservice to an issue that fundamentally affects the health of democracy. The Election Commission of India underwrites the constitutional guarantee of equal voting rights for all citizens, which is essential for democracy to renew itself through free and fair elections. As this paper's investigation showed, there has been, under this CEC's direct watch, a disquieting erosion of checks and balances within the ECI, which needs to be addressed urgently.

Opposition parties' invocation of generally apocalyptic spectres is unpersuasive and self-defeating also because it has not found resonance on the ground. And because it is vulnerable to the charge that it is a thin cover for the absence of an affirmative politics — the inability of these parties to showcase alternative governance models in states where they are in power, Karnataka to Jharkhand, Himachal to Punjab. These parties will have to reconsider whether mechanically adding the name of CEC Gyanesh Kumar to their already existing villains' gallery is enough. For the losing side in a democracy, to keep knocking the electoral process is, after a point, dispiriting for the voters they are addressing and appealing to. The energy comes from the harder labour of politics. That, for those who took the Ramlila stage on Sunday, is still work not done.

The challenge is more productive employment

INDIA HAS made remarkable progress in lifting millions out of abject poverty. Extreme poverty, as measured by a $3 per day poverty line, has fallen to 2.6 per cent in 2023, according to the World Bank's latest estimate. At a higher threshold — the lower-middle income country line of $4.2 per day — the decline from 57.7 per cent in 2011 to 16.1 per cent in 2023 is equally impressive. This improvement in living standards can be observed across the rural-urban divide, in most states. Yet, the lack of more productive and better paying non-farm employment opportunities remains an obstacle in the path to mass prosperity.

India's labour force participation rate has increased to around 59 per cent in 2025 (15 years and above), according to the periodic labour force surveys. Much of this is because more women are joining the labour force. But a significant number are either engaged in agriculture or self-employed. The less productive farm sector now employs around 43 per cent of the workforce. In comparison, in China, 21.68 per cent are engaged in agriculture, in Vietnam the figure is 25 per cent, according to the World Bank. In the non-farm sector in India, roughly three-fourths of workers are employed in informal enterprises — another segment characterised by low levels of productivity. Unlike in other Asian countries that have moved up the income ladder, manufacturing in India hasn't been able to absorb the millions of low and unskilled workers. Employment has steadily expanded, instead, in the less productive, low-end services.

Poverty in India is now concentrated in north India — 57 per cent of the poor are found in the "belt stretching from Uttar Pradesh to West Bengal", according to the World Bank. This region, where per capita incomes tend to be lower than the national average, offers fewer job opportunities, leaving migration to high-income regions as a channel for greater access to non-farm employment. For India to move up the income ladder — to the ranks of the upper-middle-income group and then to the high-income category — it needs to shift its workforce from low to high productivity jobs. That is one of the biggest development challenges.

What's in a meme? A player and a league

EVERYONE IS fair game for a meme, but memes can have consequences. Kylian Mbappé, captain of the French football team, is learning this the hard way. Asked about his favourite online joke, he picked one that superimposed his face on "some guy", saying "I think he's a Chinese dictator." That "guy" was Mao Zedong. China's response has turned a football meme into a diplomatic and commercial headache.

The Mbappé-as-dictator meme was born in a kebab shop in Marseille, after its owner was served a legal notice over a sandwich he called "as round as Mbappé's skull". The owner retorted that Mbappé "had turned his name into a dictatorship". The internet ran with the joke, with phrases like "Dictator Mbappé" doing the rounds. The meme also drew upon a narrative of him wielding outsized influence in his previous club, Paris Saint-Germain.

Only the internet could have brought together two figures so disparate. But the controversy has now ballooned, it threatens La Liga's ambitions in the Chinese market. Sponsors have walked away, and despite apologies from Mbappé, Real Madrid and the League, the League went dark in China. A meme about one man's hold over a football club has been displaced by a different kind of power: It decides what may be said, and what it can cost to say it. Mbappé has been portrayed online as running his club like a politburo. It seems he has now met his match.

The Communist Party with Xi Jinping characteristics



JABIN T JACOB



DEVENDRA KUMAR

SINCE THE 18th National Congress of the Communist Party of China (CPC) in 2012, when Xi Jinping took over as general secretary, discipline inspection and supervisory organs across the country have filed 8.105 million cases and punished 7.922 million officials. Contrast this with the situation in India, where even if it were the claim that the problem does not exist at the scale it exists in China, it should still be concerning that consolidated figures are not issued by the government and that available figures are scattered across multiple sources.

However, the real significance of China's long-running anti-corruption campaign is in the sustained targeting of the "tigers", or Party officials in senior ranks. Of the millions punished, 963 are "officials registered at and supervised by the CPC Central Committee", which is to say very senior officials including Central Committee (CC) members.

Each Party Congress elects a CC of approximately 200 full members and 170-odd alternate members. The full members choose the politburo of about 25 members from within their ranks and it is from the politburo that the Standing Committee, including the general secretary, are chosen. In other words, the full CC members are the 200 most powerful people in China, comprising party secretaries (equivalent to Indian chief ministers) and governors of provinces, central government ministers, military leaders at the theatre command level and heads of Central Military Commission (CMC) departments, heads of the party organisations that report directly to the CC — such as, for example, the Communist Youth League — and heads of national-level organisations such as the All China Women's Federation, All China Federation of Trade Unions and state-owned enterprises. The alternates, meanwhile, occupy junior ranks and constitute leaders-in-waiting.

By the end of the fifth plenum of the 20th CC, a total of 51 members — full and alternate — had been expelled, an unprecedented number in the post-Mao period. At the end of the 18th and 19th CCs, the numbers were respectively 49 and 12. In other words, approximately an eighth of the 20th CC membership were removed before the full term concluded. It is against this backdrop that the fifth plenum issued its communiqué, 'Resolution on Certain Major Issues concerning Persevering with Full and Rigorous Party Self-Governance'.

What are the implications for China and the rest of the world of this stringent CPC approach to "self-governance"?

To start with, the communiqué declares that the Party "has secured progress" in, among other things, "balancing domestic and international imperatives; ensuring both development and security; delivering tangible results in high-quality economic development... safeguarding national security and social stability... modernising national defence and the armed forces; carrying out work related to Hong Kong, Macao, and Taiwan; and pursuing major-country diplomacy with Chinese characteristics".

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In other words, the domestic and the external are closely tied. In this respect, one of the first things that impacts the rest of the world is China's economic policymaking. Like other aspects of policymaking, this too, is increasingly top-down and centralised. Xi seeks to shape local economic policies and their implementation through the appointment of officials who are not just competent economic administrators — a large number of new appointees to the positions of governor and vice-governor in provinces have backgrounds in economics and finance — but also hew to his political agenda of firm Party control over the economy.

However, just like the Party cannot will Chinese families to produce more children, it is unlikely that it can will them into parting with their savings to boost domestic consumption — the lack of which is a fundamental weakness of the Chinese economy. In external economic policy, meanwhile, Party control does not necessarily translate into good Chinese economic behaviour. The Party has noted that "safeguarding... [China's] development interests" has become "even more arduous". This is a recipe for greater pressure both on Chinese enterprises engaged abroad and on foreign enterprises doing business in or with China.

The other important aspect of China's external policy affected is its security policies. The CMC was reduced to just two members in January this year and the sole vice-chairman, General Zhang Shengmin, has now been promoted to the politburo. Zhang is a political commissar with a focus on anti-corruption work, not a battlefield commander. While this does indicate greater politicisation of the PLA, it does not simultaneously mean that war-fighting is not a priority. If anything, it suggests the opposite — that Chinese military modernisation and expansion is so far advanced that it requires greater political oversight over decision-making within the PLA so that political goals and the military means to achieve them are better aligned. China's neighbours will have much to worry about.

A decade-long anti-corruption campaign that continues with ever-increasing intensity raises several questions, especially when even those considered close to Xi have also fallen. However, the fifth plenum communiqué declares, "deep-seated problems that had plagued the Party for years have been remedied, and serious dangers hidden within the Party, the state, and the military have been removed". Xi is clearly making a case for his continuance in power for a fourth term at the 21st Party Congress at the end of next year. His political strategy is of shaping the next generation of the Party's leadership while pre-empting any potential opposition to his political agenda.

Jacob and Kumar are respectively, director and associate fellow, Centre of Excellence for Himalayan Studies, Shiv Nadar University, Delhi NCR

Manufactured distrust and a politics of shortcuts



VINAY SAHASRABUDDHE

ALL OVER the world, people are talking about Gen Z uprisings. Opposition groups in several countries are pinning their hopes on young people taking to the streets to achieve what they themselves could not. Others are riding piggyback on Gen Z and trying to settle scores with their respective establishments. In some countries, Gen Z agitators have struck a popular chord but failed miserably to bring anything substantial to the table. An overview of recent uprisings in countries as diverse as Albania, Bangladesh, Morocco, France and Madagascar suggests that one size simply does not fit all. Besides, creatively talented but thoroughly inexperienced organisers appear largely confused. Understandably, the initial hype surrounding Gen Z is waning everywhere, and India is no exception.

About a year ago, an essay by a researcher-blogger at the London School of Economics identified reasons for failed youth uprisings in several countries. Two observations were particularly realistic and remarkable. First, such movements succeed only when governments are weak, divided or vulnerable. Second, Gen Z energy does catalyse momentum, but lasting victories require workers, unions, professionals and older generations to join in. Their absence has proved a major weakness in most cases.

India has a long history of semi-organised uprisings that people eventually rejected. The Naxalite movement, for instance, illustrates this. Through violence, Naxalites held some sway over vulnerable sections in certain regions for a limited period. However, their influence remained confined to the margins in a handful of states. Openly Naxalite political parties, too, have failed to secure popular mandates.

Those seeking to present themselves as alternatives to established political parties have more often than not failed. Two decades ago, Medha Patkar tried to bring together leaders linked with so-called "mass movements" and form a political platform to contest elections, but failed miserably. Regional outfits invoked language or provincial identity to mobilise people, yet their political impact remained short-lived and geographically limited.

Indian society is averse to instability. True, the present youth movement lacks the maturity of serious, cause-driven movements of the past. Even so, some lessons emerge. Even during the Independence struggle, people were less comfortable with street activism, and manufactured cynicism found few takers. It was not without reason that freedom fighters, too, reposed confidence in the judiciary of their time. Almost all streams of the freedom movement conducted mass awareness campaigns as part of their groundwork. In the post-Independence era, leaders spearheading movements combined popular education with on-ground activism.

> It was not without reason that freedom fighters reposed confidence in the judiciary of their time. Almost all streams of the freedom movement conducted mass awareness campaigns as part of their groundwork

Manufactured distrust in democratic institutions rarely influences the popular mind in India. People trusted the ECI even when the Prime Minister had sole discretion over the CEC's appointment. Even during the draconian Emergency, people continued to believe in the judiciary, media and even a truncated Parliament. The Morarji Desai government could easily have reversed Parliament's decision to add "socialist" and "secular" as adjectives describing the Republic. But it showed remarkable restraint, safeguarding public trust in democratic institutions. The Modi government could have issued an ordinance to take control of land near the Bangladesh border for border check-posts, overcoming Mamata Banerjee's recalcitrance in the interest of national security. But it did not overstep, again respecting the constitutional framework. Since the Emergency, voters have grown more confident in the power of their ballot. They know they can change governments through elections when they make up their minds.

We are witnessing a generational divide, not only in society but within families. It is a conflict between the impracticable "here-and-now" approach of the impatient and the "right decision at the right time" approach of those wiser through experience.

The moral, then, is clear. Changing governments requires years of hard work and sustained mobilisation of public opinion. India has always rejected frivolous attempts masquerading as popular imagination. There is no place for shortcuts here.

The writer is in-charge of Delhi BJP

Patrick Stewart's greatest role: Power that paused



BIJETRI PATHAK

PATRICK STEWART, who has died at 86, spent a career playing power that does not strike. The man behind the role knew what the other kind looked like. The obituaries will recite the credits: Captain Jean-Luc Picard in *Star Trek: The Next Generation* from 1987 to 1994, Professor Charles Xavier in the *X-Men* franchise; Emmy nominations for *Frasier* and *Extras*. They will note that he was a Royal Shakespeare Company actor before he was a household name, and that he is survived by his wife, the singer-songwriter Sunny Ozell, and two children. The credits cannot show the argument his career made, or where it may have come from.

Stewart was born in 1940 in Mirfield, West Yorkshire, and left school at 15. His childhood was marked by poverty and domestic violence. He later described his father as a very powerful man who got what he wanted, and he spent his later years campaigning for survivors of domestic abuse, alongside refugees and LGBTQ+ equality. It is tempting, and perhaps not unfair, to read Picard as a long, patient answer to that home: An authority figure whose power was real and whose first instinct was never the fist.

Consider how often Picard's finest hours involve not firing. In "The Measure of a Man", the question of whether the android Data is property or person is decided not by force but by a hearing, in which Picard asks what a civilisation reveals about itself through the beings it finds convenient to own. In "Darmok", an alien people who speak only in allusion are understood through patience. The Prime Directive, forbidding interference in other societies, is usually treated as a plot device. It is better read as a theory of power: Those who can intervene owe the world a discipline of restraint. Picard breaks the rule often, but the show never lets him do so comfortably. This was Stewart's real contribution. Television's captains had been men of action. He, trained in Shakespeare, made thinking itself dramatic. You could watch Picard weigh a decision, and the pause became the point of the scene. At a time when politics everywhere rewards the leader who is fastest and loudest, he made deliberation look like authority, which is a harder acting problem than it sounds.

Then there are the Borg, the franchise's scariest alien. Read them instead as a warning about ourselves. They are efficiency without dissent; "resistance is futile" is the motto of any system that mistakes agreement for harmony. Picard, captured and made their spokesman, returned knowing how persuasive uniformity can be. India's Constitution is a long bet against that logic: Unity without uniformity. Its test is not whether we tolerate a colourful festival or a regional dish, but whether we tolerate the dissenting editorial, the inconvenient question and the minority that declines to assimilate. Nor was the show naive. The Federation's faith in dialogue often looked thin against aggression and exploitation, and Picard knew it. His claim was that a civilisation is judged by whether it keeps talking when it holds all the weapons.

We have built replicators of our own: Instant information, outrage, an expectation of instant verdicts. What we lack is the half-second in which a person, party or government asks, "Is this who we want to be?" Stewart lived in that interval. Our age celebrates the leader who strikes first. A boy from Mirfield who knew the cost of that kind of strength spent a lifetime imagining the other kind, and made it look like the future.

> We have built replicators of our own: instant information, outrage, an expectation of instant verdicts. What we lack is the half-second in which a person, party or government asks, 'Is this who we want to be?'

The writer is assistant professor, Sikkim Manipal University

40 YEARS AGO
November 3, 1986


INDIAN EXPRESS
Farooq will head J-K coalition govt
Installation by week-end
Priests: Ignore Sarbat Khalsa resolutions
13 killed in fresh Karachi clashes

Farooq to lead coalition

THE NATIONAL Conference leader, Farooq Abdullah, will form a coalition government in Jammu and Kashmir sometime this week: It will have nine or 10 members. The seal of approval to the Congress(I)-NC(F) coalition was given at a meeting of the Central Parliamentary Board presided over by the Prime Minister, Rajiv Gandhi. A resolution adopted by the CPB (I) hoped that the coalition would "consolidate the secular and democratic forces in the border state". Hoping that the coalition would fight "anti-national and fundamentalist forces", the resolution recalled how the National Conference had been an active part of the national and freedom movement in the state.

Sikh head priests' appeal

THE FIVE Sikh head priests appealed to the Sikh masses not to give credence to the resolutions at the so-called "Sarbat Khalsa" held at the Golden Temple. The priests discussed the situation after Saturday's Sarbat Khalsa meeting called by Gurbachan Singh Manochahal, the acting chief of the Akal Takht. The Sarbat Khalsa had excommunicated Surjit Singh Barnala, the Chief Minister, and the Finance Minister, Balwant Singh, from the Sikh *panth* for their "anti-*panthic*" activities.

13 killed in Karachi riot

IN ONE of the worst ethnic riots in Karachi, 13 persons were killed when groups of Pathans and Muhajirs (Urdu-speaking migrants) exchanged fire and clashed with the curfew-enforcing army and security agencies.

Violence in Madras

MILITANTS BELONGING to the Sri Lankan Eelam People's Revolutionary Liberation Front (EPRLF) opened fire with machine guns at Choolaimedu in the city, killing one man and injuring two others, one of them seriously. The Diwali afternoon clash between 10 militants and a 600-strong mob at Thiruvalluvarpuram First Street killed Thirunavakkarasu, aged 24, and injured Ravi and Gurumoorthy, both in their 20s.

WHAT THE OTHERS SAY

This time, Republican efforts to undermine the results began well in advance.
— *The Guardian*

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The anti-SIR and anti-CEC agitation is now set to become a pro-democracy movement



DESHKAAL

BY YOGENDRA YADAV

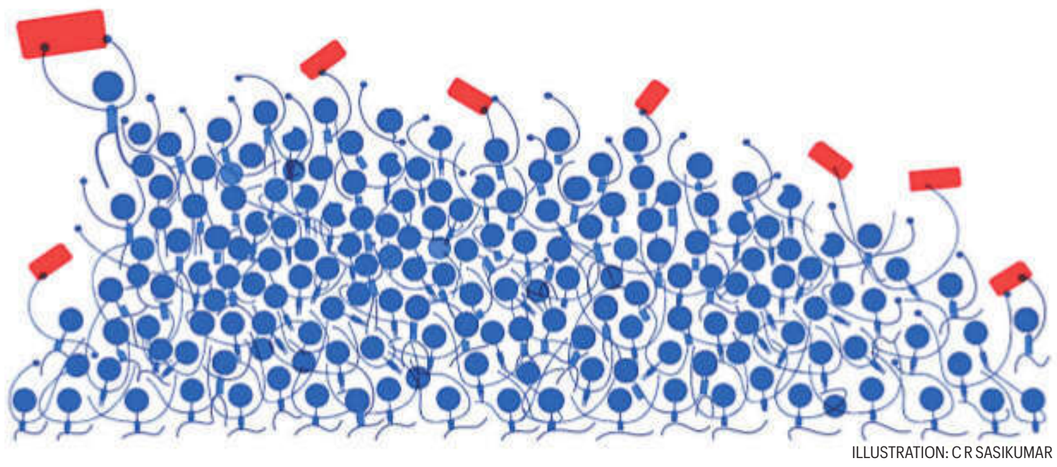


ILLUSTRATION: C R SASIKUMAR

NO ONE expected Chief Election Commissioner (CEC) Gyanesh Kumar to resign after the massive INDIA bloc rally this Sunday. Yet, despite the churlish debate over how many attended the rally, the protest has achieved more than anyone expected. At the same time, this success places greater responsibility on everyone involved in this month-long struggle.

The run-up to the rally had already seen the entire Opposition, not just the INDIA bloc, come together to question the role of the Election Commission of India (ECI). Although AAP and DMK stayed away from the rally, they are very much with the cause. Non-INDIA bloc opposition parties like the BJD, BRS and YSRCP, which have often supported the government, have also come out against the SIR and the ECI. Such a full-spectrum vote of no-confidence by the entire parliamentary Opposition against the election management body would be unprecedented in any democracy. This is like all the non-host teams demanding replacement of the tournament referee.

The "Vote Bachao Desh Bachao" rally and the "public impeachment" of Gyanesh Kumar, the day before the rally, expanded the definition of opposition beyond the political parties. A large number of "civil society" organisations and movements that have led the current campaign against the SIR were present both in the "mock parliament" on Saturday and at the podium of the Sunday rally. These included many farmer organisations and all the youth organisations active in the October protests. In an unusual and significant move, the CJP issued a call to support the Opposition rally. Influencers like Dhruv Rathee and farmer leaders like Rakesh Tikait also endorsed the rally. Though the rally participants were overwhelmingly workers and supporters of INDIA bloc parties, mainly Congress, they exuded confidence that they stood for the people at large. While we should not expect all future protests to be under a single umbrella, this weekend has brought in much-needed cohesion in this medley of protests that we witnessed in October. It has also established Rahul Gandhi, the first leader to bring the "vote *chori*" issue to a disbelieving public, as the moral leader of the wider oppositional space.

The rally was a significant landmark in the popular acceptance of the "vote *chori*" narrative. The *Indian Express* exposé has opened the floodgates of media reporting on the multiple scandals of the SIR, besides the unconstitutional functioning of the ECI. The public now knows about the questions that surround Form 6, misuse of bulk Form 7 objections, the contentious use of Form 8 to change the final voter list, the weird pattern of voter deletion and bulk filing of anonymous appeals in West Bengal and much more. The ECI is on the back foot. The Supreme Court, too, faces questions. True, many of these grave infringements are too technical for the public to grasp. Yet the cumulative impact of the last six weeks has been a shift in the collective common sense towards "*daal mein kuchh kaala hai*" — something is rotten out there. The gravitas of the "public impeachment" pushed this popular narrative further.

> As of now, a call for free and fair elections encompasses the most widely shared sentiment of the people. This would also entail reclaiming democratic freedoms like freedom of expression, dissent and protest

This imposes a historic responsibility on all those who have contributed to the success of these protests so far. Going forward, the movement is not just about removing Gyanesh Kumar and rolling back the SIR but about reclaiming the democratic space that has been lost over the past 12 years. The anti-SIR and anti-CEC agitation is now set to become a pro-democracy movement.

At this critical juncture, the call for "regime change" is a distraction best avoided. To be sure, there is nothing wrong or unconstitutional about demanding regime change through the normal democratic route of elections. And the onus of keeping that normal route truly open is on the ruling establishment and independent institutions like the ECI and the Supreme Court. Yet at this stage, this is the demand of the Opposition, not necessarily the demand of all the people on the streets. The success of a mass movement depends on floating with the sentiment of the organic protesters, on keeping to the lowest common denominator that ensures the widest possible support.

As of now, a call for free and fair elections encompasses the most widely shared sentiment of the people. Such a call goes beyond the current demands for the removal of the CEC, the repeal of the 2023 Act and the rollback of the SIR. This would also entail reclaiming democratic freedoms like freedom of expression, dissent and protest — all the more relevant in the context of the repressive and intimidatory tactics adopted by the state, like the insistence on a "peace bond". A demand for neutral functioning of autonomous institutions like the ECI, the judiciary, investigating agencies and the media would also be a part of the democracy movement. Yet, all this does not amount to a demand for regime change — and certainly not on the streets — until all peaceful, democratic and constitutional means are truly and fully exhausted. And are perceived to be so by the people.

In that context, the coming elections in Uttar Pradesh could be the litmus test. For someone like me who has observed Indian elections closely for the last four decades, the assembly election in UP will be an *agnipariksha* that will determine whether we can expect anything like fair elections in the minimal sense of the term under the present dispensation. More than a test of Narendra Modi's or Yogi Adityanath's popularity, it will be a test of the electoral system's credibility. That must be the focal point of the pro-democracy movement.

As this stir enters its second phase, it may not look like a mountain river with its mad and unpredictable gush of water. As it descends to the plains, the movement will be slower and more widespread. This is not to be regretted, as the example of the farmers' stir showed us. The river slowing down allows water to percolate. As the rush of energy unleashed by the spontaneously synchronised protests gives way to a loosely coordinated movement spread across the country, the "vote *chori*" message is likely to seep deeper into popular consciousness. The regime's decision to brazen it out and block Gyanesh Kumar's resignation could well be a blessing in disguise, not just for the protestors, but for Indian democracy.

The writer is member, Swaraj India and national convenor, Bharat Jodo Abhiyaan. Views are personal

On the ballot in US midterms: 'Epstein class', affordability crisis



RAMESH VENKATARAMAN

"GRIFT", ONCE a folksy term for carnival swindlers and petty con games, has become the defining issue of the US midterm elections. Front-page headlines in *The Wall Street Journal* and *The New York Times* reported that voter anxiety over corruption now outranks almost every other concern. A *Financial Times* survey found that 69 per cent of registered voters — and nearly half of those who backed Donald Trump in 2024 — worry about "corruption, self-dealing, or conflicts of interest" in his administration. Even *Fox News* polling showed 88 per cent of voters "extremely" or "very" concerned about government corruption.

Americans are hardly naive about public corruption. But American political corruption was traditionally clandestine. What is truly remarkable about corruption in the Trump administration is how blatant and in-your-face it has been. Trump has made no effort to hide the fact that he and his family have made an estimated $4 billion while in office. Between presidential pardons treated as currency, venture capital windfalls for his sons, crypto regulations bent toward family allies, insider stock plays, and private jets gifted by foreign regimes, Trump has turned the government into a personal enrichment machine.

The only reasonable explanation for this brazenness is that Trump must not think his self-enrichment is wrong. And, until now, neither did his base.

To understand why, one must look beyond politics to the grotesque evolution of the American Dream. The competitive ethos of American society has long manifested itself in the notion that, as a famous American football coach put it, "Winning isn't everything; it's the only thing." Combine this with the self-image of a nation that was conceived in rebellion against the old European world of pedigreed privilege and you get the wholehearted adulation of self-made winners. In the American imagination, those who climb to the top by talent, hustle, or sheer market savvy earn moral legitimacy — luck and contingency notwithstanding. It is a short step from this to believing that society's winners are inherently superior and unbound by the pedestrian constraints governing ordinary citizens.

Trump weaponised this sentiment. By glossing over the fact that he came from privilege and presenting a myth of self-made triumph, he cast himself as the ultimate "winner". It is no surprise that his go-to insult is to call someone a "loser". Trump never claimed to be a traditional public servant. Instead, he placed himself as an insider of the winning super elite whose exempt status was proof of his dominance.

A hollowed-out middle class that backed Trump out of cultural and economic despair is finding it impossible to reconcile his White House grift with their daily reality. Treading water under the weight of tariffs, rising inflation, and steep petrol prices, voters are watching a billionaire cash in while their own lives get tougher.

Yet Trump is merely the most visible symptom of a deeper structural rot. Over three decades of economic distortion, America has birthed a class of unaccountable ultra-winners: The "Epstein class". Comprising less than 0.1 per cent of the population, this circle spans tech founders, private equity barons, hedge fund titans, and media moguls. Because many come from modest backgrounds, they claim the bulletproof moral armour of meritocracy.

The Epstein class inhabits a separate stratosphere — a world of private islands, gated enclaves, superyachts, corporate jets, plush VIP boxes, and red-carpet extravaganzas. But their real privilege is structural. They enjoy carried-interest tax loopholes, multi-million-dollar compensation payouts from their buddies on company boards and golden parachutes after catastrophic failure, private profits backstopped by Federal Reserve liquidity and public bailouts, and immunity from punishment for obvious criminality. They commercialise billions in taxpayer-funded university research, rely on state subsidies for renewables, and massive government contracts in healthcare, defence, and space.

This is not the capitalism described in textbooks. The "free market" that is practically a religion for Americans is in reality a heavily rigged oligarchy wrapped up in the garb of merit. Armies of well-funded lobbyists, lawyers, and tax advisers, and the opaque web of non-disclosure agreements ensure that it stays this way.

Bernie Sanders and others on the left have been railing about this for years. But they have struggled to make it into a politically sellable issue. As working Americans face an acute affordability crisis, the central question for American democracy is whether voters finally realise the game isn't just broken at the White House — it is rigged across the entire board.

The writer is an investor

LETTERS TO THE EDITOR

Dignity for workers

WHILE THE article rightly highlights the need for regulatory reforms to promote formal employment and higher wages, it overestimates the role of deregulation in addressing employment crisis ('Challenge is wages, not jobs. Expanding Jan Vishwas interventions can help', *IE*, November 2). Simplifying compliance and digitising laws are necessary, but cannot independently resolve structural challenges such as inadequate skill development, weak labour protections, and the limited creation of quality jobs. By placing considerable faith in the Jan Vishwas framework, the author risks reducing a complex socio-economic problem to an administrative one. Reform must ensure that growth translates into secure employment, fair wages, and dignity for workers.

Imran Hasan, New Delhi

Protecting protest

THE RIGHT to demonstrate matters only when citizens can exercise it without intimidation, while others remain protected from violence. Governments may regulate routes and hours for safety, but restrictions must be proportionate and reviewable ('In France, protest is also about the right to protest', *IE*, November 2). Treating dissent itself as disorder creates a dangerous precedent.

A Senthil Kumar, Kaniyur

US midterms

POWER IN a democracy is rarely lost in a single election, but it can be quietly borrowed from the people who vote, and the bill often arrives years later ('A larger reckoning lies behind US midterm', *IE*, November 2). Voters judge leaders on groceries, rent and jobs, yet those worries can redraw the map of distant wars. If the next Congress checks the White House on tariffs and military adventures, partners get a clearer picture of what Washington can sustain. A practical step for every democracy would be publishing plain-language reports on the costs of foreign actions, so citizens can weigh them as they weigh household budgets.

K Chidanand Kumar, Bengaluru



POOJA PILLAI

Amid noisy blockbusters, missing the quiet film

IN THE decade since *Baahubali 2: The Conclusion* became the first Indian film to earn over Rs 1,000 crore globally, that number has come to be a paradox: Concrete as the threshold that every ambitious filmmaker hopes they will cross, but large enough that it is still an abstraction. What, after all, does Rs 1,000 crore even mean in an industry that spins a tale long enough that most people stop expecting any actual figures? Success is as success is narrated.

Not that the recent blockbuster history of India is all myth. Films like *Baahubali*, *KGF* and *Pushpa* have made money hand over fist, cementing a new appreciation of an old saw: The bigger the better. The formula is essentially reduced to huge budgets, scale and a multistar, multilingual cast. This year, *Dhurandhar 2: The Revenge* was that juggernaut, netting just over Rs 1,800 crore worldwide. As 2026 draws to a close, two films will hope to top its earnings. *Ramayana: Part 1*, opening on November 5, is reportedly the most expensive Indian film ever made, with the cost of both parts coming to about Rs 4,000 crore. Then on Christmas Eve, Shah Rukh Khan returns in *King*, its budget reportedly surpassing the sums spent on *Pathaan* (Rs 350 crore) and *Jawan* (Rs 400 crore).

But numbers — whether fact or fiction — are only part of the story. Consider two films that opened in the same week of August. *Toxic* is among the most expensive Indian films ever made, with a budget estimated at anywhere from Rs 500 crore to Rs 1,000 crore. It opened with the year's biggest advance bookings, then faltered within a week. On the other hand, *Bethlehem Kudumba Unit*, a Malayalam romantic comedy made for around Rs 25-30 crore opened modestly. Excellent word-of-mouth ensured that on its second Friday, the film earned nearly twice what it did on the first day.

> The success of a film like 'Bethlehem Kudumba Unit' speaks to a real gap: The sensible budget film that finds an audience simply by being good. In Hindi cinema, the space for that kind of film has largely collapsed

Toxic was not the only big-budget disappointment of the year, which began with the floundering of *The Raja Saab*, starring Prabhas. Tamil Nadu Chief Minister Vijay's farewell project, *Jana Nayagan*, broke opening-day records and then just about broke even. Even Ram Charan's *Peddi*, which did well in the Telugu market, failed to make the larger intended splash. The films that did work belong to popular franchises: *Dhurandhar 2: The Revenge*, *Jailer 2*, *Drishyam: The Conclusion*. *Dhurandhar* alone appears to have accounted for nearly a fifth of India's box office in the first half of the year.

But the success of a film like *Bethlehem Kudumba Unit* speaks to a real gap: The sensible budget film that finds an audience simply by being good. In Hindi cinema, the space for that kind of film — middle of the road with no big star but a great plot and strong writing — has largely collapsed. It exists elsewhere, but is shrinking under pressure from the changing economics of filmmaking. This year, for the first time, three Malayalam films, including *Vaazha II* — a coming-of-age comedy with no superstar lead — have each crossed Rs 200 crore worldwide. In Marathi, *Deool Band 2*, a devotional comedy made for around Rs 10 crore, reportedly earned a 550 per cent profit.

Hollywood's 2026 shows what a healthy range can look like. Its biggest film, *Spider-Man: Brand New Day*, is a franchise giant at nearly $2.5 billion. But the year was carried by films of every size, from *Obsession*, a horror film made for under $1 million that became a runaway global hit earning $500 million, to *Backrooms*, which was made for $10 million and made over $400 million worldwide.

The stakes are higher because audiences are returning. According to Ormax Media's India Box Office Report, the January to June earnings were Rs 6,398 crore — a rise of 10 per cent on last year. More importantly, footfalls rose 5 per cent. Those viewers were drawn to all kinds of films. To respond largely with spectacle cinema would be to bet against the mood. *Ramayana* and *King* may well break records. But the lessons of 2026 would still stand, encapsulated in the box-office journeys of the most unexpected hits, and flops, of the year.

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VAISHNAVI T G SHANKAR AND SANJAY SRIDHAR

Smaller cities can lead the way on climate resilience

EVERY SEASON brings a familiar climate stress to Indian cities. Yet, heat and flooding are often addressed separately even though they are shaped by the same decisions about land, buildings, and infrastructure. The challenge is not simply to respond to each challenge, but to rethink how cities grow.

The Intergovernmental Panel on Climate Change offers a useful framework: Climate-resilient development, which brings together adaptation, emissions reduction, and sustainable development. India's Long-Term Low Emissions Development Strategy submitted to the UNFCCC and the National Mission on Sustainable Habitat provide a framework to integrate climate considerations into urban development. More recently, the Urban Flood Risk Management Programme covering 18 cities and the recognition of heat as a notified disaster, enabling the use of disaster funds for heat resilience, reflect growing attention to climate risks. The next step is to embed these priorities in routine planning and investment. And the opportunity lies in smaller cities.

More than half of India's urban population lives in cities with fewer than one million residents, and estimates indicate that more than 50 per cent of the housing needed by 2070 is yet to be built. Unlike large cities, where retrofitting infrastructure or changing development patterns can be costly and complex, smaller cities have an opportunity to shape how they expand. Decisions made today on roads, drainage, buildings, and public spaces can lock cities into high energy use and climate vulnerability or create more resilient and resource-efficient neighbourhoods.

Rising temperatures increase cooling needs, air-conditioning use, and electricity demand. Yet cooling demand is shaped not only by rising temperatures but also by how cities grow. A study across 88 Indian cities highlights that land use patterns, building density, urban expansion, and green cover influence cooling demand. India's Cooling Action Plan estimates that building design, energy efficiency, and thermal comfort practices could reduce cooling demand by 20 per cent by 2037-38. So, urban planning and building regulations are important for reducing heat exposure while limiting energy demand.

> Understanding how people walk, commute, and use public spaces can help smaller cities build on existing practices to shape low-carbon and resilient growth

Realising these benefits requires a shift in how cities plan. Development authorities prepare master plans, public works departments design roads, utilities provide services, and municipalities regulate buildings. These decisions are often made across separate departments and addressing them requires two shifts. Climate considerations must become part of routine planning, project appraisal, and investment, and stronger coordination between departments can help align investments and maximise collective benefits.

Climate-resilient development does not always require a separate funding stream; it can begin with how existing municipal revenues, government transfers and scheme-based grants are allocated and designed. Corporate social responsibility funding, impact investment, and development finance can complement public resources by supporting pilots, generating evidence that can be scaled.

Spatial data, local risk and vulnerability assessments, and scenario modelling can help identify where risks are concentrated and need focus. But these tools are most effective when combined with local knowledge and people's lived experience. Understanding how people walk, commute, and use public spaces can help smaller cities build on existing practices to shape low-carbon and resilient growth, rather than replicating infrastructure models from larger cities.

Shankar is senior advisor, Climate Resilience and Sustainable Cities at Vasudha Foundation. Sridhar serves on the Advisory Board of SaveLIFE Foundation, and is a core member of the World Economic Forum's global task force on sustainability and the built environment

No plan for fuel hedging, but evaluating it as long-haul ops expand: IndiGo

Sukalp Sharma
New Delhi, November 2

AMID SURGING jet fuel prices, India's largest airline IndiGo has no immediate plans for fuel hedging, but has started internal discussions on whether it should do so in future as its long-haul operations develop over the coming years, CEO Willie Walsh said on Monday.

He also said the airline is in talks with the government on potential measures to mitigate high jet fuel prices, adding that it is open to participating in future government schemes on the issue if they are economically viable. No airline participated in the government's jet fuel price stabili-sation fund scheme when it was launched in June.

As per the sources in the know, the government could consider the scheme's revival to provide stable fuel pricing to airlines amid extreme price volatility in overseas market.

Recent rise in jet fuel prices has led airlines to hike fuel surcharge on flight tickets. However, the hikes are not enough to offset impact of high prices. In September quarter, IndiGo logged a loss of nearly Rs 1,880 crore. Jet fuel accounts for over 40% of IndiGo's total operating cost base, like other Indian airlines. This leaves Indian airlines exposed to global fuel price volatility.

Unlike European carriers that hedge between 70% and 80% of fuel needs, or Asian airlines that hedge around 40%, domestic airlines operate completely unhedged.

FULL REPORT ON WWW.INDIANEXPRESS.COM

Centre steps in to protect bulk Scotch duty benefits

Mukesh Jagota
New Delhi, November 2

THE GOVERNMENT is taking necessary steps to address issues relating to the HSN Code classification of bulk Scotch whisky imports to ensure that the duty concessions negotiated under the India-UK comprehensive Economic and Trade Agreement (CETA) are not impaired, senior commerce ministry officials assured industry representatives on Monday.

At a high-level stakeholder consultation with domestic distillers, multinational liquor companies and industry associations, the officials said the government's commitment to provide duty concessions under the CETA would not be affected.

They reiterated the government's commitment to providing a stable and predictable environment for the industry. FE

ANALYSTS SEE OVERALL EARNINGS PERFORMANCE FOR Q2 AS POSITIVE SO FAR

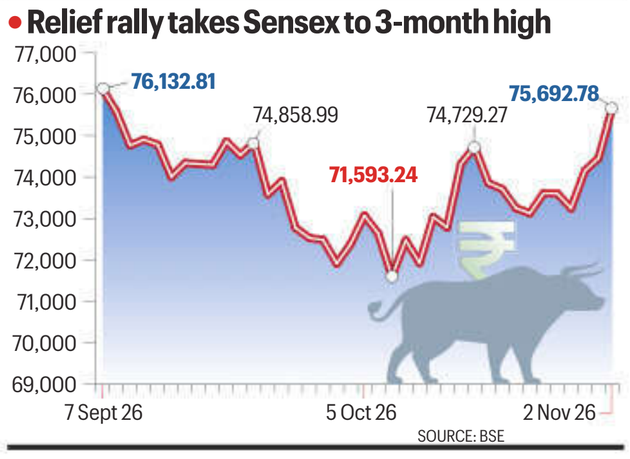
Stocks surge as RIL result, positive data lift sentiment

Akash Mandal
Mumbai, November 2

SENSEX GAINED 1.7% on Monday to its highest level in nearly three months as the index heavyweight Reliance Industries Ltd (RIL) posted better-than-expected earnings for the July-September quarter, geopolitical tensions eased a bit in West Asia, and positive macroeconomic data lifted sentiment.

In what analysts termed a "relief rally," Sensex closed the session at 75,692.78, its highest level since September 7, up 1,233.25 points or 1.7%. While Nifty 50 ended the session up 1.7% at 23,440.80 — its highest in five weeks. RIL shares skyrocketed nearly 12% after it reported record Q2 revenues and profits Friday. Incidentally, RIL has a nearly 8% weight in Nifty 50 — the third highest after HDFC Bank and ICICI Bank. It has a high weight on Sensex as well. Thus, a huge rally in the stock pushes benchmark indices notably higher. Apart from that, the mood was largely positive in the market, as around 65% of NSE-traded stocks ended the session in green.

Relief rally takes Sensex to 3-month high



SOURCE: BSE

Having been the worst-performing emerging market so far this year, the market gained around 2% in October, outperforming the likes of the US, South Korea, and Taiwan. While these foreign bourses were hit by earnings disappointments and AI concerns, India gained due to positive earnings.

Analysts see the overall earnings performance so far for Q2 as positive, which has helped lift near-term market sentiment. Big names like HDFC Bank, ICICI Bank, L&T, and RIL have beaten the Street's consensus on earnings for the quarter.

Even IT, which is expected to get more vulnerable as AI adoption rises, posted strong gains.

Several mid- and small-cap companies delivered strong quarterly earnings, signalling that results have been good for many pockets of the market.

Strong GST collections, which surged 23% year-on-year in October, are also a positive sign that the economy continues to do well, analysts said. "Overall, it is a combination of these factors that lifted the markets higher. Also, an absolute lack of negative surprises, combined with robust earnings performances, has turned sentiment positive in the short term," said Kranthi Bathini, Equity Strategist at WealthMills Securities. Relatively lower valuations compared to historical averages are also aiding the market, analysts said.

A *Reuters* report claimed that the Securities and Exchange Board of India has recommended that the government remove the long-term capital gains tax on foreign investors — a key measure for sustained foreign inflows. Despite market gains in October, foreign investors sold Indian equities for second straight session, dumping stocks worth $3.6 billion during the month. "I do not think the market was influenced by this a lot. While such talks (like tax reforms) keep happening on informal channels, we have to wait and watch if anything has been proposed officially. For now, it's just speculation," the research head at a top domestic fund house said. FULL REPORT ON WWW.INDIANEXPRESS.COM

Khambata declines Tata Trusts reappointment

George Mathew
Mumbai, November 2

Senior Advocate Darius Khambata's decision comes at a critical juncture, with his term due to end on November 9 and the dispute over the proposed Tata Sons listing showing little sign of resolution

IN A significant development in the escalating Tata Trusts power struggle, Senior Advocate Darius Khambata has decided not to seek reappointment as a trustee of Sir Dorabji Tata Trust (SDTT) and Sir Ratan Tata Trust (SRTT), raising fresh questions about the internal dynamics of the institutions controlling the Tata Group.

In a letter addressed to Tata Trusts Chairman Noel Tata and Tata Trusts, Khambata has conveyed that he does not wish to continue as a trustee. His decision comes at a critical juncture, with his term due to end on November 9 and the dispute over the proposed Tata Sons listing showing little sign of resolution.

Khambata has expressed dissatisfaction with the outcome of the Trusts' engagement with the Reserve Bank of India (RBI), indicating that efforts to find an alternative to listing Tata Sons have failed to produce a convincing regulatory solution.

Referring to the "astounding events" in August and September, he said the discussions with the RBI had, unfortunately, failed to produce any meaningful progress or satisfactory outcome in demonstrating how Tata Sons could implement the transparency and disclosure standards of a listed company, either by giving up its Core Investment Company (CIC) status or by restructuring its operations to avoid the last-resort option of a stock market listing.

He termed the September 17 board meeting that okayed a five-year extension for N Chandrasekaran and listing of Tata Sons as "a day that will live in infamy".

One reason for his decision to leave Tata Trusts could be that he would be voted out when his reappointment proposal is taken up on November 9, sources said. Vijay Singh and Venu Srinivasan have been opposing Noel Tata's proposals in Tata Trusts. Earlier, four trustees including Noel Tata, Neville Tata, and Bhaskar Bhat had defended the restructuring proposal sent by Tata Trusts to avoid listing. Khambata also supported the September 11, 2025, decision that preserved the Trusts' veto rights for Noel Tata.

His exit is important because it exposes the central dilemma confronting Noel Tata and the trustees opposing a stock market listing of Tata Sons. While the Trusts have consistently argued that the company should remain unlisted, they have struggled to demonstrate how it could meet the regulator's requirements without going public.

RBI had rejected Tata Sons' application to surrender its registration as a CIC in September, putting the company back on the path towards listing. Tata Sons board had pursued deregistration as a means to retain its unlisted status. Tata Trusts, which collectively hold around 66% of Tata Sons, have opposed the listing and pushed for alternative arrangements.

The Trusts have argued that RBI's rejection of the deregistration application did not amount to an explicit direction to undertake an IPO and that the company should explore other legally permissible options.

One proposal involved restructuring Tata Sons through a merger with two group companies, Tata Electronics Systems Solutions and Tata Consulting Engineers.

The proposed restructuring was intended to transform Tata Sons from a holding company into a holding-cum-operating company, potentially taking it outside the regulatory framework applicable to upper-layer NBFCs and allowing it to remain unlisted. But the proposal has triggered another round of confrontation within the Trusts.

Vice-chairmen Venu Srinivasan and Vijay Singh have questioned the manner in which the restructuring proposal was pursued, alleging that they were excluded from important discussions and decision-making. FULL REPORT ON WWW.INDIANEXPRESS.COM

FM: Govt to support growth through capex until pvt investment picks up

Press Trust of India
Mumbai, November 2



Finance Minister Nirmala Sitharaman and HSBC India CEO Hitendra Dave at the HSBC event in Mumbai, on Monday. X/@NSITHARAMANOFFC

THE GOVERNMENT will continue to support growth by undertaking capital expenditure until private sector investment increases, Union Finance Minister Nirmala Sitharaman said on Monday.

Speaking at an event organised by HSBC, she said the government accords top priority to fiscal prudence and will continue to play the balancing act by being "creative" in continuing spending while pushing growth with capex. "Capex is a very important component of our growth strategy because till such a time when the private sector is also going to come in and expand capacities or establish newer capacities, it is important for the government to push through with the capital expenditure," she said.

MARKETS

Sensex	NIFTY	Gold ▼	US Dollar ▼
75,692.78	23,440.80	₹1,37,524	₹94.90
1,233.25	387.70	Silver ▼	Oil ▲
1.66%	1.68%	₹1,79,972	$118.74

NOTE: GOLD, SILVER RATES AS PER INDIA BULLION AND JEWELLERS ASSOCIATION DATA GOLD PER 10G, SILVER PER 1 KG; CRUDE OIL (INDIAN BASKET) AS OF OCTOBER 30, 2026

53 of top 100 companies fail to disclose whistleblower complaints, says report

George Mathew
Mumbai, November 2

AS MANY as 53 of India's top 100 listed companies failed to disclose information relating to whistleblower complaints in their FY26 annual reports. A total of 1,129 complaints were reported across the companies covered by the survey, of which 13.37% remained unresolved at the end of the financial year.

The findings of a report prepared by Excellence Enablers Pvt Ltd, a corporate governance advisory firm founded by former SEBI Chair M Damodaran, raise serious questions about transparency, accountability and effectiveness of corporate governance mechanisms in India Inc.

While India's corporate governance framework may look impressive in annual reports, board presentations and regulatory filings, a closer examination of disclosures by leading listed companies reveals major gaps between compliance on paper and accountability in practice.

The seventh edition of the Annual Corporate Governance Survey of Nifty 100 companies raises questions on board oversight, functioning of independent directors, whistleblower mechanisms and accountability of corporate managements. The most disturbing findings relate to whistleblower complaints, a critical mechanism through which employees and other stakeholders can flag financial irregularities, misconduct and governance failures without fear of retaliation. FULL REPORT ON WWW.INDIANEXPRESS.COM

Pvt electricity distributors: Centre wants more players, but Haryana doesn't

Pratyush Deep
New Delhi, November 2



Mumbai is the only state with parallel electricity distribution licensing. REUTERS

ON OCTOBER 19, Haryana's power regulator approved the entry of a private electricity distributor in Gurugram and Nuh districts, in a move that was expected to give greater choice to consumers. On October 28, however, it decided "not to proceed further" with rolling out a parallel distribution licence to Eleven Power Pvt. Ltd.

The decision, taken on the directions of the Haryana government, came after opposition from both of Haryana's state-owned power distribution companies (or discoms), which raised concerns about the potential impact of parallel licensing on their finances.

What is notable is that the decision comes at a time when the Union government, also led by the BJP, is pushing for a framework that allows multiple electricity distribution licensees to operate in the same area. As per the Centre, this will expand consumer choice, improve service quality and enable more efficient use of distribution infrastructure. Both the Draft National Electricity Policy, 2026, and the Draft Electricity (Amendment) Bill, 2025, retain provisions for parallel licensing. The only such arrangement in India exists in Mumbai as of now.

The state government, invoking Section 108(1) of Electricity Act, explicitly told the Haryana Electricity Regulatory Commission (HERC) to not create or operationalise any parallel distribution licence in Haryana.

Under Section 108, a state electricity regulator must consider and follow written directions issued by the state government on policy matters that involve public interest.

Indeed, Haryana government's written direction cited concerns over consumer and public interest, financial implications for state revenues and existing state-owned distribution utilities, and public and employee agitations. The government said it was "gravely concerned" about the impact of licence on consumers and public interest, adding that the decision was a "complete deviation" from the state's existing policy. However, the government maintained that it was not examining the correctness of HERC's findings in its order granting the licence. Had the license granted to the private company, Eleven Power, taken effect, it would have marked the second instance of parallel electricity distribution licensing in India outside Mumbai, where Tata Power Company Ltd, Brihanmumbai Electric Supply and Transport Undertaking and Adani Electricity Mumbai Ltd (formerly Reliance Infrastructure) operate as distribution licensees in overlapping areas of the city.

While parallel distribution licensing remains rare in India, the Centre has been pushing for a framework to expand its adoption. In July, Consultative Committee of the Ministry of Power, chaired by Union Power Minister Manohar Lal, deliberated on a proposed framework aimed at promoting consumer choice, improving service quality and ensuring more efficient utilisation of electricity distribution infrastructure.

FULL REPORT ON WWW.INDIANEXPRESS.COM

RajCOMP Info Services Limited (RISL)
C-Block, 1st Floor, Yojana Bhawan, Tilak Marg, C-Scheme, Jaipur

RISL invites e-bids from the eligible bidders for the following:

NIB No./ Date/ Unique bid no.	Particulars	Estimated Cost/EMD	Start of sale / Last date
25240356/ 30-10-2026 (RIS2627SLOB 00066)	RFP for Selection of System Integrator (SI) for Establishment and Operation of Rajasthan Sampark – CM Helpline 181 Call Center, including Upgradation and Maintenance of 181 Call Center Licenses for the Government of Rajasthan.	Rs.190 Cr/ Rs. 3.80 Cr	30.10.2026 08.12.2026

Details can be seen on the websites **http://risl.rajasthan.gov.in, http://sppp.rajasthan.gov.in, http://doitc.rajasthan.gov.in.** Bids are to be submitted through **http://eproc.rajasthan.gov.in.**
Raj.Samwad/C/26/12752 ACP (Dy. Director)

उदयपुर विकास प्राधिकरण, राजस्थान
No. :- F-2(01)Acct/Contract/2026-27/217 - 219 Date :- 30/10/2026
ई-निविदा सूचना संख्या : 60/2026-27
उदयपुर विकास प्राधिकरण, उदयपुर द्वारा निम्नलिखित कार्यो मय डिफेक्ट लाईबिलिटी अवधि के लिये जो कि निविदा प्रपत्र में अंकित है के लिये उपयुक्त श्रेणी में पंजीकृत संवेदको से निर्धारित प्रपत्र में ई–टेण्डरिंग के माध्यम से ऑनलाईन निविदा आमंत्रित की जाती है :–

निविदा कार्यों की कुल लागत	रूपये 160.00 लाख (01 कार्य)
ऑनलाईन निविदा प्रपत्र डाउनलोड/ अपलोड करने की अवधि	31.10.2026 को प्रातः 10.00 बजे से 23.11.2026 को सायः 6.00 बजे तक
Online EMD, Tender Fee & Processing Fee जमा कराने की तिथी	31.10.2026 को प्रातः 10.00 बजे से 23.11.2026 को सायः 6.00 बजे तक
ऑनलाईन निविदा खोलने की तिथी	25.11.2026 को प्रातः 11:00 बजे

विस्तृत विवरण वेबसाईट **urban.rajasthan.gov.in/uitudaipur, www.eproc.rajasthan.gov.in** व **www.sppp.rajasthan.gov.in** पर देखा जा सकता है।
UBN No. : ITU2627SLOB00372
डा.ज.संवाद/डी/26/12759 अधिशाषी अभियन्ता - द्वितीय उदयपुर विकास प्राधिकरण

Gujarat Sports Infrastructure Development Company Limited (GSID)
Place : GSID, Administrative Building, Sector-13/B, KH-3 Circle, Near Vavol Railway Crossing, Near EVM Ware House Office, Gandhinagar - 382016.

Tenders are invited by Gujarat Sports Infrastructure Development Company Limited (GSID) for 2 tender documents namely **"The Appointment of Project Management Consultancy (PMC) for Development of Karai Sports Academy" and for "Appointment of Project Management Consultancy (PMC) for Development of Sardar Vallabhbhai Patel Sports Enclave (Package 1 – Aquatics Arena & Site Infrastructure)"**. Last date for submission of Pre-bid queries is **Date : 08.11.2026, up to 18:00 hrs**. via email on **office.gsid@gmail.com** & last date for submission of bids along with Tender Fees and EMD by **07.12.2026 up to 17:00 hrs.**
The tender documents will be available on **02.11.2026** on the nProcure Portal.
Date : 03.11.2026 General Manager - Planning & Coordination, GSID

OFFICE OF THE CHIEF CONSTRUCTION ENGINEER
PHULBANI (R&B) CIRCLE, PHULBANI
Email:sernbphulbani@gmail.com
34001/1086/2627
Letter No. 2250 Dated. 29/10/2026

INVITATION FOR BIDS (IFB)
Bid Identification No. CCE R and B_PLB_07 of 2026_27

1	The Chief Construction Engineer, Phulbani (R& B) Circle, Phulbani on behalf of the Governor of Odisha invites percentage rate bid in double cover system in ONLINE MODE for construction of the Building works as detailed in the table below from eligible contractors.		
2	Nature of work	:-	Building works
3	No. of tenders	:-	Two Nos.
4	Tender cost	:-	Rs. 10,000/- (through online) only.
5	Class of Contractor	:-	B and A Class
6	Date & Time of sale & receipt of bids	:-	10.00 AM of dtd.05.11.2026 to 5.00PM of dtd. 19.11.2026
7	Date of Opening of bid	:-	11.00 AM of 20.11.2026
8	The Bidders shall have to participate in online bidding only. Further details can be seen from the website **https://tendersodisha.gov.in**. Any addendum/Corrigendum / Cancellation of tender can also be seen in the said website. The authority reserves the right to reject any or all bids without assigning any reason.		

Sd/-
Chief Construction Engineer,
Phulbani (R&B) Circle, Phulbani
OIPR-34001/34129/1/26-27/0008

GOVERNMENT OF ODISHA
OFFICE OF THE CHIEF CONSTRUCTION ENGINEER
RURAL WORKS CIRCLE, SUNDARAGADA
25001/1431/2627 AT/PO-SANKARA, SUNDARGARH-770020, E-mail address-serw_sundargarh@yahoo.com
No. Tender Online - RWCCESNG – 36 of 2026-27, Letter No- 6066 Dtd. 29.10.2026

e-Procurement NOTICE

1. **Type of the Work** : Roads (MMSY)
2. **Class of Contractor** : As specified in the column-6 of the Annexure
3. **Time of Completion** : As specified in the column-5 of the Annexure
4. **Details Projects** : As per Annexure attached
5. **Estimated Cost** : As specified in the column-4 of the Annexure
6. **Other details:**

Procurement Officer	Bid Identification No.	Availability of Tender on-line for bidding From	To	Last Date & Time of seeking tender clarification	Date & Time of opening of tender Technical Bid	Financial Bid
1	2	3	4	5	6	7
Chief Construction Engineer, Rural Works Circle, Sundaragada	RWCCESNG36 of 2026-27	04.11.2026 11:00 AM	19.11.2026 5:00 PM	18.11.2026 5:00 PM	20.11.2026 11:00 AM	Will be intimated separately

Further details can be seen from the website **www.tendersodisha.gov.in**
Sd/-
Chief Construction Engineer
Rural Works Circle, Sundaragada
OIPR-25001/25133/1/26-27/0054

FORM NO. CAA. 2
[Pursuant to Section 230(3) and Rules 6 and 7]
Company Application No. CA(CAA) 67/CHE/2026
In the matter of:
Evoqua Water Technologies India Private Limited
...Applicant/ Transferor Company
Xylem Water Solutions India Private Limited
...Non-Applicant/ Transferee Company
NOTICE AND ADVERTISEMENT OF NOTICE OF MEETING OF UNSECURED CREDITORS OF APPLICANT/ TRANSFEROR COMPANY

Notice is hereby given that by an Order dated 16 October 2026 (hereafter referred as the "Order"), in the above Company Application No. CA(CAA) 67/CHE/2026, the Hon'ble National Company Law Tribunal, Chennai Bench (hereafter referred to as the "Hon'ble Tribunal") has directed that a meeting of the Unsecured Creditors of Evoqua Water Technologies India Private Limited ("Transferor Company") be convened and held through videoconferencing, on 04 December 2026 at 11:00 AM, for the purpose of considering and if thought fit, approving the Scheme of Amalgamation between the Applicant/ Transferor Company, Xylem Water Solutions India Private Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme").
In pursuance of the said Order and as directed therein, notice is hereby given that the meeting of the Unsecured Creditors of the Transferor Company (as on 27 June 2026) will be held on 04 December 2026 at 11:00 AM, at which time the Unsecured Creditors are requested to attend the meeting through videoconferencing with the facility of remote e-voting.
The facility of remote e-voting will be available during the prescribed time period before the meeting, by logging on to https://www.evoting.nsdl.com/. Accordingly, Unsecured Creditors can vote through remote electronic means (without attending the meeting) instead of voting during the Unsecured Creditors' meeting. The schedule for remote e-voting will be as per the following details:

Commencement of remote e-voting	01 December 2026 at 09:00 AM
End of remote e-voting	03 December 2026 at 05:00 PM

** Voting will also be available to the Unsecured Creditors during the Meeting of Unsecured Creditors of the Transferor Company on 04 December 2026 from 11:00 AM till the conclusion of the Meeting.*
The Unsecured Creditors shall be entitled to avail the facility of remote e-voting and will be entitled to attend and vote in the meeting through videoconferencing. The instructions for attending the meeting through videoconferencing, and to vote through remote e-voting, are provided in the Notice of Meeting. The Notice of Meeting with accompanying documents is being sent to the Unsecured Creditors of the Transferor Company as directed by the Hon'ble Tribunal, through electronic mode, to those Unsecured Creditors whose email IDs are registered with the Transferor Company, and through registered post/ speed post/ courier to the other Unsecured Creditors at their registered or last known addresses available with the Transferee Company. Unsecured Creditors whose email IDs are not registered with the Transferor Company can have the same registered by sending a request to Ms Pinky Shah at pinky.shah@xylem.com. Copies of the Scheme, the Order, the Notice, the Explanatory Statement and the form of proxy can be obtained free of charge at the Registered Office of the Transferor Company, DLF IT SEZ Park, Block 2, 10th Floor, No 1/124, Mount Poonamallee Road, Nandambakkam Kudiyiruppu, Kanchipuram, Saidapet – 600089, Tamil Nadu, India between Monday to Friday between 10:00 AM to 05:00 PM, up to the date of the Meeting or by email to Ms Pinky Shah at pinky.shah@xylem.com, and in case of no response, can contact the Chairperson, Mr. Arvind Devnathan, at arvind@daa-india.com.
Persons entitled to attend and vote at the meeting may vote by remote e-voting or e-voting during the meeting or by proxy provided that all proxies in prescribed form are deposited at the registered office of the company not later than 48 hours before the meeting.
The Hon'ble Tribunal has appointed Mr. Arvind Devnathan, Former Technical Member, National Company Law Tribunal, to be the Chairperson and Mr. V. Sriram Ananth to be the Scrutinizer of the aforesaid Meeting. The abovementioned Scheme, if approved at the Meeting, will be subject to subsequent approval of the Hon'ble Tribunal.
Dated this 03rd day of November 2026.
Sd/-
Arvind Devnathan, Former Technical Member, NCLT
Chairperson Appointed for the Meeting
Registered Office:
Evoqua Water Technologies India Private Limited
CIN: U41000TN2018FTC126512
DLF IT SEZ Park, Block 2, 10th Floor, No 1/124, Mount Poonamallee Road, Nandambakkam Kudiyiruppu, Kanchipuram, Saidapet – 600089, Tamil Nadu, India

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

• WILDLIFE

Why collared Kuno cheetahs cannot be live-tracked

Anand Mohan J
Bhopal, November 2

SATELLITE COLLARS fitted on cheetahs are not a live telecast and cannot provide continuous live tracking, Kuno National Park Director Uttam Kumar Sharma has said. The explanation comes as the state government has suspended six forest department officials in connection with the death of KNG22, a male cheetah who was found seriously injured in the Sheopur territorial forest division on October 25 and died during treatment.

How collars work

In his note posted on social media, Sharma sought to explain the limitations of satellite-based wildlife monitoring, saying that a satellite location only provides the geographical position of an animal at a particular point in time. By the time the information reaches the monitoring team and personnel reach the reported location, the animal may have moved several kilometres away.

"Therefore, let us get rid of the misconception that a satellite-collared animal is available for continuous live tracking, like a live television broadcast," Sharma wrote.

At Kuno, monitoring teams track around 15 cheetahs through a combination of satellite collars and radio receivers. Satellite collars provide location information over large and often inaccessible areas, while very high frequency (VHF) equipment is used by field teams to locate animals more precisely on the ground.

• TRACKING TOUGH

- Following a cheetah on foot is extremely difficult. Vehicles cannot move through forests in straight lines, as animals do.
- The actual distance covered by a monitoring vehicle can thus be several times the straight-line distance between two locations.

The collars are generally programmed to transmit location information at six-hour intervals. Sharma said satellite collars are expensive, generally costing around Rs 4-5 lakh each, and the frequency of transmission had to be determined by balancing monitoring requirements, battery life, and the expected duration of collar use.

However, if a scheduled transmission is missed, the gap between two location updates increases. If one update is missed, the gap can increase to 12 hours. If the next one is also missed, it can extend to 18 hours.

A temporary loss of satellite signal, he said, was not an unusual occurrence and could happen for several reasons. Dense forest canopy can interfere with the collar's ability to obtain an accurate GPS location, while rocky terrain, caves and deep valleys may obstruct satellite visibility.

Kuno's difficult terrain

Sharma said the limitations of satellite tracking were particularly significant at Kuno because of the extensive movement of cheetahs across the landscape.

Cheetahs are highly mobile animals and move an average of 6-8 kilometres a day. On many occasions, they cover 12-15 kilometres or even more, with their movements often concentrated during the early morning and late evening hours.

This means that by the time a monitoring team reaches the last reported satellite location, the animal may have moved several kilometres away and could have gone outside the team's VHF radio range.



• GLOBAL

US midterms & the Trump economy

The US economy is growing fast and stock markets are booming. Why, then, is cost of living the major issue? Inflation remains the big worry



UDIT MISRA

ON NOVEMBER 3, US voters will deliver their verdict on the performance of the second Trump administration and the Republican lawmakers in the US Congress.

Most opinion polls suggest that the results could go against the Republican Party. If so, the result could fundamentally alter the nature and course of the remaining two years of the Donald Trump presidency. In fact, the ramifications will be widespread, given how the Trump Administration's decisions — from slapping punitive tariffs to starting a war with Iran — have affected household budgets across the global economy.

Why do polls suggest a 'blue wave'?

Trump staged a remarkable political comeback when he beat Vice-President Kamala Harris in the 2024 presidential elections. Notwithstanding his checkered past —he is the first president in the US history to be impeached twice, and also the first former president and sitting president to have a criminal conviction on his record — Trump won in a landslide primarily on two big issues. One, he promised to curb and regulate immigration in a way that secures US borders. Two, he promised to address the cost of living crisis.

On immigration, the results of his policies, although controversial, have been effective enough for it to not be the biggest issue in the midterms. The number of migrants and refugees entering the US and the visas provided have fallen sharply, even as detentions and deportations of immigrants have spiked. However, on the economy, the concerns have only flared up. According to most polls, the economy is the single-most important issue on which votes will likely be cast. Trump's approval ratings on this count are at historic lows, and falling.

But isn't the US economy booming?

Yes, in many ways it is.

The US is the world's largest economy and yet, notwithstanding its large base or the many policy disruptions introduced by Trump during his second term, its GDP growth has been reasonably high. (*Chart 1*). When Trump took charge in January 2025, the US GDP was around $29.9 trillion. Since then, barring two quarters, the US GDP has often surprised on the upside and has now reached $33 trillion.

The International Monetary Fund estimates that the US's per capita GDP — GDP divided by population — has grown from $86,400 in 2024 to $95,200 in 2026 — a jump of around $8,800 in the first two years of Trump's second term. In the same period, India's per capita GDP has grown from $2,590 to $2,750, China's from $13,440 to $15,370, and France's from $46,300 to $51,450.

Unsurprisingly, the US stock markets have been skyrocketing. The NASDAQ 100 index, which features the most innovative and biggest non-financial companies, has gone from just over 21,000 to just over 28,000 while the broader S&P 500 index has gone from around 6,000 to the 7,600-mark. Further, fast GDP growth has also ensured that the US continues to have fairly low, and stable, levels of unemployment rate (*Chart 2*).

Then what is the problem?

Even before Trump's second term, the US's economic growth was by itself not the problem.

The US was the only major economy that recovered to its pre-pandemic growth path in the space of one year. In other words, it registered a genuine V-shaped recovery; it grew back to where it would have been without the Covid pandemic. In most other countries, this recovery — to go back to the same trend of absolute GDP — took a much longer time.

The problem in the US was affordability for an average American. That in turn depended on two factors: the rate at which prices went up (read inflation) and the rate at which wages or earnings went up.

Chart 3 shows that since Trump took charge, inflation rate has reversed its trajectory; it was 2.4% when Trump took charge but has not come back to that level since. At last count, it was at 3.7% — almost double of the US central bank target of 2%.

What's most damaging is that the main reasons for this spike in inflation rate are Trump's policy choices; first it was tariffs (which are a tax on US consumers) and then the war in Iran, which further spiked fuel prices. Since the Iran war, retail fuel prices have gone by almost 50%.

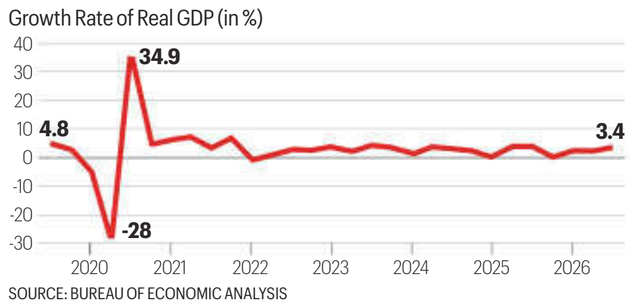
The spike in inflation has been such that it has robbed average US workers of any real earnings growth. *Chart 4* shows the growth rate of earnings of US workers when adjusted for inflation. As the data shows, since the start of March, the growth rate of real earnings has turned negative every month.

Further, the government's own debts have continued to grow to alarming levels, leading to investors demanding higher interest rates for lending money. That has made loans costlier for the average American. In other words, things are costlier to buy with cash in their pockets. In real terms, most Americans are worse off than a year ago.

This explains the anger that many opinion polls are capturing, notwithstanding a fast-growing economy and a booming stock market.

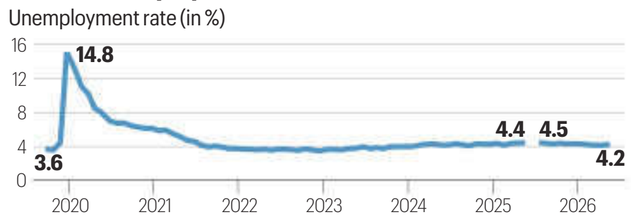
Worsening affordability

Chart 1: **Overall economy is growing rapidly**
Growth Rate of Real GDP (in %)



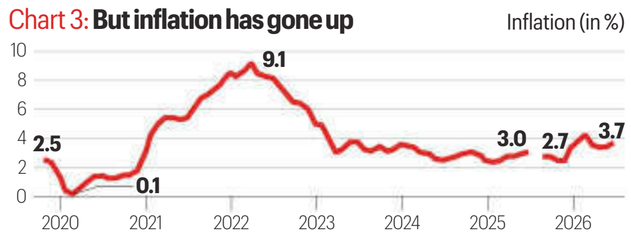
SOURCE: BUREAU OF ECONOMIC ANALYSIS

Chart 2: **Unemployment rate continues to be low**
Unemployment rate (in %)



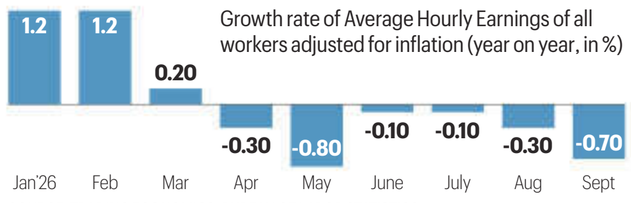
SOURCE: FEDERAL RESERVE BANK OF ST. LOUIS

Chart 3: **But inflation has gone up**
Inflation (in %)



SOURCE: BUREAU OF LABOR STATISTICS

Chart 4: **This resulted in real earnings growth contracting**
Growth rate of Average Hourly Earnings of all workers adjusted for inflation (year on year, in %)



SOURCE: TRADING ECONOMICS, BUREAU OF LABOR STATISTICS

Trump's claims

Trump has never accepted that his policy choices are hurting American citizens.

•

For months after taking charge, every time he was asked about the worsening economic state, he would blame his predecessor, Joe Biden.

•

In May last year, in an interview to *NBC News*, he even said that "the good parts are the Trump economy and the bad parts are the Biden economy".

Boost or barrier to the President: What midterms can deliver



ARAV SHAH & ANAGHA JAYAKUMAR

THE US is going to midterms, the polls that will determine the balance of power in the American national legislature, state governorships, and thousands of local offices for the remainder of the second Donald Trump presidency.

The midterms will see Americans elect all 435 members of the House of Representatives, 35 Senators, including two in special elections, and Governors in 36 states. The Senate and the House of Representatives together make up the US Congress.

Republicans currently control both Houses, although their majority in the House of Representatives is narrow. Both chambers must approve legislation before it can be sent to the President to be signed into law. The President has the power to veto legislation.

The midterms will also provide evidence of how voters are responding to the administration midway through its term, although state and local factors will shape individual races.

US Congress

The lower chamber, the House of Representatives, comprises 435 voting members who each serve two-year terms. The upper chamber, the Senate, comprises 100 members who each serve six-year terms, with roughly one-third of the Senate elected every two years.

Each state's representation in the House is proportional to the state's population, whereas every state gets two Senators irrespective of its population.

Bills concerning taxation and government revenue must originate in the House of Representatives, although the Senate can amend them. The Senate alone has the power to confirm presidential appointments, including Cabinet members and federal judges, and approve treaties by a two-thirds majority. The House of Representatives can impeach federal officials, including the President, while the Senate conducts impeachment trials and decides whether to remove them from office.

Why midterms matter for US

In the Senate, Republicans hold a 53-47 advantage. Democrats require a net gain of four seats to flip the chamber, navigating difficult toss-up races in states like Texas, Maine, Ohio, and Alaska. In the House of Representatives, the Republican majority is fragile, and generic ballot polling suggests Democrats possess a tangible path to reclaiming control.

Democrats are widely expected to win control of the House. A Democrat-majority House would give the party a greater say in government spending decisions, while empowering them to stall legislation championed by the Republican Party, launch investigations into the administration and subject senior officials to congressional scrutiny.

When the Democrats flipped the House during the 2018 midterms, House committees launched investigations into Donald Trump's businesses, his handling of the Russia investigations, and voted twice to impeach Trump.

• Anatomy of the US midterm elections

- The president is elected through the Electoral College. Most states award all their electoral votes to the statewide winner, making close states crucial.
- In the midterms, voters elect members of Congress and Governors. A state may elect a President from one party but choose a Governor or Senator from another party.

What's at stake on November 3?

435	35	36
House seats	Senate seats	Governorships

SENATE MAJORITY: Republicans hold 53 seats. Democrats and two allied independents hold 47. Democrats need a net gain of four seats for control.

How the US battleground map changes in the midterms

2024 presidential election:
Seven major swing states
● Arizona ● Georgia ● Michigan
● Nevada ● North Carolina
● Pennsylvania ● Wisconsin

2026 midterms: Seven Senate toss-ups
● Alaska ● Iowa ● Kansas ● Maine
● Michigan ● Ohio ● Texas

SOURCE: COOK POLITICAL REPORT, OCTOBER 2026 RACE RATINGS.

Trump has said if Democrats control Congress, he would "probably become Mr. Veto", though he could "make deals at some point". A Democratic majority in the Senate could block or delay many of Trump's major political appointments and force negotiations with the White House over legislation. However, wresting control of the Senate, despite the Republicans' wafer-thin majority, still appears to be an uphill climb.

Why they matter for India

For India, the midterms are significant on two fronts: tariff implementation and immigration rules.

TARIFFS: Over the past year, Trump has repeatedly changed tariffs on Indian goods. In September, Congress passed legislation authorising tariffs of up to 100% on major buyers of Russian oil, affecting India. Trump subsequently waived these provisions in October. It illustrates Congress's power to legislate on trade, but also the considerable discretion it grants the President to implement or suspend tariffs.

If Republicans retain control of Congress, Trump will face fewer obstacles in advancing his trade agenda, while a Democratic majority in either chamber could block new legislation and investigate existing measures, though reversing them would be difficult owing to his veto power.

IMMIGRATION: The Trump administration has tightened H-1B visa rules, including extending a $100,000 payment requirement for certain new petitions until September 2027. Congress is also considering legislation to raise wage thresholds for H-1B-dependent employers. These measures have implications for Indian professionals and IT companies.

If Republicans retain both chambers, they could advance such restrictions through legislation. A Democratic majority in either chamber could block these Bills or demand greater scrutiny. But it would not overturn Trump's executive orders.

• ECONOMY

Grey market and IPO booms: What retail investors need to watch out for

George Mathew
Mumbai, November 2

BOOMING PRIMARY markets at times attract unscrupulous elements seeking to take advantage of the euphoria. In India, an unofficial IPO market is gaining traction as public offers — big and small — line up to raise funds from investors. Such a grey market takes advantage of regulatory gaps and operates beyond the reach of established regulatory mechanisms, according to market stakeholders.

In the grey market, shares of companies that are yet to list are traded. These markets are operated by players in Ahmedabad, Jaipur and Rajkot, according to sources in the official stock exchanges. The premium at which these pre-IPO shares trade, that is, the grey market premium (GMP), becomes an unofficial indicator of the premium at which IPO shares are purportedly expected to trade. Market stakeholders, who did not wish to be named, said even fund managers of mutual funds take a cue from these GMPs.

Genuine investors worry about such practices and equate it with illegal "betting activity in cricket matches" and a "parallel black economy". With a vibrant primary market, the scale of such unofficial speculative activity has risen, with IPO applications being 'trafficked' and premiums getting inflated. This, at times, encourages retail investors to mistake market hype for genuine demand, market players said.

In an October 21 representation to the Securities and Exchange Board of India (Sebi), the Small Investors Welfare Association (SIREN) has called for immediate regulatory intervention, arguing that the widespread publicity surrounding unofficial premiums and application transactions raises serious questions about market integrity and the effectiveness of existing safeguards.

"What was previously a covert activity is now conducted in broad daylight across WhatsApp, Telegram groups and public tracking portals and others. This open black market makes a mockery of Sebi's mandate to maintain a fair, transparent and orderly market," said Arun Goenka, founder president, SIREN.

Sebi did not respond to queries from *The Indian Express* on the thriving illegal grey market. Market players said the government and the regulator are aware of the grey market. "It is an illegal activity just like gambling or betting. Is it for Sebi to act or the state police or other law enforcement agencies? It is a question for all," said a stakeholder who did not wish to be named.

Parallel market in the shadow of regulation

The grey market operates outside recognised stock exchanges, with transactions typically taking place through informal arrangements between buyers and sellers. GMP figures are neither official exchange prices nor guaranteed indicators of the eventual listing price, but they do influence investor sentiment, said market players.

A high premium can create expectations of substantial listing gains, encouraging investors to subscribe to an IPO without adequately examining the company's valuation, financial performance, business risks or prospects.

Retail investors who rely on such illegal markets to make investment decisions do so at their own risk, said a market player. But the promise of high gains continues to be a pull and unsophisticated investors get lured. Some take loans and some commit their hard-earned savings to invest. "When unofficial numbers are widely circulated, investors may interpret them as evidence of strong demand even though they do not necessarily reflect verified orders or actual subscription figures," the association said.

How does the grey market operate?

It operates by word of mouth. There's no paperwork or online activity. An investor buys one share of XYZ with an issue price of Rs 1,000 at a premium of Rs 300. After listing, if the share is quoted at Rs 1,400, he gets a profit of Rs 100 from the seller. On the other hand, if the share lists at a discount of Rs 1,200, he will lose money and pay Rs 100 to the seller. "Only the difference is paid. There's no transfer of shares or possession of shares. It's like betting in cricket matches. This is unofficial and illegal... and there's no legal sanctity," said an investor.

Small investors could pay the price

SIREN has drawn parallels with the frenzy surrounding the Reliance Power IPO years ago, warning that expectations of spectacular listing gains can leave retail investors exposed when market reality fails to match the hype.

Reliance Power shares were trading at huge premium pre-listing, but the stock crashed upon listing, going almost Rs 100 below the offer price of Rs 450 per share (Rs 400 for retail investors after Rs 50 discount).

This showed that an IPO is not a guaranteed route to listing gains. Nor does a high grey market premium establish that a share is worth the price investors expect to receive after listing. For smaller investors, the consequences of confusing speculation with reliable information can be particularly severe.

Can SEBI leave the questions unanswered?

SIREN has urged Sebi to choose between two broad approaches: enforce the law decisively against unlawful activity or examine whether a transparent, regulated mechanism could accommodate legitimate pre-listing entitlement transactions.

Under its enforcement proposal, the association has called for action against operators involved in illegal transactions, scrutiny of platforms publishing unofficial rates and investigation of financial channels allegedly used for such activity. Market players are not sure if Sebi is the right agency to wield its stick on such an illegal market.

The other alternative is to examine if certain transactions could be formalised through recognised market infrastructure, subject to appropriate safeguards. Such a proposal would require careful legal and policy examination; it does not mean that all grey market activity can automatically be treated as illegal or that formalisation would eliminate manipulation.

The central issue is not whether every unofficial premium is fraudulent. It is whether unlawful trading, deceptive promotion or manipulation is taking place and whether the authorities have adequate tools to detect and deter it.

"Sebi's position on the legality of different forms of grey market activity, the scope of its surveillance and enforcement efforts, and the possibility of investor advisories is therefore important. A response would help distinguish permissible conduct from potentially actionable violations," said a market observer.

the hindu businessline.
TUESDAY - NOVEMBER 3, 2026

Press protection

Journalism needs carve out in data privacy law

In a healthy democracy, investigative journalism works as a crucial instrument of public accountability. From exposing financial irregularities at a company to uncovering administrative failures, journalists routinely handle personal data, often — and inevitably — without the knowledge or consent of the individuals concerned. India's Digital Personal Data Protection (DPDP) Act has given rise to legitimate questions on how such public-interest journalism will coexist with a statutory framework that contains no specific exemption for journalistic activity.

Section 7 sets out a range of "legitimate uses" for which personal data may be processed without obtaining consent. These include certain State functions, compliance with legal obligations, court orders, medical emergencies and employment-related purposes. But journalism, editorial work and public-interest reporting do not appear among these specified uses. Subjecting such activity to a data-protection regime designed primarily for commercial and institutional processing could compromise the working of the press. The Act's provisions on correction and erasure raise a second set of questions. Section 12 gives a Data Principal rights including correction, updating and erasure in relation to personal data. Without a journalism-specific exemption, it remains unclear how these rights should interact with digital news archives, particularly when a published report contains personal data and the individual later seeks its removal.

There are concerns over the Government's powers to obtain information. Section 36 empowers the Centre to require a data fiduciary or an intermediary to furnish information for the purposes of the Act. Media organisations are concerned that such information-gathering powers could intersect with confidential journalistic material and sources. The Centre's assurance that bona fide journalism is not intended to be brought within the DPDP framework is welcome. But where constitutional freedoms are involved, executive assurances are not an adequate substitute for statutory protection. The fact that the Digital News Publishers Association has challenged several provisions of the Act and Rules before the Supreme Court underscores this unease.

Other jurisdictions offer a useful template. Article 85 of the European Union's General Data Protection Regulation requires member states to reconcile data-protection rights with freedom of expression and information, including processing carried out for journalistic purposes. The UK's Data Protection Act 2018 provides a specific exemption framework. The European Court of Justice has interpreted "journalistic purposes" broadly, focusing on the purpose of disclosing information, opinions or ideas to the public rather than restricting the concept to traditional media organisations or professional journalists. A journalistic safeguard does not imply the erosion of privacy. For privacy violations, the law of defamation and other civil remedies continue to apply.

POCKET

RAVIKANTH



"A new way of hybrid working, it seems. One may mix having a job with periods of not having one!"

Building immunity to shocks

India has weathered oil shocks emanating from the Middle East tensions. This resilience must be turned into advantage



ASHIMA GOYAL



GROWING STRENGTHS. Oil price volatility is less of a worry now GETTY IMAGES

Escalating Middle-East tensions and higher oil prices have made the issue of macroeconomic policy design under poly-shocks live again. Although pass through of oil shocks in the first six months of the year, was lower than expected for many countries, not only India, old fears seem to have magnified. This sentiment particularly hits oil-importers, creating pressure to give up attempts to smooth shocks and revert to standard tightening under external shocks.

The view seems to be that adjustments that worked cannot continue indefinitely. Oil reserves have fallen and will need re-building. But the many longer term trends that reduce vulnerability to oil shocks are only getting reinforced. Lower and falling energy intensity means oil impacts unit costs less. Substitution toward alternative energy sources continues apace and rapid entry of new oil production sources reduces the importance of any one geographical area. India's large refining capacity continues to be protective.

Moreover, counter-cyclical government excise and oil pricing policy moderates the pass through of oil shocks to the economy and the inflation targeting regime in turn moderates firms' pass through of the shocks to the consumer. The pass through will rise if oil shocks prove persistent. But oil prices had fallen in the summer when OMCs recovered some of their losses as retail prices were not reduced. India's high taxes on oil products support such countercyclical adjustments. Falling debt ratios due to post-pandemic fiscal consolidation and tax buoyancy with higher growth give fiscal space to counter shocks.

New production sources and many energy substitutes have changed the oil market. Oil prices cannot continue high for long. Even currently supply exceeds demand but war risk premium keeps prices high. Even so, the effect of a sustained high patch will be lower for the above reasons.

Current oil prices may have crossed the red flag of 100, but in real terms they are much below levels reached in past oil shocks, even as their impact on cost of production has fallen. For example, they are less than half the real levels reached in 2012.

India's continued high growth despite high oil prices is not surprising, therefore. The IMF had to upgrade Indian growth every year since 2022, so they have made India an exception as a country for which they expect high growth despite being an oil importer and not at the top of the AI league. Signs of learning from outperformance at last!

But markets still haven't internalised that India no longer has the earlier type of vulnerability to oil shocks. Firms, however, seem finally convinced that India's growth prospects can survive geo-economic volatility, since the long-awaited rise in private investment is becoming apparent.

Closing the gap between financial stress and real performance requires good communication from policy-makers. But officials tend to highlight various policy measures taken without explaining how elements are customised to and reinforce each other to counter the current set of shocks.

As a result some commentators ascribe high growth to an unsustainable sugar high due to fiscal-monetary stimulus. But this is not true if measures are well calibrated to needs.

POLICY DESIGN

Policies can be classified as those improving the supply-side including ongoing fiscal consolidation with better quality of expenditure; use of buffers and regulation to help sustain counter-cyclical policy while reducing market volatility; third, as fiscal policy expands potential output, monetary policy can keep output at potential — which requires preventing large or persistent misalignment from equilibrium real interest and exchange rates.

Current oil prices may have crossed the red flag of $100, but in real terms they are much below levels reached in past oil shocks, even as their impact on cost of production has fallen

This sustains aggregate demand while anchoring inflation expectations, which prevents second-round inflation. That the policy rate is conditional on inflation keeps fiscal policy focused on reducing cost-led inflation, where it has an advantage.

Central bank credibility and independence is not compromised. Emerging markets are beginning to understand how monetary-fiscal coordination differs for them. Central Bank of Sri Lanka has a committee for this, but without decision-making power, thus preserving independence.

Supply-side policies have to be specially adapted to current shocks, which require continuing reforms towards green substitution, increasing contributions of States, enhancing India's natural diversity as well as that in trade, while harnessing technology to raise productivity, competitiveness and therefore jobs.

While transient shocks can be absorbed, persistent ones that supply-side policies are unable to counter must be passed in order not to compromise fiscal consolidation and maintain financial stability. The vulnerable can be protected with targeted and time-limited liquidity and credit that do not create perpetual dependence.

Excess liquidity creation needs to be avoided since it contributes to volatility. This approach helps identify gaps that need to be filled.

RESILIENCE: COSTS OR BENEFITS?

The technical meaning of resilience is to revert to status quo after a shock. But it is also possible to use a shock to do better, for example, it may overcome resistance to required changes, or help build on comparative advantage. Then building resilience turns from a cost into an advantage.

Specialisation may be more efficient but diversity creates resilience and India as a large country has a natural diversity that can be enhanced. There is commentary on the cost of using FX reserves, but there is also a cost of carrying FX reserves especially if they are never used. Strategic intervention in troubled times ensures the policy rate does not have to be used for interest rate defence.

Does building fiscal space sacrifice spending? But the discipline imposed on quality of expenditure, falling debt-deficit ratios from lower volatility in real interest and growth, and lower servicing costs can raise spending over time. The regulatory cost of financial stability can be minimised with benefits from reduced crises and lower risk premia. The recommended policy set is feasible only above a threshold of development and of critical buffers.

Consider three areas where hitherto infeasible reform may become possible. If the focus is not just on rising cost but also on soil health, nutritional balance and green local production of urea, the political resistance to fertilizer policy reform may fall.Foreign capital outflows during prolonged global risk-off cause stress, since India's current account deficit (CAD) creates dependence on foreign financing. Rising AE debt and AI investment may be causing a structural reduction in foreign capital flows to EMs. But in normal years inflows far exceed India's CAD which is low at less than 1 per cent. It can fall further with FTAs and growing net exports, removing the source of self-fulfilling fears of currency depreciation.

Increasing domestic diversity and compensating for global pressures also requires more States to perform. While many will respond to crisis-time need, this is the time to institutionalise more decentralisation and accountability required to improve the quality of life for the average citizen. Poor local services are triggering protests.

Action on these fronts could reduce domestic and external vulnerability, creating a net gain while raising resilience.

The writer is Professor Emeritus, IGIDR

Irrigation helps in climate resilience but it's not enough

Irrigation must be complemented with better soil management and cropping practices

Saurabh Bandyopadhyay
Laxmi Joshi
Charu Jain
Kushagra Thakral

To deal with climate change in agriculture, India has responded with a wide range of programmes covering irrigation, micro-irrigation, crop insurance, climate-resilient seeds, weather advisories, soil management and digital agriculture. But the real test of these interventions is whether farmers are better able to absorb a climate shock, recover from it and sustain their livelihoods.

A recent NCAER study of major irrigation projects covered 57 irrigation projects across 20 States, nearly 600 villages and about 10,000 households. It compared households in command areas receiving benefits from canal irrigation with those outside these areas.

The findings suggest that irrigation can make an important contribution to climate resilience. About 68 per cent of households in command areas reported higher agricultural productivity and incomes, while 67 per cent of households in non-command areas reported stagnation or decline. About 76 per cent of command-area households also reported improved access to input and output markets.

Irrigation was also associated with the growth of agri-service enterprises, dairies, repair shops and other local economic activities. Migration also appeared to be lower in command areas: 34 per cent of command-area households reported increasing migration, compared with 46 per cent in non-command areas. New business and service opportunities were reported by 30.2 per cent of command households, compared with 17.4 per cent in non-command households. These findings matter because climate resilience is not simply about producing more. It is also about maintaining income and livelihoods when conditions become uncertain.

ENVIRONMENT ANGLE

The environmental evidence from the study reinforces this argument. About 43.9 per cent of respondents in command areas reported improved soil quality, compared with only 5.5 per cent in non-command areas. I

The study also provides evidence that command areas have greater adoption of practices intended to strengthen agricultural resilience. About 58.7 per cent of command-area households reported adopting resilient farming practices, compared with 51.1 per cent in non-command areas. For climate-smart agricultural practices, the corresponding figures were 49.4 per cent and 43.6 per cent.



AGRICULTURE. Climate adaptation

These terms overlap but are not identical. Resilient farming practices broadly refer to practices that help farms withstand and recover from shocks such as drought, floods or rainfall variability. Climate-smart agricultural practices have a broader objective: improving productivity and incomes while adapting to climate change and, where possible, reducing greenhouse-gas emissions. Better water and soil management, crop diversification and climate-resilient varieties can contribute to both.

Access to reliable water creates the conditions for farmers to diversify crops, adopt improved technologies, manage soil better and reduce their dependence on rainfall. But whether these benefits materialise depends on what farmers do with that additional water and how the resource is managed. An irrigation project can improve water availability, agricultural productivity, soil conditions and farm incomes. But if greater water availability subsequently encourages excessive groundwater extraction or unsustainable cropping patterns, some of those gains could eventually be weakened. Agriculture must adapt to climate change while reducing its own environmental footprint. India's Fourth Biennial Update Report estimates that agriculture accounted for 13.72 per cent of the country's greenhouse-gas emissions in 2020. This makes it important to promote practices that can deliver both adaptation and mitigation benefits — efficient water and fertilizer use, better soil management, appropriate crop diversification and improved livestock practices.

Irrigation is an important component of climate-resilient and potentially climate-smart agriculture. But its full value emerges when reliable water is combined with better soil management, appropriate cropping practices, resilient technologies and sound resource management. India therefore needs to move from thinking about climate adaptation as a collection of schemes to seeing it as a system of resilience.

The writers are with NCAER, New Delhi. Views expressed are personal

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

Develop R&D fast

This refers to "How Indian enterprises can scale up R&D spend" (November 2). Higher R&D expenditure by firms is necessary to promote innovation, which is the path to becoming a developed country. But India ranks 138th in the Global Innovation Index.

To correct this, the government should encourage multi-industry participation and cultivate broad-based R&D growth across diverse mid-sized industries.

Next, the government should take measures to remove the bottlenecks to facilitate transition of research output from lab to market.

Besides, R&D requires acquisition and retention of bright talent. Here collaboration between the trio of govt-industry-academia would be worth considering.

YG Chouksey
Pune

Funds outflow

With reference to the Editorial 'Missing the point' (November 2). Despite growing economic activity, the Indian stock market remains unattractive to Foreign Portfolio Investors, as evidenced by capital outflows. New inventions to create AI-based assets are lacking, and as a result, capital formation is not growing.

Investment opportunities are facing challenges due to the growing demand for such investment in the rest of the world. Policies must be framed to enhance capital expenditure for the manufacturing of AI-based products to expand India's space in the global market.

As a consequence of the persisting war, the risk of disruptions in the supply of commodities and price volatility is growing, which is adversely affecting price stability and interest rates. To counter rupee depreciation, capital inflow is imperative. Creating an investment-enabling environment for research, besides implementing measures for stability in returns on capital, is paramount to enhance foreign investments.

VSK Pillai
Changanassery

Sustaining investments

The article 'How America punishes India' (November 2) offers a fresh perspective on market jitters. Blaming one tax or one foreign policy quarrel makes for a neat story, but markets rarely move on single triggers. The real lesson is that a fast-growing economy needs a deeper pool of patient money, not louder debates over blame.

Here is one out-of-the-box idea. Pension funds, insurance companies and ordinary families could be gently nudged into long-term rupee bonds through government tax-friendly small savings schemes. Such money stays put even during storms, unlike a foreign portfolio investor who exits at the first whiff of trouble. Dependence on dollar flows would shrink, and the rupee itself would be less hostage to every headline from abroad.

K Chidanand Kumar
Bengaluru

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Animal trials being curbed

Other methods now in use to test drugs for humans

PT Jyothi Datta

The last few weeks have seen mass campaigns by people seeking recall of a draft notification on animal trials issued by the Committee for Control and Supervision of Experiments on Animals (CCSEA).

The plea for recall is because the draft does not seem to keep the welfare of animals at the core of this scientific exercise.

Animal trials involve testing medicines for toxicity and safety, on monkeys, beagle dogs, guinea pigs and rats.

The first exposure of a prospective medicine to humans comes only after animal trials — when the medicine is given during Phase I of clinical trials, to human volunteers. With animals, there is no volunteering or consent — they did not sign up for trials. But if you don't want to go down that humane, ethical road there are scientific reasons , outlined by international drug regulators, explaining why "animal models fail humans".

Oddly, the latest draft seems to take two steps back, when international drug regulators are moving full steam ahead to replace animal trials with non-animal and alternative methods — to modernise drug development.



UNETHICAL. Animal trials involve testing medicines for toxicity, safety

DILUTES NORMS

Animal welfare voices say, the CCSEA draft dilutes the existing regulatory framework, and relies on ethical committees at institutions to judge trials done at the same institution. It also leaves the door open on trails involving endangered species, and community/feral dogs and cats.

Contrast this with the world view. The United States Food and Drug Authority (USFDA), for example, in its status report on reducing animal testing in preclinical safety studies (April 2026), said: "One year later, that vision has translated into measurable progress that is already saving lives — both human and animal."

The transformation, "rests on concrete achievements," it says, pointing to "new policies that eliminated unnecessary six-month primate studies for monoclonal antibodies; expanded weight-of-evidence approaches that can replace entire carcinogenicity studies requiring over 1,000 animals per product; and the first AI-based drug development tool qualified for regulatory use."

And the clincher — "over 90 per cent of drugs that appear safe in animals fail to receive FDA approval, predominantly due to safety and/or efficacy issues that only become apparent in human trials," the report says, citing studies, explaining the science "when animal models fail patients".

A chilling example further illustrates how the animal-human disconnect affects patient safety. A monoclonal antibody, designed to treat autoimmune diseases and leukaemia, underwent "extensive" preclinical testing in monkeys at doses up to 500 times higher than the planned human dose, the report says — no adverse effects were observed. But within minutes of administration to six healthy human volunteers in a 2006 Phase I trial, "all experienced catastrophic immune system activation — life-threatening cytokine release syndrome that caused multiple organ failure, with some participants requiring intensive care for months," it recounts.

In March 2026, the UK's Medicines and Healthcare products Regulatory Agency (MHRA) outlined action to phase out animal testing by helping developers make greater use of New Approach Methodologies (NAMs). And in October 2026, the European Medicines Agency (EMA) endorsed a joint statement from the International Coalition of Medicines Regulatory Authorities, calling on medicine developers, manufacturers, regulators and national control laboratories to "advance and implement alternative methods or approaches to animal testing throughout the lifecycle of human medicines, wherever, and as soon as possible."

Similar direction comes from the World Health Organization, as well. The effort is towards getting effective, "human-relevant" medicine, without the cruelty of animals locked-up, maimed or euthanised in trials.



C VALLIAPPA



REUTERS

Construction needs a productivity revolution

BUILDING BLOCKS. For this, intelligence must be put into the entire construction ecosystem, from quarry tracking, design and execution to the people who build it

In June, my wife and I travelled by road from Delhi to Agra to visit the famed Taj after four decades. Sitting before the 17th-century wonder, I was amazed by an extraordinary achievement in planning, materials, craftsmanship and construction that has endured for generations.

Yet today, we in India sometimes see newly built roads, bridges and expressways developing serious problems within months, or even weeks, of completion.

Back home in Bengaluru, I saw reports of problems on two recently inaugurated expressways: the Kanpur-Lucknow Greenfield Expressway developed depressions and sank in many places, while the Ganga Expressway saw an approach road wash away after heavy rain.

These incidents should not lead us to condemn the entire construction industry.

Building infrastructure in a country as vast and geographically diverse as India is enormously complex. But they should make us ask: Why has construction in India not experienced the productivity and quality revolution that has transformed almost every other major industry?

Computing has followed something close to Moore's Law for decades. Manufacturing has been transformed by robotics, automation, sensors and data. Logistics can track an individual parcel across continents.

Construction, by comparison, remains remarkably dependent on manual processes, fragmented supply chains, variable skills and decisions made on site with incomplete information. This is not merely a technology problem. It is a productivity problem.

THE HIDDEN COST

Some of the biggest construction costs are hidden: material wastage, rework, idle equipment, lost man-hours, poor coordination, delays and decisions revisited because the right information was not available at the right time.

Construction has another problem: lessons learnt in one project often do not systematically find their way into the next.

Site engineers, supervisors and workers accumulate practical knowledge about soil, materials, machines and local conditions.

But much of this knowledge remains in people's heads.

When the project ends, much of it leaves with them. That is a terrible loss of institutional memory.

I learnt early in my career that construction is not simply a set of drawings handed to a contractor. It is a process in which materials, people, engineering judgment, site conditions and execution come together.

Technology now gives us the possibility of applying that practical intelligence at a scale previously impossible.

AI AS AN AID

AI should not replace the civil engineer or the experience of people who have spent years on construction sites. But it can examine scores of possibilities, compare alternatives and identify combinations that humans may not immediately consider.

Imagine an AI system evaluating a construction proposal simultaneously for cost, structural performance, construction time, material consumption, energy use, safety, maintainability, local site conditions and carbon footprint.

Using past meteorological data, it can help predict potential stresses such as flooding and seismic activity.

That is where AI becomes valuable — not as a substitute for engineering judgment, but as an amplifier of it.

INTELLIGENT CONSTRUCTION

The next step is to bring intelligence into every stage of construction — from design and surveying to execution, maintenance and operation.

Construction remains remarkably dependent on manual processes, fragmented supply chains, variable skills and decisions made on site with incomplete information

Building Information Modelling (BIM) can integrate architectural, structural and building services information into a common digital model, enabling coordination, clash detection and reduction of rework.

Digital twins can create a living digital replica of a building or infrastructure, showing progress during construction and performance after completion.

AI and construction analytics can analyse schedules, costs, productivity, materials and quality data to identify anomalies and anticipate delays.

Drones, laser scanning and 3D mapping from photographs can create accurate digital records of sites and progress and help monitor structural health.

Connected equipment can move maintenance from reacting to breakdowns towards predicting them. Prefabrication and automation can improve precision and reduce waste. Computer vision can check whether work is being carried out according to specifications.

Digital work instructions can put the right information in front of a worker at the right time, while geotagged photographs and digital quality records can create a permanent record of what happened at a particular location.

The result could be a construction site with eyes, ears and memory — rather than one dependent on occasional inspections and fragmented records.

AUTOMATE REPETITIVE JOBS

Construction has many activities that are repetitive, physically demanding or dangerous. If a machine can perform such a task more accurately and safely, we should use it.

The objective should be to move people towards activities where human judgment, problem-solving and responsibility add greater value.

The construction worker of the future should increasingly be a skilled operator, technician, quality professional or supervisor working alongside intelligent systems.

But technology alone is not enough. Who will operate these machines? Who will use the data? And who will ensure that knowledge gained on one project is carried to the next?

The Taj Mahal reminds us that construction can create something that outlives generations. Its endurance was the product of design, materials, craftsmanship, discipline and attention to detail working together.

The 21st century gives us something its builders did not have: the ability to capture, analyse and learn continuously throughout a structure's life.

Construction will not have its productivity revolution merely by putting AI on a construction site.

It will happen when we put intelligence into the entire construction ecosystem, beginning with quarry tracking all the way to design, execution and the people who build it.

It is time the buildings and civic infrastructure of the 21st century are built to last — not until the next rains, but forever.

The writer is Chairman of Sona Group

thehindu businessline.

TWENTY YEARS AGO TODAY.

November 3, 2006

Norsk Hydro offers OVL stake in Angola, Iran blocks

Norsk Hydro of Norway has offered ONGC Videsh Ltd (OVL), the overseas arm of ONGC, stake in an Angolan exploration block and the Aranan field in Iran. OVL, on its part, has offered Norsk Hydro participation in its two exploratory deep water blocks in Cuba.

Credit Suisse to restart operations in India

The Zurich-based Credit Suisse is to restart broking and asset management activities in India. In 2001, the Securities and Exchange Board of India had suspended the Indian arm of Credit Suisse from broking activities for two years on charges of price manipulation. It did not subsequently resume operations after the ban period.

NTPC gets waiver on investment ceiling

The Cabinet Committee on Economic Affairs has given its approval for waiving the ceiling of ₹1,000 crore for equity investments by NTPC Ltd to establish financial joint ventures and wholly-owned subsidiaries in India or abroad for ultra mega projects. This is for participating in the bidding of ultra mega projects being established at the initiative of the Ministry of Power.

Tech giants' borrowings jump on AI debt surge

ANI

The combined debt of the seven largest US technology companies, widely known as the Magnificent Seven, has increased nearly 45 per cent to $578 billion by mid-2026, raising concerns over the financial risks linked to the rapid expansion of artificial intelligence infrastructure, according to a report by SBI Research.

The Magnificent Seven comprises Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. The report said their combined debt, which stood at around $399 billion in 2025, is now nearly 1.7 times its 2023 level. It also flagged substantial off-balance-sheet commitments, including obligations related to purchases and investments, as companies continue to expand their AI infrastructure.

PRESSURE ON VALUATIONS

"Higher borrowing costs and rising Treasury yields could put pressure on their valuations by increasing the discount rate applied to future earnings," the report cautioned. Using an equity duration approach, the report estimated that a rise in yields could result in a potential market capitalisation decline of around $1.67-2 trillion for the seven companies, whose combined market value was estimated at approximately $23 trillion.



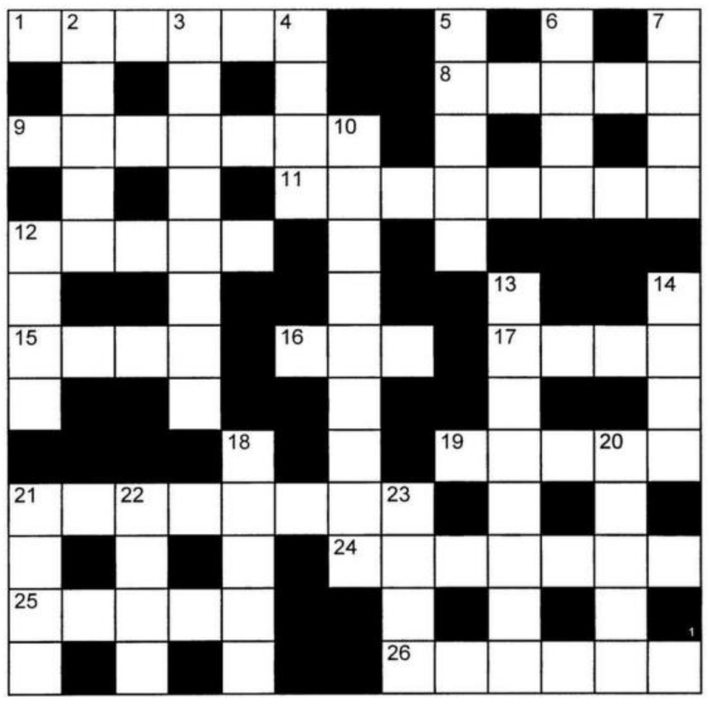
AI INFRA. Rapid expansion can be risky

The report also pointed to the expected entry of Anthropic into public equity markets, likely around November 12, with a target valuation of $1.5-2 trillion. It described the proposed listing as a "high-stakes litmus test" for the financial viability of the AI boom, allowing public investors to assess whether rising enterprise revenues can justify the substantial infrastructure and computing costs involved.

Beyond technology companies, SBI Research highlighted the impact of rising bond yields on the US Federal Reserve's holdings of government securities. Its unrealised losses on Treasury holdings increased by $26.3 billion, from $535.3 billion in December 2025 to $561.5 billion in June 2026.

During the same period, the US 10-year Treasury yield rose from 4.18 per cent to 4.44 per cent.

BL TWO-WAY CROSSWORD 2769



EASY

ACROSS

1. Steal apples from orchard (6)
8. Anger, fury (5)
9. Working-straps (7)
11. A sneak; a recording clock (8)
12. Smile smugly (5)
15. Not up to schedule (4)
16. To hear in court (3)
17. A wild party (4)
19. Look pleased, happy (5)
21. Approach to land from the sea (8)
24. Indicating tiredness or boredom (7)
25. A small-sized wood (5)
26. Tumulus, grave-mound (6)

DOWN

2. To enchant (5)
3. Disconcerted; deprived of strength (8)
4. Time that's gone (4)
5. Pig-food (5)
6. Tibetan Buddhist priest (4)
7. An Oxford, brogue (4)
10. Separately, one by one (9)
12. A flatfish (4)
13. One who is not a lord (8)
14. Dr Jekyll and Mr _____ (4)
18. In the style of (5)
20. 'Language' (5)
21. Limbs (4)
22. Secluded retreat, corner (4)
23. Sheep meat (4)

NOT SO EASY

ACROSS

1. It takes little science, with steak, to steal apples (6)
8. A deserter, when half surrounded, shows great anger (5)
9. A strapping way to couple energy to work (7)
11. A sneak will show what the narrator will do (8)
12. The Sergeant-Major will annoy one with such an expression (5)
15. Being behind schedule, is no longer with us (4)
16. An attempt to give one a criminal hearing (3)
17. A Bacchic rite included in a major gymnastic event (4)
19. Perhaps Monsieur lies about his happy look (5)
21. A country trip, as sighted by returning sea voyager (8)
24. Bored youth-leader put on a sun-blind (7)
25. There's nothing missing from the rut but the group of trees (5)
26. Something to trundle along to a burial-mound (6)

DOWN

2. Personal magnetism, as shown by an amulet (5)
3. Is one weakened by having one's cheek removed? (8)
4. Being so caring, is now apathetic (4)
5. Drink first shandy with a show of pleasure (5)
6. Buddhist priest turning up in an ashram always (4)
7. May have torn hose, or something else on one's foot (4)
10. Verse as composed by a friend may be considered separately (9)
12. It's Dover's only fish (4)
13. It isn't a lord one will find living on public land (8)
14. Doctor Jekyll's alter ego parked in London (4)
18. Still, so behind all? (5)
20. Fish, and nothing to follow but tongue (5)
21. Parts of darts matches in eleven parts at Bingo (4)
22. There isn't any approval for such a cosy corner (4)
23. One gambolling, like Charles or Mary (4)

SOLUTION: BL TWO-WAY CROSSWORD 2768

ACROSS 1. Predominant 8. Encircle 9. Vein 10. Scant 13. Loge 16. Reel 17. Dash 18. Tour 20. Shack 24. Oust 25. Inundate 26. Holiday camp

DOWN 2. Rock 3. Doric 4. Melon 5. Anvil 6. Desecration 7. Antechamber 11. Atlas 12. Tonga 14. Oral 15. Beau 19. Ratel 21. Henna 22. Cynic 23. Balm

M ND-NDE

Lowering LTCG Isn't a Magic Bullet

But the measure could help if macros stabilise

Measures such as lowering LTCG tax for domestic and foreign investors and allowing foreigners to pay the tax on gains in dollar terms will boost sentiment in the equity market. Returns have flatlined as foreign investors are pulling out of India because of a concentration of interest in AI infra, India's vulnerability to the West Asian energy shock and rising yields on US treasuries. Macroeconomic and corporate performance do not justify the magnitude of the FPI selloff. India's economy has moderated after a post-Covid recovery, but the investor reaction is disproportionately influenced by external uncertainties that the country is navigating well. LTCG on equities was reimposed in 2018 and its current rate was set in 2024. Investor behaviour must be mapped over the period as a guide to any review of the tax.



India is losing its tax competitiveness against other emerging markets — Hong Kong, Singapore, Taiwan and Indonesia — that do not tax LTCG on foreign investment in equities. Tax relief to foreign investors in government bonds introduced earlier this year caused a spike in inflows. Less structural friction could make Indian equities more lucrative, but FPI behaviour is being driven by more fundamental economic factors than tax policy. Even after the correction, Indian equities face strong competition from cheaper emerging markets. Tax treaties anyway provide FPIs with pathways to invest in India that are not influenced by tax changes.

GoI will be influenced by the revenue implications of a change to LTCG tax on equities as well as its impact on providing policy certainty to foreign investors. A middle ground could involve a structured reduction or a dollar-denominated tax framework. This will signal market friendliness while upholding fiscal propriety. A robust policy response would focus on restoring economic momentum and corporate earnings, which are the chief drivers of foreign investment flows. The external factors that are shaping global capital currently cannot be counteracted through tax policies of any one nation.

You Can't Eat Your Viksit Cake and...

'Nobody in India will tell you it's 5 o'clock. And certainly, no Indian will ever remind you it's the weekend.' While Piyush Goyal meant well to sell Indian work ethic at a gathering in the Netherlands on Oct 27, the unfortunate fact is that 3 days later, the pointless deaths of 4 workers in a Delhi shoe factory fire does sit uneasy with India's reputation of having 'attractive wage arbitrage', making it a competitive economic force globally.

Being 'viksit' is more than a GDP thing. It's also how you view your workforce, especially blue-collar, and treat it. AI can be 'slave-driven'. But one hopes that no one expects to gloat on citizens — humans — to compete on AI terms despite any 'Narayana Murthy school of cheerleading'. Accidents do happen.



But even as the shoe factory fire in Mangolpuri Industrial Area is being investigated, a valid factory licence points to the level of inspection that authorities may be conducting before certifying such institutions as fit for business — and for workers. This is not about employees working overtime in a festival market. It's about whether corners being cut at the cost of employee safety to bump up productivity is par for the course or not.

Being 'viksit' is about having certain non-negotiable norms, regardless of whether those working are willing to forgo those norms or not. 'We are like this' is not a value system that cuts the ice. At least not if India wants to be considered by the developed world as a developed economy one day. In factories, this means safe shop floors; in offices, reasonable working hours. Enforcing rules and regulations that guarantee occupational safety and health is central to becoming viksit. One can't have one's 1st-world cake and eat a 3rd-world one too.



JUST IN JEST

Let's not have ads on streaming shows disrupting the wrong way

Commercial Breaks With Common Sense

There was a time when ads interrupted TV programmes at civilised intervals. A murder would be committed, a detective would raise an eyebrow, and the scene would dissolve, while viewers would be invited to purchase detergent. The arrangement, hardly Act 2 Scene 3, respected the elementary distinction between a sentence and a sales pitch. Increasingly, streaming platforms are now dispensing with such niceties. The dramatic effect is more and more resembling a neurological disorder.

Nobody seriously disputes advertising's economic importance. Media and entertainment pretty much live off someone trying to sell somebody something. But perhaps it's time to make ads refrain from bursting into the thick of things to discuss home loans. The problem isn't advertising but witless placement. Algorithms apparently sophisticated enough to predict a viewer's next purchase remain incapable of recognising the end of a sentence. Someone, if needed, AI, should distinguish a dramatic pause from an invitation to advertise face cream. Streaming services should introduce elementary commercial etiquette: commercials between organic scenes, at natural narrative breaks, preferably without increasing their frequency. Such restraint will benefit advertisers too. For, consumers irritated by an interruption are unlikely to develop tender feelings towards its sponsor.

STATE OF PLAY Next few months, GoI faces a test of political will to take hard economic calls

ALL HANDS ON THE DECK

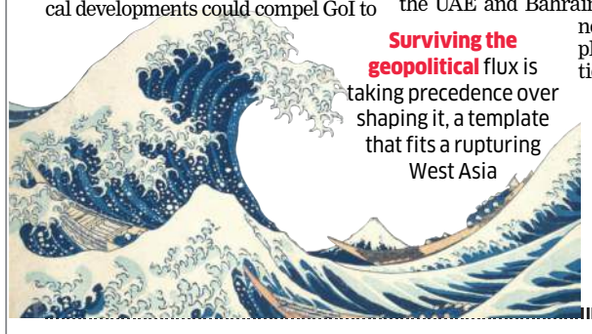


Pranab Dhal Samanta

India needs to brace for some challenging times ahead. It may not matter much which way today's US midterms swing, because Trump will look to enforce his actions either way. What may change is the vitality on Capitol Hill to obstruct, if not halt, him. But, for India, that would only mean an even more fractured Washington to deal with.

On the domestic front, GoI's space for political and economic manoeuvrability is likely to be constrained by a set of important upcoming elections, particularly UP, where the stakes are very high.

Hard economic decisions — be it on adjusting oil prices at the pump, reducing subsidies, implementing ways to ease pressure on rupee, give tax breaks to pull back FPIs, or disciplining welfare expenditure — will become politically tough. But unexpected geopolitical developments could compel GoI to seriously consider some of these calls, notwithstanding an agitated internal political environment.



Surviving the geopolitical flux is taking precedence over shaping it, a template that fits a rupturing West Asia

The problem for countries worst-affected by these crises is that what to do in the near future is now more important than how things may pan out in the long run. Because surviving the geopolitical flux is taking precedence over shaping it, a template that fits a rupturing West Asia.



This time, we are aware of the icebergs

Until the US war on Iran, Islamic states of the region worked on a 3-layered political logic: Muslim solidarity, anti-Israel sentiment, and Arab unity. The war has altered this fundamentally.

One, Muslim solidarity has now been undone by Shia-Sunni polarisation and conflict. Iran and its proxies — Houthis, Hezbollah and Hamas — are taking on Sunni Arab countries. Initially, Iranian military action was meant to pressure them against supporting the US. Now, it seeks to punish them for seeking economic alternatives to Hormuz, like Houthi attacks on the new trans-Saudi pipeline.

If the weaponisation of Hormuz was Iran's trump card, countries like the UAE and Bahrain have maintained their new diplomatic relationship with Israel since 2020. This has added to Israel's profile in the Islamic world with other eager suitors like Azerbaijan, keen to offset Turkish pressure through the same levers. What it means now is that Israel is far from isolated. In fact, it has equity with key Muslim nations in West Asia.

This feeds into the third layer of Arab solidarity. Saudi Arabia-UAE tension, too, is now in the open. The Mecca Accord response to the UAE's Israel-US play didn't work out. By all accounts, Saudi Arabia and the UAE are now competing for US attention, lobbying extensively in Washington to further their interests.

Ironically, they may just all favour a 'quick victory' settlement with Iran, options for which range from another round of assault as proposed by Benjamin Netanyahu, to a slow-moving Qatar-brokered effort for some middle-ground.

In this backdrop, India's options are clear. It needs to keep working the line with Iran, especially given India's sizeable Muslim population. Separate tracks with both the UAE and Saudi Arabia are vital for its energy security. And strategic relationship with Israel, one of India's most reliable defence suppliers, is critical from a politico-military perspective.

This is a test of India's multi-alignment strategy, which has another important fold to it in the form of its Russia relationship. Russian supplies are vital because, currently, they are the only steady and assured flow of crude.

New Delhi has, so far, managed to ride the political contradictions with these countries to ensure availability resources. But the surging economic costs are weighing hard. Average price of the Indian crude basket has oscillated from close to $70 in February to the highs of ~$114 in March and April, down to $82 in July, and then back to ~$120 in October. So, while India has diplomatically managed to keep lines of access open, costs are hurting.

The impact is now being felt across economic sectors, making it increasingly difficult for GoI to sustain the import bill without currency recalibration. At the same time, Indian exports to the US are a bit of a silver lining, making it imperative that New Delhi, while doing its oil business with Moscow, does its balancing act with whatever post-midterm Washington may look like.

The picture is looking grim. India, with no real fault of its own, will have to deal with another round of the consequences of actions by other geopolitical actors. While it has shown resilience so far, its domestic political and economic constraints are beginning to weigh in more significantly.

The die is cast for a test of political will to take hard economic calls, for policies to consider radical measures, and, if need be, recast political messaging around the impending crisis, without creating public panic. After all, it's going to take all hands on the deck to ride the storm. For, stability today is no guarantee against volatility tomorrow.

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Humane, and Human Too



KumKum Dasgupta

Using animal biology to model human disease has long reached its scientific and moral limits. Worldwide, progressive regulators are replacing animal experimentation with human-relevant methods that deliver faster, more reliable safety data. But India is poised to weaken statutory protections and lower ethical standards it has, ironically, demonstrated leadership in.

At the centre of this regressive shift is the draft Prevention of Cruelty to Animals (Control and Supervision of Experiments, Breeding and Trading of Laboratory Animals) Rules 2026. Issued by Committee for Control and Supervision of Experiments on Animals (CCSEA) under fisheries, animal husbandry and dairying ministry, the proposed text seeks to replace foundational frameworks established in 1968 and 1998.

While proponents argue the draft streamlines approvals for research institutions and pharma companies, animal rights groups and NALSAR University of Law, Hyderabad, warn that the proposed rules are bad in law, regressive for science, fall short of ethical guidelines, and are profoundly short-sighted.

▶ **'Severe suffering' made ok** Draft rules permit experiments involving 'severe suffering'. This includes prolonged social isolation of dogs and primates, electric shocks, extreme movement restriction, lethal chemotherapy and fatal toxicity testing.

While Rule 7(2) purports to prohibit unalleviable severe pain over long periods, the rules fail to explain how permitted procedures will be reconciled against that prohibition. Also, the draft lacks enforceable criteria to resolve conflicts of interest, or independent pre-study review before such high-severity work begins.

▶ **Decentralisation of approvals** Under the draft, local institutional animal ethics committees (IAECs) gain authority to approve mild and moderate experiments on larger animals — dogs, cattle, pigs, etc — without prior central CCSEA clearance. Severe and non-recovery experiments involving animals beyond rodents and lagomorphs would still require central approval following IAEC recommendations. But post-hoc reporting is no substitute for prior independent scrutiny.

▶ **Weak oversight** Protections for wild, community and stray animals — including species protected under CITES and Wildlife Protection Act 1972 — are severely compromised. By introducing conditional exemptions for free-roaming and feral animals, the draft rolls back long-standing bans on experimenting on wild populations.

Also, IAECs can now permit sourcing livestock from open markets or unregistered suppliers. In a country already struggling with stray animal mismanagement and illegal wildlife trafficking, diluting procurement oversight not only exposes vulnerable animals to systemic abuse, but also compromises scientific rigour due to high biological variability.

▶ **What about the parent law?** The draft is inconsistent with the parent law — Prevention of Cruelty to Animals (PCA) Act 1960 — particularly Section 17 regarding CCSEA's statutory duties and rulemaking powers, thereby violating safeguards already entrenched in Indian law.

▶ **Flouting court guidelines** The draft rules violate principles laid down in Supreme Court's 'Animal Welfare Board of India v. A Nagaraja & Ors' (2014) verdict that read the 'Five Freedoms' of animals and their right to live with dignity into Section 3 (duty of care) and Section 11 (cruelty offences) of PCA Act.

While the draft explicitly invokes the internationally recognised 3Rs — replacement, reduction, refinement — it creates a glaring policy paradox. In principle, replacement obligates researchers to actively pursue non-animal methods wherever scientifically satisfactory alternatives exist, using live animals only as a last resort.

In practice, though, by decentralising approvals, softening restrictions, and broadening exemptions for wild and stray animals, the proposed framework makes it cheaper, faster and easier to experiment on live animals — reducing the 3Rs to mere declarations of intent.

Global regulatory bodies have recognised the imperative to transition away from outdated models. In the US, FDA Modernisation Act 2.0 (Dec 2022) removed statutory requirements for animal testing before human clinical trials, establishing a clear pathway for human-relevant alternative methods.

The EU legally mandates strict application of the 3Rs wherever scientifically possible, while Britain invests heavily in advanced alternatives through National Centre for the Replacement, Refinement and Reduction of Animals in Research (NC3Rs). OECD routinely updates its Mutual Acceptance of Data framework to formally incorporate validated non-animal methods into international chemical safety guidelines.

The scientific case for change is compelling. Species differences limit how reliably animal studies predict human responses. Over 90% of drug candidates that appear safe in animal trials fail in human clinical trials. New approach methodologies (NAMs) replace imprecise disease-specific animal models with direct human biology, bypassing multi-stage animal trials, and delivering faster, decisive safety data.

Policy frameworks must actively incentivise development and integration of NAMs — organ-on-a-chip systems, 3D organoids, validated models like EpiDerm, etc — by formalising regulatory acceptance, establishing standardised validation protocols and directing funding toward human-relevant technologies.

India has previously demonstrated leadership by banning animal testing for cosmetics and explicitly recognising non-animal approaches in the 2023 amendment to New Drugs and Clinical Trials Rules. True regulatory reform requires dismantling anthropocentric law-making in favour of frameworks that value non-human life and scientific accuracy. India must build on its progress, reject retrograde rules, and realign its legal policy with modern, human-relevant research.

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Don't Turn the Clock Back





Rakesh Mishra & Surat Parvatam

ANIMAL TESTING



You don't need to do this

The past decade has seen a shift in drug, vaccine and chemical testing, with regulations and research favouring emerging technologies based on human biology over animal testing.

But Committee for Control and Supervision of Experiments on Animals' (CCSEA) draft Prevention of Cruelty to Animals (Control and Supervision of Experiment, Breeding and Trading of Laboratory Animals) Rules 2026, risks dialling back progress that has been achieved towards advancing human-relevant, non-animal approaches in India.

The move towards human-based testing is driven by the fact that only 1-2 out of 10 drug candidates discovered in the lab succeed in human clinical trials. One reason for this 'valley of death' between basic research and clinical translation is the inability of animal-based preclinical tests to reliably predict human responses.

This has spurred countries and regulators to develop modern, human-relevant models. These systems include organoids, which are few-mm-sized complex cellular structures that mimic certain aspects of human organs; organs-on-chip, microfluidic chips lined with human cells; reprogrammed stem cells; 3D-printed organs; and advanced computational models. Their adoption is being incentivised through policies and funding.

Last year, the US National Institutes of Health (NIH) announced new initiatives to prioritise human-based technologies. In terms of funding, the US has launched a $400 mn funding programme to advance new approach methodologies (NAMs). China has launched its own programme to do the same. In India, MoHFW released New Drugs and Clinical Trials (Amendment) Rules 2023, which allow the use of human biology-based test methods to test the safety and efficacy of new drugs.

Both Indian Pharmacopoeia Commission and BIS have set up working groups for human-based non-animal methods to incorporate these methods into national standards. ICMR and Biotechnology Industry Research Assistance Council (Birac) have funded several NAMs projects across labs and startups.

But the draft rules risk reversing the progress India has made. While the rules state that 'replacement and reduction' are a core purpose, a clear mandate that NAMs should be considered first, and that justification needs to be provided when they are not used, is missing.

While its predecessor, Breeding of and Experiments on Animals (Control and Supervision) Rules 1998, stated that NAMs shall be used 'wherever possible', it also did not define NAMs, say, who decides what is 'possible', or require any proof. The draft also does not require national reporting of how many animals are used, by species, purpose or severity. What isn't measured or reviewed may not be replaced.

The new draft rules, instead, increase the scope of animal use by allowing the use of animals protected under Wildlife Protection Act, as well as wild, stray and feral animals of domestic species, if justified. But the use of protected species and wild animals in experimentation cannot be viewed from the point of scientific justification alone, as it can have a widespread impact on ecology and the environment.

Studies have shown that experiments can yield different, even contradictory, results when conducted in the lab and in field settings due to genetic and physiological differences. Unknown genetic and medical backgrounds of wild and stray species further add to scientific variability, and one may require a much larger number of individual animals to counter this disadvantage. Also, sourcing animals from the wild for human contact or use adds to zoonotic risk.



Only 1-2 out of 10 drug candidates discovered in the lab succeed in human clinical trials

The draft rules expand the definition of an 'establishment' to include places 'not wholly enclosed or covered' and mobile facilities. While emerging technologies demand specialised laboratory infrastructure and stringent controls, this broader definition risks diluting standards for animal experimentation, increasing biosecurity risks and undermining efforts to build scientifically rigorous research infrastructure.

While much of the draft closely follows the EU directive on severity classification and animal use, it omits key provisions that promote alternatives: state support for developing and validating them, a reference laboratory for validation, and a bar on animal procedures where a recognised non-animal method exists.

India has considerable strengths in pharma, biotech, IT, AI, and engineering and scientific talent, backed by progressive government policies. The draft rules can accelerate change by restoring the 'NAM-first' justification clause, requiring documented searches for alternatives in research protocols, publishing annual statistics on animal use and setting up a national NAM validation centre.

India cannot lead the post-animal era of biomedicine with rules written for the last one. The draft rules should put 3Rs — replacement, reduction, refinement — at their heart. While they invoke the 3Rs, they give insufficient weight to replacement: substituting animal experiments with scientifically valid alternatives. Restore it as a priority, or India risks surrendering a frontier it is well placed to lead.

Mishra is director, Tata Institute for Genetics and Society (TIGS), Bengaluru. Parvatam is senior programme director, research and toxicology, Humane World for Animals India

THE SPEAKING TREE

Choose to Be a Healer

PRITHWIS DATTA

'Dadu,' one of my Gen Z friends said, her voice cynical, 'our society is divided into three kinds of people: abusers, abused and onlookers.' We were discussing chilling reports of an assault inside a frat house at an Ivy League university in the US. Her simple, brutal taxonomy struck as profoundly true. It is a fact that most men think of themselves as possessing some kind of entitlement. Sigmund Freud called this the 'Id', or the unconscious source of bodily needs, impulses and desires, especially those related to aggression and the sexual drive. Shifting gear to ego, one acts according to the reality principle.

The reality is that abusers operate with a huge degree of impunity that the organs and institutions of society permit them. The onlookers are passively complicit. Intervening is fraught — so they are busy recording reels for social media. But wait, there is a fourth, and perhaps the most vital, group — healers. They are brave police officers who refuse to be a part of the flawed system, the tireless NGO workers who sit with survivors, and the advocates who fight for justice.

We are not born healers; we must choose to be. We must call out the entitlement in our midst, reject complicity of the onlooker, and actively work to restore what is broken. Let's be the fourth kind of people.

PARANORMAL ACTIVITY
Paragraphs From Fiction

The Master And Margarita

Mikhail Bulgakov

One hot spring evening, just as the sun was going down, two men appeared at Patriarch's Ponds. One of them — fortyish, wearing a grey summer suit — was short, dark-haired, bald on top, paunchy, and held his proper fedora in his hand; black horn-rimmed glasses of supernatural proportions adorned his well-shaven face.

The other one — a broad-shouldered, reddish-haired, shaggy young man with a checked cap cocked on the back of his head — was wearing a cowboy shirt, crumpled white trousers, and black sneakers.

The first man was none other than Mikhail Alexandrovich Berlioz, editor of a literary magazine and chairman of the board of one of Moscow's largest literary associations, known by its acronym, MASSOLIT, and his young companion was the poet Ivan Nikolayevich Ponyryov, who wrote under the pen name Bezdomny. After reaching the shade of the newly budding linden trees, the writers made a beeline for the colourfully painted refreshment stand bearing the sign: BEER AND COLD DRINKS.

And here it is worth noting the first strange thing about that terrible May evening. Absolutely no one was to be seen, not only by the refreshment stand, but all along the tree-lined path that ran parallel to Malaya Bronnaya Street.

Translated from Russian by Diana Burgin & Katherine Tiernan O'Connor

Chat Room

Diwali Sale: Visit Your Demat A/c

Diwali is round the corner but enthusiasm is missing in shops and malls, on account of economic slowdown, job losses, and rising inflation and interest rates. What's affordable right now is 'stocks' on the bourses that are selling at a heavy discount with many quality scrips even below their intrinsic book value. This is a golden opportunity for the long-term investor to build her portfolio since experience is testimony to such situations turning for the better after meltdown. We have seen markets touching lifetime highs after hitting multi-year lows within a short span of time, before and after Covid being a recent example. History will repeat itself, and those taking risk along with giving time to their investments will be rewarded. Since it's difficult to time the market on both its way up and down, it's better to deploy money in a staggered way to optimise returns.

S N Kabra
Mumbai

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Insalubrious climate for reform

COP31 is up against all-round failures

Next week, leaders of 90 countries will converge in the salubrious "Turkish Riviera" town of Antalya for the 31st United Nations Climate Change Conference (called Conference of Parties 31, or COP31). However, the idyllic setting is not expected to yield much good news. It is already clear that the 2015 Paris agreement target to hold increases in global average temperatures below 1.5 to 2 degrees centigrade above pre-industrial levels is unlikely to materialise. In November last year, the United Nations Environment Programme's "Emissions Gap" report suggested that global temperatures would breach the lower threshold of 1.5 degrees centigrade within the next decade, far faster than climate advocates had hoped, thanks to accelerated fossil-fuel burning. The report points out that there is more carbon dioxide in the atmosphere than at any point in the last two million years. So even if countries lived up to their Nationally Determined Contributions — and the report is doubtful on this score — the world will warm by 2.3 to 2.5 degrees centigrade by the end of the century.

Faced with this disastrous scenario, the effort in Antalya is to limit peak warming to a "low overshoot path" of 1.7-1.8 degrees centigrade before cooling to 1.5 degrees centigrade in 2100. This will require considerably higher emission-cutback pledges than those made in Paris; given that the world has already warmed 1.44 degrees centigrade above pre-industrial levels, only an unalloyed optimist can hope to reach those targets. Beyond unchecked fossil-fuel burning is the sustained reluctance of the developed world, which is responsible for global warming in the first place, to underwrite urgently needed mitigation and adaptation projects in the climate change-impacted poor and developing world. The United States' repudiation of the Paris Agreement set the trend in Donald Trump's first term as President and his second stint saw the mass exit of private finance from climate-funding initiatives.

Much has been made of the fact that climate finance has crossed $2 billion annually. But this amount lags annual requirements of $7.8 trillion till 2030. The bulk of this meagre finance goes into mitigation projects (such as renewable energy and emission reduction) that have revenue-earning potential, leaving little for adaptation programmes (such as infrastructure to contain sea-level rises) needed in scores of island-nations and countries with long coastlines. Climate-finance meetings ahead of Antalya did not suggest a fundamental alteration of this funding paradigm or amount.

India has consistently outperformed its Paris Agreement commitments. It exceeded its non-fossil-fuel electric-power target nine years ahead of schedule and its emission intensity reduction 10 years ahead, and is on track to create an additional carbon sink. This track record has given New Delhi the confidence to set challenging targets for Nationally Determined Contribution for 2031 to 2035. These are creditable achievements that also go a long way towards reducing India's fossil-fuel dependence. But these developments must be weighed against steady ecological destruction, which also plays a role in climate change. Diminishing biodiversity in the Western Ghats and other Indian forests for mining and commercial plantations, for example, unchecked construction in the Aravallis, the indiscriminate building of dams and railways in fragile terrain in Arunachal Pradesh and Uttarakhand, and the disastrous pollution of the oceans are all trajectories that will eventually annul the achievements of the Paris targets. They, too, need to be addressed with the same urgency as emission norms.

Shifts in labour market

India must prepare for greater AI adoption

Artificial intelligence (AI) is reshaping the nature of work and is raising questions about the future of employment, particularly in economies with large and growing workforces. The traditional pathway of moving workers from agriculture to manufacturing and services is becoming harder to sustain as production becomes more capital- and technology-intensive. As a mid-size information-technology (IT) company told this newspaper, the role of entry-level engineers is collapsing because of AI. In this regard, a study in the International Monetary Fund's (IMF's) latest "Regional Economic Outlook" for Asia and Pacific provides an early assessment of the shift. Drawing on 40 million online job postings across 19 Asian economies, it finds that employer demand in occupations more exposed to AI has fallen by nearly 10 per cent since the launch of ChatGPT in November 2022. While this decline has stabilised despite rapid improvement in AI capabilities, the report cautions against interpreting this as evidence that displacement risks have receded. The effects of reduced hiring are likely to unfold only over time.

There are, however, emerging opportunities. Demand is increasing for workers with skills in prompt engineering, retrieval-augmented generation, and AI agent development. However, only about 6 per cent of firms in Asia seek explicit AI skills in their job postings. The study finds that hiring demand is growing faster at firms adopting AI, including for occupations highly exposed to the technology. This suggests that AI can complement workers by raising their productivity, even as it substitutes for certain tasks. The challenge is ensuring that the new opportunities are sufficiently broad to offset the reduction in conventional hiring. The implications differ across economies. Ageing countries such as Japan and South Korea could use AI to mitigate shrinking workforces. For India, Indonesia and the Philippines, which have expanding working-age populations, the challenge involves creating enough productive employment to harness their demographic dividends. These economies are now partly shielded because large numbers of workers remain in agriculture, a sector less exposed to AI. However, development requires a shift towards higher-productivity manufacturing and services, precisely where AI could make job creation more difficult.

Notably, high unemployment among the youth, skill mismatches among graduates, and widespread underemployment already constrain employment prospects across emerging Asia. The IMF's analysis of 65 million career histories finds that only about 5 per cent of workers move across occupations annually. This underlines why reskilling cannot be treated as an automatic solution to technological displacement. Workers need accessible training, institutional support, and opportunities to transition into occupations where demand is growing. India must, therefore, rethink its approach to employment generation and workforce preparedness. Education systems need to move beyond conventional qualifications towards adaptable, technology-oriented skills. Equally important is the direction of technological adoption. If AI-driven gains accrue disproportionately to a handful of firms, taxation and welfare policies may have to be revisited. For countries such as India, ensuring access to frontier AI technologies while building domestic capabilities in infrastructure, data and expertise will be equally important.

India's grid-scale moment

Batteries will power the future economy. India must seize the opportunity to build a globally competitive industry that goes beyond lithium-ion

ILLUSTRATION: AJAYA MOHANTY



India's energy demand is growing at about the same rate as its gross domestic product or GDP. If the economy becomes five to six times its current size in another 20 years, so will the energy demand. Moreover, electricity will power the bulk of economic activity in the country. As a result, massive power-generation capacity will need to come up in the very near future.

It is also true that renewable energy, specifically wind and solar, is a very cheap source of power. They will also become cheaper over time. However, they supply electricity intermittently, while power demand is volatile. This is a key problem for utilities or electricity distribution companies.



LAVEESH BHANDARI

To match intermittent supply with volatile demand requires some form of electricity storage that can be drawn at will. The scales would be massive and the storage needs will be large as well.

Fortunately, many technological alternatives exist that can help meet such demand-supply gaps. But water, compressed air, and brine-based energy storage solutions are difficult to scale-up. And, the most used alternative, the lithium-ion battery, is controlled by China and will continue to be for the next five to 10 years.

Each energy storage system has a different set of advantages. While their use is increasing, they are not currently used at scale. If they could be produced at scale, their costs would be significantly lower. Moreover, typically larger setups are better able to attract resources for research and innovation.

And, therefore, India has a great opportunity and challenge for industrial policy on utility-scale power storage. India could do either of three things. The first is to be agnostic to the technology and support any type of battery-based storage. Roughly, this is what India does currently. The second is to reverse industrial policy, and actively dissuade lithium-ion batteries, letting the industry decide on other alternatives. And the third is to choose a specific type of battery and direct investments towards it.

While technological agnosticism is generally a superior policy solution, focusing on lithium-ion batteries will mean dependence on China for the next decade or so, if not more. India thus needs a policy that seeks to catalyse a new battery industry.

A successful industrial policy for grid-scale storage would, therefore, have three elements. One, it would specify what it is trying to prevent; in this case, it would be lithium-ion. Two, it would seek to promote other technologies. In this, it may specify sodium-ion batteries or be agnostic. And three, it would ensure that an enabling ecosystem is created for new technologies — both financial and regulatory constraints, if any, need to be addressed.

The first step in any policy change is to identify the objective. India's grid storage mission must adopt an approach that is not just China-resilient but one aimed at harnessing global opportunity. A large market in battery-based storage is opening up not only in India but globally. Just as India is electrifying at a fast pace, so are most other economies, and all have the same needs currently mostly being met by China. Therefore, India needs to think of an alternative that could help it access the global energy-storage market. This market is not just about batteries for achieving energy transition, but also to power the large data centres that need seamless electricity supply.

The second step would be to promote demand for non-lithium grid-storage batteries. And it is here that policymakers will need to better understand industry compulsions. No other battery has been around for a long time, and therefore many parameters, degradation rates, lifespans, efficiency levels are not as well understood for new technologies as they are for lithium-ion batteries. Left to itself, the market will tend to prefer the well-known technology to new unknown ones. Recall that the government tried to catalyse India's renewable energy transition by mandating discoms to purchase renewable energy. A similar mandate, of say a minimum of a quarter of total energy storage using non-lithium storage, would help create early demand for other forms of batteries. This would need to be expanded over time.

Third, the world, including India, has underinvested in the development of sodium-ion batteries, one of the most likely alternatives to lithium-ion. These batteries have several advantages: Key inputs are mostly available in India, are low-cost when produced at scale, they are environmentally less harmful, and less susceptible to overheating, among others. Currently, they are marginally less efficient and costlier than lithium-ion batteries, but scale should help cover some of the ever-narrowing gap between sodium-ion and lithium batteries. India has some ongoing initiatives and pilots, but more is required. A great opportunity lies ahead if India can crack the sodium-ion battery ecosystem.

Fourth, the current production-linked incentive (PLI) scheme for battery storage aims to incentivise domestic and global companies to set up giga-scale Advanced Chemistry Cell (ACC) manufacturing and battery storage facilities in India. As mentioned before, it is technology-agnostic. A variant of the same scheme that focuses on non-lithium grid-scale storage needs to be created that rewards domestic alternatives on the basis of domestic value addition rather than being output-based. As soon as domestic value added enters the PLI equation, lithium becomes less attractive an option.

Fifth, an ecosystem approach is critical for kick-starting a whole new industry. Financial institutions such as the Small Industries Development Bank of India and the Indian Renewable Energy Development Agency Ltd can provide greater support or better terms to utility-scale storage that has a high level of domestic value addition.

Greater research & development allocations, especially in upstream technologies, such as anode and cathodes, would help. Startups in this space can be funded out of various government schemes. These could be further enabled by capex grants for both incumbents and new entrants. At the same time, a relook at the regulations would help. Many hazmat rules that apply to storage and transport of batteries, among others, currently appear to be designed for lithium-ion batteries, which would need to be corrected.

The larger point being made is that batteries lie at the heart of the future economy, and it would be a good idea to take the driver's seat on this opportunity.

The writer heads the Centre for Social and Economic Progress. The views are personal

COP31 and the world's 35x35 plan

The next United Nations-mandated climate conference, to be held this month in Antalya, will begin on an anxious note.

The latest Emissions Gap Report 2026 of the United Nations Environment Programme (UNEP) confirms that global emissions have reached a record high of 58 gigatonnes in 2025 and are still rising. Even if all new Nationally Determined Contributions (NDCs) promised by countries are fully implemented, global emissions will fall by a mere 5-8 per cent by 2030, compared with the 2025 level. For a pathway consistent with the 1.5-degree climate goal, global emissions need to fall by over 43 per cent compared with 2019 levels and 18 per cent compared with 2025 levels. The scenario is, therefore, grim.



R R RASHMI

Given that NDCs were revised only last year and no further negotiations on the new set of NDCs are on the cards until the next global stocktake in 2028, can the Conference of the Parties (COP31) do anything to buck this trend? More specifically, will India be adversely affected by any action that it may consider?

One such idea that is doing the rounds in anticipation of COP31 is raising the share of electricity in global energy consumption to 35 per cent by 2035.

The goal looks attractive and benign because electrification powered by renewables can help reduce emissions significantly. The current global electrification level reported by the International Energy Agency (IEA) is 23 per cent. Moreover, the share of renewable energy, excluding nuclear, in the global electricity generation mix is nearly 34 per cent, and, in terms of capacity, still higher at 49.5 per cent. So, the goal appears to be within reach.

However, there is more to it than meets the eye. Both electrification and renewable energy capacity additions vary widely at global and national levels. In India, for example, electricity's share of final energy consumption is around 23 per cent. Similarly, the share of renewable energy in the electricity generation mix is around 26 per cent, including large hydro, though its share in terms of overall capacity has risen to over 50 per cent.

As admitted by the International Renewable Energy Agency, the share of renewable energy in the electricity generation mix consistently lags the share of renewable energy in capacity because of lower capacity factors of solar and wind. Rapidly increasing energy demand relative to supply further widens this gap in countries like India. Even in developing economies where the variable cost of solar and wind energy has fallen below that of coal-fired electricity, coal continues to meet over 70 per cent of the final energy consumption because of this reason.

Given this reality, how should India look at the 35x35 electricity goal? A suitable response may depend on four factors.

One, electricity's share of final energy consumption is contingent upon how energy demand is met in the future. Demand for energy originates not only in the power sector, where renewable energy is dominant, but also in industry and the transport sector, where fossil fuels rule the roost. Electricity growth in these sectors will depend on how quickly and to what extent alternative technologies and fuels, such as green hydrogen, biofuels and electric batteries, can be introduced.

Two, India's economic growth requires an increase in energy consumption, 72 per cent of which is currently met by fossil fuels. Under the existing policy scenario, electricity's share in India's energy consumption may rise to about 24 per cent by 2035, but a further rise may not be linear until India's emissions peak. This would depend on the dynamics of Viksit Bharat and cannot be predicted with certainty at this stage.

Three, even in the power sector, where renewable energy is rising in the generation mix, further growth is dependent on critical investments in transmission and energy storage. Investments in renewable energy have no doubt accelerated since 2023, when about 120 countries pledged to triple renewable energy capacity. But global capacity is still half of the projected goal of 11,000 Gw by 2030, mainly because transmission and storage have not kept pace.

Four, neither electrification nor renewable energy can expand in the energy system in the absence of dedicated and planned public and private investments in renewable energy infrastructure. Current attention is focused on capacity creation and not on the development of energy storage infrastructure or alternative fuels at scale. Global green finance, being risk-averse and aligned with fossil fuel phase-out policies, is not a reliable partner for planned investments of this nature.

As India is largely dependent on domestic resources to finance the transformation of critical energy infrastructure, it must decide on the pace of its transformation in a manner consistent with the goals of Viksit Bharat and net zero. Raising the share of renewable energy in the electricity generation mix could be a more pragmatic near-term goal than raising electrification's share in energy consumption.

The writer is distinguished fellow at Teri and a former climate negotiator

Short stories about successful brands

BOOK REVIEW

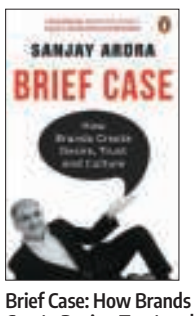
AMBI PARAMESWARAN

Building a brand is part rational selling, part emotional selling, and part great storytelling. Most successful brands have interesting back stories and use them well. There is the famous story of Jamsetji Tata being denied entrance to the whites-only Watson's Hotel; he went and built a hotel that outlasted Watson's — the iconic Taj Mahal Palace Hotel at Colaba. Karsanbhai Patel, a chemist working in Ahmedabad, was encouraged to create an economical washing powder after seeing his family trying to economise on the use of expensive detergent; that led to the creation of Nirma. Then there is the story about milk producers getting under a co-operative union to take on a British brand — and Amul was born. I was reminded of all these stories as I went through *Brief Case: How Brands Create Desire, Trust & Culture* by Sanjay Arora.

First, a bit about the author. He is not a big-city branding guru. He lives in Nagpur and runs an ad agency (Shells Advertising) that is today the leading ad agency of central India. He also has an enviable following on Instagram. He has over a million followers and his reels have been viewed by an amazing 25 million-plus times. I am sure readers of this newspaper have received forwards of his highly engaging reels. He posts one reel every day and each is based on a trivia, about brands, consumers, culture, books and so on.

It was, therefore, with great excitement that I picked up *Brief Case* and I was not disappointed. He has presented short stories about 40 brands. Some of the stories would be familiar to most marketing professionals: Dove, Chik, FedEx, Heinz, Patagonia, Spotify, to name a few. But there were quite a few brand stories that were new to this reviewer.

Let me start with one, simply because it is about the city in which I grew up — Madras or Chennai as it is known now. How many of you have heard of the brand or the cloth called "Bleeding Madras"? It is a particular type of cloth made with vegetable dyes that "bleeds" as you wash it. When Brooks Brothers launched it, the product tanked and the company was sued. But the manufacturers had faith in the product and figured out how to turn the so-called weakness into a strength. The campaign that followed made a virtue out of the weakness: "Guaranteed to Bleed" said the headline of the ad. The product took off. I remember hearing the term "Bleeding Madras" during my school days and the story was nostalgic for me.



Brief Case: How Brands Create Desire, Trust and Culture
by Sanjay Arora
Published by Penguin
312 pages ₹399

Or the story behind the creation of the brand Fanta, again a childhood favourite of mine. I did not know that Fanta was created by The Coca-Cola Company in Germany during World War II. Why? Simply because they could not import Coke essence due to war time restrictions. The local company concocted a cloudy drink made with left over fruit and starch called "Fantasticque". After the war the brand languished till yet another European country was looking for an interesting brand name to launch a real orange drink. Fanta was reborn. Unlike Coke, which is made the same way across the world, Fanta takes on a local avatar and is sold in a multitude of flavours.

Wagh Bakri tea is one of the largest-selling tea brands in western India. Did you know that its brand name was inspired by Mahatma Gandhi's teachings of peaceful collaboration or co-existence — tea so good that a "Wagh" (tiger) and a "Bakri" (goat) can enjoy it together!

Afghan Snow used to be a very popular cosmetic brand in the 1960s. I did not know that its name was suggested by the King of Afghanistan (King Amanullah). He took a look at the unnamed white cream that was offered by Ebrahim Patanwala, said that it reminded him of the pure snow of his homeland. Afghan Snow was born (circa 1919).

Of the 40 brands presented, half of them are global brands and half are brands born or created in India. There are many old brands such as ParleG and Kurkure and some new ones such as Dolo 650.

Given the compact nature of the brand stories presented so well in the book, the purpose of the book is not to be a go-to-book on brand marketing but to be a trigger for aspiring brand managers and brand creators. In that regard this is a good addition to the growing library of books on Indian brands.

The reviewer is a best-selling author of 12 books. His latest is the tenth anniversary edition of *Nawabs, Nudes, Noodles — India Through 60 Years of Advertising*

OUR VIEW


MINT

Empowering mayors to lead Indian cities

State governments need to give up control over urban land, institutions, and resources, so that city governments are able to fulfil their mandate and deliver local services effectively

Speaking at the National Urban Conclave in Odisha, Niti Aayog member Rajiv Gauba said that India's cities should not be governed from state capitals. Reiterating the recommendations of a Niti Aayog report on city governments, Guaba called for directly elected mayors with five-year terms, stronger municipal finances and devolution of responsibilities to local governments.

More than three decades after the 74th Constitutional Amendment recognized municipalities as institutions of self-government and identified 18 functions for devolution, elected city governments remain weak. A 2024 CAG review found that typical municipalities fully controlled only 4 functions. Essential responsibilities—including urban planning, land-use regulation, water supply, sewerage, major roads, public transport, slum improvement and fire services—remain partly or wholly with state agencies. Residents may prefer better drainage to a flyover or reliable buses to a metro system. These choices depend on local circumstances. Yet, these decisions are often made by different state agencies that are not accountable to local governments. Within municipal corporations, state-appointed commissioners often wield far more authority than elected mayors. Citizens confronting flooded streets or unreliable buses are unable to demand accountability from local councillors.

Elected mayors can make a difference, but only if they have control over personnel, budgets and key civic departments. Stronger executive authority must be matched by municipal council scrutiny, transparent budgets and community participation. What matters is a coherent structure of power and accountability, not merely how mayors are elected. Finances are equally important. Estimates suggest expenditure by local governments accounts for just over 1% of GDP in India, while their employees account for just over 10% of all public employees. In contrast, local governments account for more than half of public spending in China according to a paper titled 'City power and urban fiscal crises: the USA, China, and India.'

For long, state governments have complained of being under-funded by the Union government. Yet states now account for over 60% of government expenditure, among the highest shares globally. It is time they extended to local governments the empowerment they have demanded for themselves, and now enjoy.

The principle of subsidiarity provides a guide: decisions should be taken at the lowest level capable of handling them effectively. India's urban future will be shaped by countless decisions about streets, buildings, services and neighbourhoods. Those decisions need institutions close enough to understand local needs and accountable enough to respond.

The Union government could encourage reform by linking urban mission funding to measurable devolution, financial transparency and regular elections, as Gauba suggests. But the critical decisions rest with states, which have been reluctant to relinquish control over urban land, institutions, and resources. The political challenge is for a state government to empower cities early in its term, make the new arrangements deliver results, and earn political dividends in subsequent elections. If even one chief minister delivers on this agenda, it would serve as a role model for the entire country.

GUEST VIEW

We need caution in interpreting India's festive consumption rise

Demand is up but is being funded through savings and gold loans even as income growth is weak



KRITIMA BHAPTA
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India's festive season is round the corner, and as every year, it is being closely watched as a test of consumer spending. Early indicators point to a strong season. Wholesale vehicle shipments to dealers hit record levels in September, while retail sales reached 11.23 lakh over the 10 festive days including Navratri and leading up to Dussehra.

This raises a natural question: how are households financing this spending, particularly when income growth for large sections of the population has remained modest?

Measuring festive consumption directly is difficult. Therefore, motor vehicle sales serve as a good proxy. They are among the largest discretionary purchases Indian households make, many timed to coincide with Navratri, Dhanteras and Diwali.

They also allow us to distinguish between income groups. For example, passenger cars largely reflect the purchasing power of the salaried, upper-income urban households, especially sport-utility vehicles (SUVs), while two-wheelers are a closer measure of rural, semi-urban and informal demand.

This Navratri was driven by mass-market buyers. Its fair comparison would be with Navratri 2024, since last year's festival lasted a day longer and coincided with goods and services tax (GST) cuts, prompting many buyers to make purchases that they had been putting off. This made last year's retail sales unusually high, and thus set up a high statistical base for comparison with this Navratri. Sales this year, as a result, show a 6.5% fall from last year.

Against 2024, however, retail data issued by the Federation of Automobile Dealers Associations shows two-wheeler registrations rising by over 32%, compared with 10% for passenger cars. Does this mean rural, semi-urban and informal consumers are finally earning more?

Income trends suggest not. In each of the past five years, rural wage growth has stayed between 4% and 6.6% and rural inflation between 5% and 6.9%, so pay has just kept pace with prices. To cope with this prolonged squeeze, households drew on their savings. Household net financial savings fell from around 7.9% of gross domestic product (GDP) in 2018-19 to 5.3% in 2022-23. They have since recovered to 7% in 2024-25, but are still below pre-pandemic levels.

With incomes rising slowly and savings yet to be rebuilt, the strength of festive demand points to another source of financing: household borrowing or retail credit.

In 2023, the Reserve Bank of India tightened prudential rules for banks on issuing unsecured personal loans and credit cards, thereby raising the cost of such loans. The measure had its intended effect. Credit card debt, which was growing at over 31% a year during the 2023 festive months, slowed to under 18% a year later and to under 5% in 2025. Figures for this year's festive months are not yet out, but in August, card balances grew just 3.6%, suggesting that households have become more cautious about taking on debt or that banks continue to be careful about lending.

The broader credit data, however, point to a change in what households borrow against. Lending against gold jewellery had risen 7% over the 2023 festive months and 61% over those of 2024; in 2025 it grew about 127%. Figures for 2026 stop at August, but the pattern holds: in the year to August 2026, gold lending was up 83% and card balances 3.6%. Higher gold prices explain only part of this increase. Even after adjusting for prices, the physical volume of gold pledged with banks has grown around fourfold since 2019.

Aggregate data cannot, of course, link an individual gold loan to a particular purchase, and money is fungible across household needs, including informal businesses. Lenders, though, have begun to say so themselves. Piramal Finance estimates that 15-23% percent of the industry's new gold loans in 2025-26 went to people already three months behind on another loan. Nevertheless, the sharp slowdown in card borrowing, occurring at the same time as a steep rise in gold-backed credit, suggests that many households have substituted one form of borrowing for another in order to sustain consumption.

This has two implications.

First, policymakers need to be careful in how they interpret household financial health. A slowdown in credit card debt does not mean that households are borrowing less. The risk has not disappeared; it has simply shifted from the swiping machine to the bank vault.

Second, while gold-backed lending is considerably safer for banks than unsecured credit, it leaves household finances heavily exposed to a single asset class. If global gold prices correct, the cushion supporting this consumer credit could weaken.

Strong festive sales are a welcome boost for the economy. The more important test, however, lies beyond the festive season: whether consumption can be sustained by broad-based income growth, rather than by financial workarounds and borrowing against family gold.

These are the author's personal views.

10 YEARS AGO


mint
Earnings pick up in Q2, but no turnaround yet

JUST A THOUGHT

"Building sustainable cities— and a sustainable future— will need open dialogue among all branches of national, regional and local government.

BAN KI-MOON

MY VIEW | MUSING MACRO

Don't give up capital gains tax due to rupee weakness

AJIT RANADE



is senior fellow with Pune International Centre

Persistent foreign selling of Indian equities has revived demands to reduce or abolish long-term capital gains (LTCG) tax. Another proposal is to keep the tax but impose it only on the foreign investor's dollar gains. This would ensure their taxes get reduced to the extent rupee depreciation eats into their profits. These demands arise from a genuine concern about weakening capital inflows and the consequent pressure on the rupee. But surrendering a substantial revenue stream would leave the underlying causes of rupee pressure largely untouched.

LTCG tax revenue yielded ₹1.29 trillion in 2024-25, up from ₹72,249 crore the previous year. These collections came both from domestic and foreign investors. Hence, any proposed concession needs a reliable estimate of revenue forgone and evidence of the additional investment it would attract. Naive expectations that foreign money will return cannot substitute for that assessment.

There is also a basic question of fairness. Tax on LTCG is a direct tax similar to that on salaries, profits and interest. Income from rising share prices should contribute to public revenue too. Complete exemption would unfairly favour listed equities over other investments. Moreover, greater dependence on consumption taxes, and tilt toward indirect taxes, places an unfair and relatively heavy burden on poorer households.

What motivates foreign investors? They undoubtedly consider the tax regime. They also compare earnings prospects, valuations, exchange rates and opportunities elsewhere. It is not clear whether an LTCG cut alone can bring them back. Chief economic advisor V. Anantha Nageswaran has said that the boom in global artificial intelligence (AI) investments is a hurdle in attracting capital, since India is not yet an AI investment destination. Also, risk-free yields have risen globally. Hence, a modest tax concession cannot reliably overcome these issues.

Indian equities remain expensive due to heavy domestic buying. Monthly systematic investment plan contributions have grown to more than ₹32,000 crore. Sustained domestic demand absorbs foreign sales and supports high valuations. That is another factor influencing overseas investors. However, domestic purchases cannot replace the foreign exchange that leaves the country when foreign investors withdraw. Equity prices and the rupee can, therefore, face different pressures.

Pressure on the rupee has also come from the steep fall in net foreign direct investment (FDI). Despite healthy gross inflows, stronger outflows due to repatriation and Indian companies investing abroad caused net FDI to fall to close to zero in 2024-25. The policy task is to make domestic opportunities also sufficiently attractive as foreign ones. It is net, not gross inbound investment, that provides external financing, which is crucial to plug the current account deficit. What is left is plugged through a drawdown of reserves.

When portfolio investors withdraw and other inflows prove inadequate, the rupee faces pressure. Expensive imported oil compounds the problem. Persistent inflation above trading partners' levels can weaken the currency over time. Additionally fiscal expansion, which raises demand without corresponding supplies, can increase imports and inflation. Investors assess these conditions alongside the credibility and predictability of policy. Rupee pressure, thus, has multiple causes.

Such a move raises several questions while offering no assurance of protection for the rupee

The proposal to tax foreign investors only on their dollar gains is also problematic. Recall that a foreign investor assumes currency risk voluntarily. It is possible to cover that risk by buying a forward cover. But if an investor chooses to stay unhedged, then that choice should not justify a tax concession when faced with a currency loss. Covering the currency risk of a foreign investor is a burden on the Indian exchequer.

Domestic savers also bear the consequences of depreciation through costlier imports and reduced purchasing power. They have no comparable claim to adjust every taxable receipt for movements in the dollar. Preferential treatment for foreign investors would need a stronger justification than disappointing returns. Further, exemptions reserved only for foreigners could encourage round-tripping, wherein domestic investors send funds overseas and bring them back under a foreign identity.

Greater currency stability requires price stability, credible fiscal management, predictable regulation and attractive domestic investment opportunities. Stability does not mean defending a particular exchange rate regardless of changing economic conditions. The Reserve Bank of India's sale of reserves helps reduce volatility. But its currency management cannot replace external earnings and investment inflows.

Export earnings provide foreign exchange and cushion against any change in investor preferences. Strengthening exports is a priority, and there have been encouraging signs. Trade agreements also help. Trade policy needs emphasis on competitiveness, which rides on infrastructure, affordable imports and ease of doing business.

Tax policy must provide continuity. Since investors make long-term commitments, repeated changes in rates and holding periods complicate their decisions. Tax concessions can't be knee-jerk reactions. The issue of securities transactions tax should not be mixed up with LTCG. India needs a stable capital gains regime and a credible response to currency weakness. Sacrificing the former offers no assurance of securing the latter.

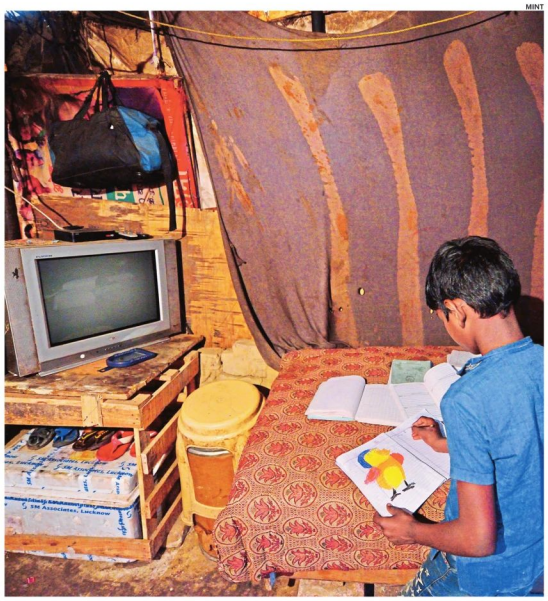
MY VIEW | STAT-CRAFT

India is escaping poverty but is it turning economically secure?

The World Bank's findings on falling poverty are welcome but we need to ensure that people who exit poverty don't slip back



RAJESH SHUKLA
is managing director and chief executive officer of People Research on India's Consumer Economy.



MINT

India's latest poverty estimates have sparked a wider debate about the country's economic progress. The World Bank's findings are seen by some as evidence of remarkable achievement in poverty reduction, while others question how these gains coexist with persistent inequalities. A closer examination of the evidence reveals a more nuanced story. India has made substantial progress in reducing deprivation, but the distance between escaping poverty and achieving lasting economic security remains considerable.

The World Bank's October 2026 *Poverty & Equity Brief* estimates that extreme poverty, measured at $3 per person per day in 2021 purchasing power parity (PPP) terms, declined from 27.1% in 2011 to 2.6% in 2023. At the higher $4.20 threshold, poverty fell from 57.7% to 16.1%, lifting an estimated 496 million people above that line. These achievements reflect economic growth, expanding employment and social protection programmes.

But another figure in the same report changes the perspective. At $8.30 per day, the international poverty benchmark for upper middle income countries, about 80% of Indians remain below the threshold. These figures are not contradictory. They represent different standards of consumption. India has substantially reduced extreme deprivation, but the journey towards broadly shared prosperity remains incomplete.

This distinction is frequently lost in public debate. Poverty reduction measures movement above a specified minimum standard of living. Inequality describes how economic resources are distributed. Economic security is more demanding: the capacity to sustain living standards, withstand unexpected shocks and invest in a better future. A household may escape poverty without acquiring the stable income or financial reserves needed to remain above it.

The World Bank's findings illustrate this challenge. Between 2017 and 2023, India's employment increased by about 134 million people, nearly twice the increase in its working age population. Much of this expansion came from rural women entering paid employment. Yet, real earnings were broadly unchanged, with employment growth concentrated in relatively low productivity activities. More people working is encouraging, but employment quality and remuneration ultimately determine whether households achieve lasting economic advancement.

Understanding this transition requires examining something India has historically measured less systematically than consumption: household income. The National Statistics Office's consumption surveys provide the principal foundation for the World Bank's poverty estimates. They offer indispensable evidence about living standards but cannot independently establish how households earn their livelihoods or whether their financial position is improving.

India's absence of a regular official household income series is, therefore, a significant statistical gap. The National Council of Applied Economic Research pioneered household income surveys, while People Research on India's Consumer Economy (PRICE), through its ICE 360° programme, continued these by collecting detailed evidence on household earnings, expenditure and savings.

These surveys provide a complementary perspective. Household income inequality, measured by the Gini coefficient, declined from 0.475 in 2004-05 to 0.395 in 2015-16, rose sharply to 0.528 during the pandemic and moderated to 0.410 in 2022-23. This trajectory reveals longer-term improvement, severe disruption during covid and subsequent recovery. It also illustrates why conclusions about inequality depend on the period examined and the economic variable measured.

The World Bank's consumption Gini index of 23 for 2023 appears considerably lower than PRICE's household income Gini of 0.410 for 2022-23, equivalent to 41 on the same numerical scale. But the estimates measure different distributions, using different surveys and reference periods.

Consumption is generally more evenly distributed than income because households smooth expenditure through savings, borrowing, remittances and public transfers. Comparing these figures without recognizing their differences creates apparent contradictions where none necessarily exist.

Importantly, the World Bank acknowledges limitations in its estimates. It notes that substantial welfare gains between the 2022-23 and 2023-24 consumption surveys may reflect both genuine improvements and better measurement. It also cautions that surveys may inadequately capture affluent consumption, potentially understating inequality. Such transparency should encourage careful interpretation rather than diminish confidence in the findings.

Geography adds another dimension. Around 57% of India's remaining poor are concentrated in a belt stretching from Uttar Pradesh to West Bengal. Although poverty has declined across much of the country, future progress increasingly depends on raising productivity, improving employment quality and expanding income opportunities in regions where deprivation remains concentrated.

India's next development challenge is, therefore, not simply to move more people above a poverty threshold, but ensuring that those who cross it continue moving upwards. Food subsidies and public transfers protect consumption, particularly among vulnerable households. Lasting advancement, however, depends on productive employment, rising real earnings, financial resilience and opportunities for mobility.

The World Bank's findings should neither be dismissed because inequality persists nor interpreted as proof that India's development challenges have been resolved. Both positions overlook the complexity of economic transformation.

The next chapter of India's development story should be judged not merely by how many people cross the poverty line, but by how securely they remain above it and how far they can rise beyond it.

MINT CURATOR

Is China soon going to have its own 'Made in Japan' moment?

The country's firms may no longer feel the need to hide their origin



HOWARD CHUA-EOAN
is a Bloomberg Opinion columnist.



The lesson from Japan is that pride of place is part of the product. REUTERS

In 1970, my uncle came back from Japan with a battery-operated Godzilla. Eleven-year-old me loved it. But a couple of weeks later, the monster stopped wobbling around on its thick metal legs. I sadly reached for an explanation that today would be called a meme: What did you expect, it was made in Japan.

The year my Godzilla went kaput, that punchline for shoddiness already had been around for more than two decades. Take this short item from February 1953 in *The New Yorker*'s Talk of the Town column: "A youthful recipient, at Christmas, of a furry mechanical bear—one that came in a box stamped 'Made in Japan'—had occasion to operate on it, and discovered that, apart from its skin, it consisted largely of a Schlitz beer can." Even the country's most famous export in the late 1950s and '60s, the transistor radio, wasn't completely reliable.

But by 1970, 'Made in Japan' as an insult was getting unfair. My Godzilla-gifting uncle had in fact been to Expo '70 in Osaka, such a historic showcase for the country's artistic and commercial prowess that its centrepiece, Tower of the Sun, still proudly stands and is a recognizable Japanese pop-art icon more than a half-century later.

In the years leading to that fair, Japan had been assiduously establishing a reputation for exacting excellence. Tokyo held the Summer Olympics in 1964—the first time the games had taken place in Asia—which became the backdrop for the introduction of the Shinkansen, the record-setting intercity bullet train.

Meanwhile, the cameras and lenses of Nippon Kōgaku were converting American photojournalists and eventually whole generations of amateurs. The quality was so unexpected from a country long ridiculed for the calibre of its goods that the 1964 Stanley Kubrick movie *Dr. Strangelove* had a character saying, "Strange thing is that they make such bloody good cameras." Nippon Kōgaku is now called Nikon. As for the primary manufacturer of the transistor radio, the company was originally called Totsuko. Today, we know it as Sony. Scores of global brands now radiate Japanese quality around the world.

I was reminded of Nikon's rise while reading my colleague Wes Kosova's story on the global ascendance of Chinese consumer brands—and how Shenzhen-based Viltrox has crept into the elite ranks of the world's best camera-lens makers. That led me back to 'Chinamaxxing.' I thought the trend would vanish. But it hasn't. Instead, the concept has grown. We are no longer talking about merely the grassroots adoption in the West of almost stereotypical Chinese habits such as drinking hot water, but rather the overpowering force of high-quality Chinese exports around the world.

The European Union (EU)—home to some of the most competitive and technically advanced automakers in the world—has become a thriving market for Chinese EVs and hybrids. As an HSBC Global Investment Research report concluded in June: "Chinese cars are better." While US consumers still scoff, that's only because they have little experience with the vehicles, the result of a virtual ban rooted in 100% tariffs. Europeans know better, having gone head-to-head with Chinese producers in both price and quality. It's a major flex by the People's Republic—and it has led the EU to defend its turf with tariffs on EVs since 2024 and to negotiate quotas with Chinese carmakers this year, just as it did with Japanese automakers in the 1990s.

Of course, apart from their Labubu charms dangling from bags, many ordinary consumers don't realize that many of the products and retailers they like are from China. The companies themselves seem to hide that fact. I had to click several times on the Viltrox website to get to a chronology that said the brand had its origins in China. And there are other forms of disguise. Miniso, the lifestyle shop and toy store, is based in Guangzhou, but has a logo that echoes the Japanese fast-fashion giant Uniqlo. Impersonations like these reflect an innate creative diffidence and do little to dissipate China's reputation for copying. It's almost as if the admission of country of origin might taint them by association with the infamously cheap stuff of compatriot Temu, the online marketplace operated by PDD Holdings which was founded in Shanghai but established its legal domicile in the Cayman Islands while headquartered in Dublin.

The reticence may change as China's consumer companies get more confident about where they're from. The lesson from Japan is that pride of place is part of the product, which was true even when 'made in Japan' wasn't a compliment. I kept my non-working Godzilla on the shelf for years—I think it's still somewhere in the old family home in the Philippines—unwilling to give it up because, after all, it was made in Japan. ©BLOOMBERG

MY VIEW | A VISIBLE HAND

Make way for a new 'Fragile Five' group of countries

NARAYAN RAMACHANDRAN



is chairman, InKlude Labs. Read Narayan's Mint columns at www.livemint.com/avisiblehand

During an economic milestone event in 2013 called the "taper tantrum," a Morgan Stanley analyst coined the term "Fragile Five." Turkey, Brazil, India, South Africa and Indonesia were counted among them because they faced declining currencies, soaring bond yields, high inflation and large external debt burdens, which were insufficiently covered by their local reserves. This fragility was manifest when extremely low global interest rates were "tapered" back towards normalcy.

Today's Fragile Five belong entirely to the Group of Seven (G7) countries, which are the most developed in the world. The Fragile Five in 2026 are France, Italy, the UK, Germany and the US. And they are fragile not only in economic terms but also in a societal context.

As interest rates have normalized around the world after covid and the stagnation of the 2010s decade, developed markets with high debt loads have felt the impact. These democracies had piled on the debt to cushion the impact of both crises, but rising interest rates have increased debt service costs and rising inflation has caused government expenditure to rise at the same time. This has the effect of expanding the primary deficit and the fiscal deficit at the same time. Add to this toxic economic cocktail the dramatic increase in oil prices, and you have the makings not only of economic distress but also social unrest.

No country today reflects this fragility more than France. Student protests ostensibly triggered by school conditions in Paris's poor northern suburbs have widened into a cost-of-living revolt. These student-led protests are being held in the backdrop of France having a fiscal deficit of over 5% of gross domestic product (GDP), unemployment at 8.3% and high fuel prices. In France, these protests are eerily reminiscent of the May '68 riots. Those riots from nearly six decades ago scarred and polarized France. What began as student protests then morphed into a general strike with over 11 million workers joining in. The widespread rioting, police action and eventual general election left an indelible mark on French society. The degree of street violence was very high. Now, as then, the police has been accused of using a heavy-handed approach to containing the riots.

There are differences too. Unlike now, France in 1968 was in the late stage of an economic boom widely referred to as *Les Trente Glorieuses* (the glorious thirty) post-war years. While both protests were student-led, the proximate cause for the May '68 protests were university conditions. The earlier riots moved rapidly from Nanterre University to the wealthy left bank of the Seine in Paris. Today's riots were catalysed in the disadvantaged areas surrounding Saint-Denis and are clearly sparked by economic angst among those less well-off in France. Conservatives in France have always considered the May '68 riots as left-wing protests. They think so of today's riots too, but more neutrally they are cross-ideological and anti-establishment in character.

France, Italy, the UK, US and Germany from the developed world are now matchboxes in a societal context

The other four countries—the UK, Italy, Germany and the US—embody some of France's fragility syndrome. UK has a budget deficit of 4% of GDP, unemployment of 5% and inflation of 3.1%. Because of this evolving fragility, the UK has had seven prime ministers in the last 10 years. One of them, Liz Truss, lasted only 49 days, forced out when her budget included unfunded tax cuts that sparked a meltdown in its gilt market. While smaller than France's, Italy had its worst unrest over cost-of-living since mid-October, with clashes and looting in several northern Italian cities and fuel-price blockades in the south. Italy's debt-to-GDP is 140% and its unemployment is 5.7%.

In the US, President Donald Trump is the least popular president at the mid-term point in eight decades. There are many reasons for this, but affordability and inflation top the list. The US federal government debt has crossed $40 trillion, total local and federal debt-related budget deficit is now nearly 8% of GDP and total debt-to-GDP is about 126% (20% higher than the immediate post-World War II peak). Germany, though fragile, is the least at risk of the five. German debt-to-GDP is still well under 100% and its fiscal deficit is only a bit higher than the Maastricht-established norm of 3%. Despite this, Germany's Gen Z has issued a call for a protest planned soon. Beyond the G7, Belgium with a 5% of GDP fiscal deficit and Spain with 10% unemployment have already seen street protests and would qualify in the "fragile" category.

Developed democracies cushioned their societies from the ill-effects of the global financial crisis and covid with massive fiscal spending. Real incomes, youth jobs and public services lagged after the cushion ended. As interest rates have normalized, and fears of artificial intelligence taking away jobs has grown, five of them—France, Italy, the UK, US and Germany—are worthy of being called the new Fragile Five. Not in the same economic sense of currency weakness (their currencies are free and floating) and debt default but in terms of societal unrest. The G7 fiscal scaffolding is showing its weakness as the Strait of Hormuz-related oil price shock manifests in the same way as external vulnerability manifested itself for emerging markets when extremely low rates were normalized through the taper.

P.S: "He who slings mud generally loses ground," said American diplomat Adlai Stevenson.

Economy

TUESDAY, NOVEMBER 3, 2026

IN THE NEWS

PADDY STUBBLE BURNING CASES DECLINE 26.63%



PADDY CROP RESIDUE burning incidents in seven states fell by 26.63% to 3,316 between September 15 and November 1, according to data from the Indian Council of Agricultural Research (ICAR). Punjab recorded the highest number of cases at 1,514, followed by Rajasthan (671), Madhya Pradesh (566), Uttar Pradesh (345), Uttarakhand (176), Haryana (42) and Delhi (2). In Punjab, Amritsar, Firozpur, Kapurthala, Sangrur, Bathinda, Faridkot, Patiala, Barnala and Fazilka reported the maximum number of incidents during the period. In Rajasthan, cases were concentrated in Baran, Bundi, Ganganagar, Hanumangarh, Kota and Sawai Madhopur.

PTC India Q2 net profit drops over 28% to ₹159 cr

PTC INDIA ON Monday posted a more than 28% fall in consolidated net profit to ₹159.10 crore in the September quarter, mainly on account of increased expenses. It had clocked a net profit of ₹222.05 crore in the second quarter of the preceding financial year, the company said in an exchange filing.

FY27 fiscal deficit may exceed Budget target: SBI Research

THE CENTRAL GOVERNMENT'S fiscal deficit is likely to exceed the budget estimate by ₹1.2 lakh crore in 2026-27, largely due to structural factors such as an increase in fertiliser, LPG and petroleum subsidy expenditure and the new GDP base impact, according to a report.

GHCL Q2 profit climbs 19% on higher sales

GHCL, INDIA'S LARGEST single-location soda ash maker, has reported an 18.68% increase in net profit to ₹127.42 crore for the second quarter of this fiscal, aided by higher sales. The firm had posted a net profit of ₹107.36 crore a year ago.

AGENCIES

SITHARAMAN SAYS INDIA MUST SHED ECONOMIC CYNICISM

Speak confidently about economy's resilience: FM

FE BUREAU
New Delhi, November 2



Finance Minister Nirmala Sitharaman speaks at an HSBC event in Mumbai on Monday. HSBC India CEO Hitendra Dave is also seen ANI

FINANCE MINISTER NIRMALA Sitharaman on Monday urged Indians to shed cynicism and speak more confidently about the economy, saying the country's resilient growth, strong fundamentals, robust GST collections and stable leadership under Prime Minister Narendra Modi warranted greater optimism despite global challenges.

"India needs a lot of optimism. India needs a lot of conversing with optimism. India needs reduction in cynicism. India needs to voice that we believe in ourselves," Sitharaman said, appealing to businesses and experts to recognise the strength of the broader economy rather than remain apprehensive about its future.

"What I see often is even discerning experts of some domain saying, 'In my sector it's all right, but I wonder how it's going to be from tomorrow.' If your sector is fine, you would rather want every other sector to be similarly fine," she said, speaking at an HSBC India event in Mumbai.

She pointed to the country's strong banking system, robust economic activity and GST collections as evidence of resilience. "Banks are fine. Economy is robust. Look at the GST number which came out yesterday. Can the GST number be reflective of anything else other than robust activity on the ground?" she said.

India's GST collections grew at the quickest pace in over four years in October to a six-month high of ₹2.31 lakh crore amidst festive demand and a sharp jump in imports revenue.

Explaining the factors underpinning India's resilience, Sitharaman cited the aspirations of its people, the expanding middle class and the country's large domestic market. Rising purchasing power has strengthened domestic consumption, complementing the contribution of exports to economic growth.

She also attributed business confidence to policy clarity, transparency and political stability under the Modi government, saying these factors had helped businesses plan and engage with the government.

Highlighting poverty reduction as a major achievement, the Finance Minister referred to a World Bank report showing nearly 500 million people had been lifted out of poverty between 2011 and 2023.

As per the World Bank, India lifted an estimated 496 million people out of poverty between 2011 and 2023, with the share of the population living below the lower middle-income country line falling from 57.7% to 16.1%. Extreme poverty, measured by the $3 per day threshold, declined from 27.1% to 2.6% during this period.

The finance minister attributed the improvement to a combination of welfare delivery and greater access to healthcare, education, financial services and livelihood opportunities.

The Ayushman Bharat scheme, which provides eligible families with cashless treatment coverage of up to ₹5 lakh, has helped reduce the financial burden of medical emergencies.

Centre steps in to protect bulk Scotch duty benefits

MUKESH JAGOTA
New Delhi, November 2

THE GOVERNMENT IS taking necessary steps to address issues relating to the HSN Code classification of bulk Scotch whisky imports to ensure that the duty concessions negotiated under the India-UK comprehensive Economic and Trade Agreement (CETA) are not impaired, senior commerce ministry officials assured industry representatives on Monday.

At a high-level stakeholder consultation with domestic distillers, multinational liquor companies and industry associations, the officials said the government's commitment to provide duty concessions under the CETA would not be affected. They reiterated the government's commitment to providing a stable and predictable environment for the industry.

The meeting was chaired by Commerce Secretary Rajesh Agrawal in which other senior officials also participated along with representatives of the Confederation of Indian Alcoholic Beverage Companies (CIABC) and the International Spirits and Wines Association of India (ISWAI), among others.

"The Commerce Secretary told industry associations that the ministry will work with the Ministry of Finance on a resolution within the framework of the law to address HSN code ambiguity on bulk Scotch imports," a statement by CIABC said.

"The ministry's commitment to honour FTA obligations, while safeguarding the interests of the domestic alcohol beverage industry, gives the sector the confidence it needs. We look forward to an early resolution that ensures business continuity," CIABC Director General Anant S Iyer said.

TARIFF CLARITY

- The Centre assured liquor industry representatives that duty concessions would remain unaffected



- The dispute centres on whether bulk Scotch whisky should be classified under HS 2208 (spirits) or HS 2106
- Representatives of the industry maintain that Scotch whisky remains whisky irrespective of whether it is imported in retail bottles or in bulk containers.

India, EU discuss FTA implementation issues

INDIA AND THE European Union have discussed implementation issues of the free trade agreement (FTA), which is scheduled for signing in December, an official statement said on Monday.

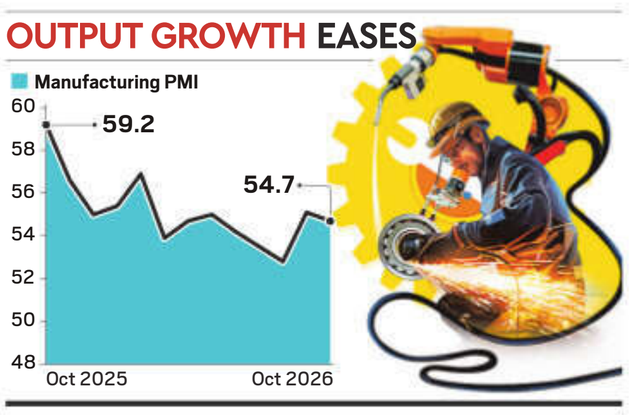
The issues were discussed during the visit of Commerce Secretary Rajesh Agarwal to Brussels last week.

The meetings, according to the commerce ministry, focused on customs cooperation, trade facilitation, and preparations for the implementation of the India-EU FTA. PTI

Manufacturing growth loses steam in October; exports gain pace: PMI

SHUBHAM RANA
New Delhi, November 2

OUTPUT GROWTH EASES



INDIA'S MANUFACTURING SECTOR activity moderated in October because of slower increases in output and new orders, according to the Purchasing Managers' Index (PMI) survey compiled by S&P Global. A six-month high export growth provided support, while price pressures eased.

The HSBC India manufacturing PMI eased to 54.7 in October from a seven-month high of 55.1 in September. A PMI reading of more than 50 denotes expansion in activity from the previous month, while a print below 50 indicates contraction.

Demand improved, albeit at a slower pace than in September, with panel members noting favourable new client wins and successful marketing campaigns, S&P Global said.

Overseas markets contributed to the upturn, as new export orders increased at the fastest rate in six months. Companies reported gains from Bangladesh, Canada, Indonesia, Nepal, Oman, Saudi Arabia, Sri Lanka, the UK, the US and the United Arab Emirates.

"Supported by rising sales and new product releases, firms lifted output at a sharp rate that exceeded its long-run average," S&P Global said.

"Growth nevertheless softened from the previous month, driven by a slowdown among intermediate goods makers. This category still led the expansion, however."

Cost pressures moderated across the manufacturing industry even as firms reported higher prices for several materials and energy. The overall rate of input cost inflation fell to its lowest since February. Manufacturing firms raised selling prices to protect margins, but the increase was the slowest in just under four years. Higher production requirements and rising workloads encouraged a second successive monthly increase in factory employment. The pace of job creation, however, eased from September, S&P Global said.

Alongside adjustments to staffing, Indian manufacturers continued to build inventories. Finished goods stocks rose at an unprecedented pace, with firms reporting deliberate efforts to accommodate buoyant demand and prevent shortages, S&P Global said.

"Input inventories also increased more quickly, with the rate of accumulation reaching an eight-month high. Input purchasing growth entered its sixty-fourth straight month in October, but the pace of expansion slowed to the weakest over this period," S&P Global said.

Despite continued demand growth, business confidence slipped from September and remained below its long-run average. Nearly 18% of manufacturers anticipated higher output over the coming year, while the remainder were neutral. Positive expectations were underpinned by new client enquiries and demand for industrial automation and technology solutions, S&P Global said.

Captive coal output surges 42% in Oct

SAURAV ANAND
New Delhi, November 2

COAL PRODUCTION FROM India's captive and commercial mines surged nearly 42% year-on-year to 22.03 million tonne (MT) in October, compared with 15.49 MT a year earlier, as improved mining operations and higher capacity utilisation boosted domestic coal output.

Coal dispatches also jumped 36% to 21.11 MT from 15.48 MT in October 2025, according to data released by the Ministry of Coal on Monday.

The sharp October growth pushed cumulative production during April-October FY27 to 117.23 MT, up 11.3% from 105.33 MT in the corresponding period last year. Dispatches increased 11.53% to 124.86 MT from 111.95 MT, reflecting sustained growth in mining activity.

The latest figures mark a continued expansion in captive and commercial coal mining. During April-October FY25, production stood at 96.04 MT, while dispatches were 104.71 MT. The ministry attributed the improvement to "improved operational efficiency, enhanced mining productivity" and better utilisation of mining capacities across the sector.

MINING BOOST

- Coal dispatches climbed 36% to 21.11 million tonne in Oct, reflecting improved mining activity
- Cumulative production during Apr-Oct FY27 increased 11.3% to 117.23 million tonne
- Dispatches during the seven-month period grew 11.53% to 124.86 million tonne



In another development, the Lohari coal mine in Jharkhand secured Mine Opening Permission in October after awaiting operationalisation for several years. With the latest approval, the number of operational captive and commercial coal mines has increased to 87. The ministry said the approval reflected the impact of its "Ease of Doing Business reforms", aimed at facilitating the operationalisation of coal mines.

The increase in output comes as the government seeks to strengthen domestic coal availability and cut reliance on imported supplies.

Grain ethanol firms push for price revision

SANDIP DAS
New Delhi, November 2

GRAIN-BASED ETHANOL manufacturers have urged the Centre to review procurement prices and allocation norms for the 2026-27 supply year, warning that restrictions on sugar-based feedstocks could disrupt supplies and undermine the viability of maize-based distilleries.

The government has barred oil marketing companies (OMCs) from procuring ethanol made from sugarcane juice, sugar syrup and B-heavy molasses for the November 2026-October 2027 supply year. "The procurement price for maize-based ethanol had been cut from ₹71.86/litre to ₹68.86/litre, would hit the financial viability of corn-based distilleries and farmers' income," CK Jain, president, Grain Ethanol Manufacturers' Association (GEMA), told *FE*.

Jain said the tender placed a disproportionate burden on rice-based feedstocks, particularly FCI's surplus foodgrain, priced at ₹60.32 per litre, and damaged foodgrains, priced at ₹64 per litre. This, he said, could weaken maize's role in the biofuel sector. The price differential had created uncertainty over the distribution of procurement demand, particularly as maize prices had risen sharply.

Gulf freight advantage helps West Asia reclaim share in India's LNG, LPG imports

SAURAV ANAND
New Delhi, November 2

WEST ASIA IS regaining ground in India's gas import basket after months of war-related disruptions, with the region's share of liquefied natural gas (LNG) imports recovering to 46.4% in October from 16.3% in May, while its share of liquefied petroleum gas (LPG) imports rose to 60.8% from 33.6%, as Gulf shipments resumed and regional suppliers retained a significant freight-cost advantage over the US.

According to Natalia Katona, an Abu Dhabi-based commodity analyst, LNG freight costs from the Gulf are estimated at $0.20 per million British thermal units (MMBtu), compared with $0.64 from the US Gulf Coast. For LPG, freight from Saudi Arabia's Ras Tanura is around $236 per tonne, against $322.5 per tonne from Houston, although high war-risk insurance premiums continue to weigh on regional shipping.

The recovery marks a significant turnaround from the disruptions following the outbreak of the West Asia conflict in late February. Before the war, the region accounted for 67.9% of India's LNG imports and 85.9% of LPG supplies in February, according to Kpler data.

In volume terms, West Asian LNG shipments rose to 1.26 million tonne (MT) in October from around 359,000 tonne in May, while LPG supplies more than doubled to 847,000 tonne from 381,000 tonne.

The difference in freight costs is particularly significant for LNG, with shipments from Ras Laffan and Das Island estimated at $10.4 per tonne, against $33 per tonne from the US Gulf Coast, according to Katona.

For LPG, the $86.5-per-tonne freight difference is based on a very large gas carrier (VLGC) transporting approximately 45,000 tonne.

According to maritime consultancy Drewry, LPG cargoes from the US Gulf Coast typically take 35-40 days to reach India, compared with 10-12 days from the Middle East, giving nearby suppliers an advantage in delivery time.

However, the freight advantage does not necessarily translate into lower overall delivered costs. Katona said reported war-risk insurance premiums for vessels passing through the Strait of Hormuz were around 7-8% of the insured hull and machinery value, with actual costs depending on vessel size, age and valuation.

Separately, she estimated the delivered LNG price in western India at $33.4 per MMBtu, or approximately $1,737 per tonne.

The rebound in West Asian shipments has also been supported by increased tanker movements through the Strait of Hormuz, despite continuing security risks.

Qatar emerged as a major contributor to the LNG recovery, with shipments reaching 441,000 tonne in October compared with no supplies in May. However, volumes remained below the 744,000 tonne imported in February.

India's overall LNG imports rose 18.8% year-on-year (y-o-y) to a 13-month high of 2.71 MT in October, up 21.4% from September, according to Kpler.

The US remained India's largest individual LNG supplier, shipping around 631,000 tonne, followed by Qatar at 441,000 tonne, the UAE at 440,000 tonne, Oman at 333,000 tonne and Angola at 276,000 tonne.

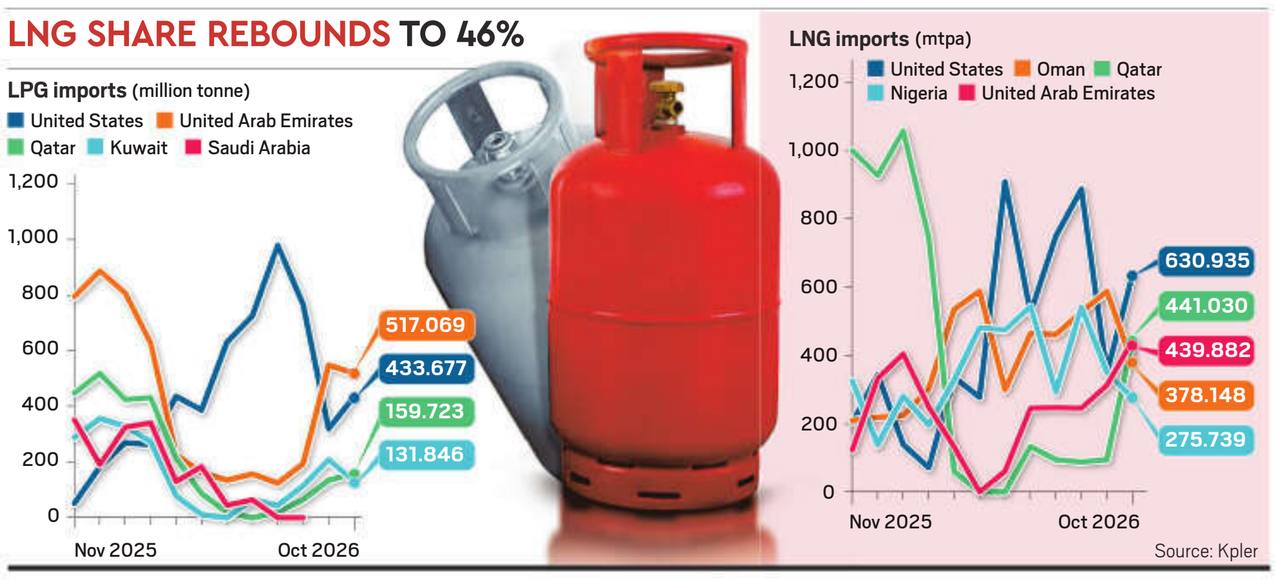
The recovery was also visible in LPG shipments. The UAE remained India's largest supplier for the second consecutive month, shipping 517,000 tonne in October, followed by the US at 434,000 tonne. Qatar supplied nearly 160,000 tonne and Kuwait 132,000 tonne.

However, West Asia's LPG share moderated from 70.8% in September to 60.8% in October, indicating an uneven recovery. India's overall LPG imports declined 31.2% y-o-y to 1.39 MT from 2.03 MT.

The decline coincided with weaker domestic consumption. LPG demand fell 12.11% y-o-y to 2.64 MT in October, according to Petroleum Planning and Analysis Cell data. Consumption during April-October FY27 declined 14.52% to 16.31 MT from 19.09 MT a year earlier.

Despite recovering shipments, uncertainty persists, with QatarEnergy extending force majeure on LNG deliveries to India's Petronet LNG for November.

LNG SHARE REBOUNDS TO 46%



Opinion

TUESDAY, NOVEMBER 3, 2026



NO SCEPTICISM

Union Finance Minister Nirmala Sitharaman

India needs a lot of optimism, India needs a lot of conversing with optimism, India needs a reduction in cynicism. India needs to voice that we believe in ourselves

Financing urban transition

Strengthening municipal finances and governance is essential to managing rapid urbanisation

NITI AAYOG MEMBER Rajiv Gauba's call for comprehensive reforms in urban governance, planning, and financing is timely and well-founded. India's cities are increasingly struggling with overcrowding, rising air and noise pollution, inadequate infrastructure, and weak governance. By 2050, nearly 800 million people are expected to live in urban centres, up from around 500 million today, accounting for almost half the country's population. This rapid urbanisation will place enormous demands on infrastructure, public services, and institutional capacity. The fiscal capacity of urban local bodies (ULBs) remains woefully inadequate. Municipal corporations' revenue receipts amount to just 0.6% of GDP. Property tax is their largest revenue source, contributing over 15% of total receipts and more than 60% of their own tax revenue. However, the share of own resources in total ULB receipts has declined as key revenue sources were subsumed into the goods and services tax (GST).

Despite limited revenues and heavy dependence on contingent transfers from higher government tiers, ULBs spend around 1.4% of GDP, with only marginal increases in recent years. This is considerably lower than the expenditure of urban bodies in comparable economies such as Brazil and South Africa. While ULBs in some states have witnessed a higher share of capital expenditure, this largely reflects the reallocation of scarce resources rather than an expansion of fiscal capacity. Moreover, more than half of ULBs' revenue expenditure covers salaries, pensions, and administrative costs.

Without a substantial increase in investment in urban infrastructure and its effective maintenance, India's expanding cities risk becoming increasingly dysfunctional and unliveable. The World Bank estimates that Indian cities will require ₹60 lakh crore in infrastructure investment between 2021 and 2036. The financing challenge is enormous, with capital investment requirements alone exceeding three times ULBs' current revenue receipts. Although Finance Commission (FC) grants have increased, particularly by the 16th FC, strengthening municipal finances remains imperative. Rational user charges can mobilise additional revenue, but deepening the municipal bond market, currently less than 0.05% of GDP, is equally important to reduce dependence on central grants for infrastructure financing.

As of March 31, just 22 ULBs had raised ₹4,540 crore through 31 municipal bond issuances, largely through private placements rather than public offerings. Municipal bonds account for less than 1% of India's rupee bond market. This limited uptake persists despite incentives under the Atal Mission for Rejuvenation and Urban Transformation 2.0, which offers up to ₹13 crore for every ₹100 crore raised by first-time municipal bond issuers. The Securities and Exchange Board of India has also advocated greater regulatory clarity and pooled financing mechanisms to facilitate bond issuance by smaller towns. However, financial incentives and regulatory interventions alone cannot strengthen urban governance without meaningful fiscal and functional autonomy, and resultant higher creditworthiness of ULBs. Despite the 73rd and 74th Constitutional Amendments of 1993, local governments continue to face inadequate devolution of powers and resources. Correcting this deficit requires greater fiscal devolution, including a dedicated consolidated fund for local bodies and a mechanism to share a portion of GST proceeds directly with them. Equally important are participatory, bottom-up planning, community engagement, and rationalisation of local revenue sources. Performance-linked central grants must strengthen institutional capacity without undermining local autonomy or diminishing the role of states. Excessive conditionalities risk creating centralised decentralisation, defeating the very purpose of empowering local governments. Ultimately, sustainable urbanisation demands a shift from centrally-driven funding to empowered local institutions with predictable revenues, accountable governance, and the capacity to plan and deliver essential services.

Amazon's q-commerce bet: Speed is not the key

India's quick-commerce industry may be fighting the wrong battle. While platforms compete aggressively on delivery timelines, discounts, and dark-store expansion, the next phase of competition could be determined by something more fundamental: understanding consumer behaviour. Speed has driven adoption, but it is increasingly becoming a hygiene factor rather than a sustainable differentiator. Amazon's entry into quick commerce brings an interesting alternative proposition, built around selection, trust, and an integrated shopping ecosystem. However, its success in e-commerce does not automatically guarantee success in quick commerce.

Does delivering in seven minutes instead of 10 change consumer behaviour? Beyond a certain threshold, the incremental benefit of faster delivery becomes negligible. Consumers ultimately care about product availability, convenience, and value.

Amazon's philosophy of obsessing over customers rather than competitors is relevant here. Its potential advantage lies in offering multiple shopping experiences within one application: instant delivery for essentials, hourly fulfilment for immediate requirements, and same- or next-day delivery for a much broader assortment. Rather than competing exclusively on delivery speed, Amazon could compete on the breadth of consumer needs it can fulfil. The question is whether consumers will value having everything in one application more than the specialised experience offered by dedicated quick-commerce platforms.



KARAN TAURANI

EVP, Elara Capital

Traditional e-commerce purchases are often planned, researched, and compared across platforms. Quick-commerce purchases are frequently impulsive, immediate, and driven by specific consumption occasions. The distinction has significant implications for inventory planning. Success depends not merely on stocking a wide assortment but on accurately predicting what consumers want, at what time, and in which neighbourhood.

Amazon's biggest challenge is not replicating its e-commerce infrastructure, but understanding the impulse-driven consumer with the precision that established quick-commerce platforms have developed. Quick commerce is a business of inventory productivity and fulfilment efficiency. Keeping inventory close to consumers reduces delivery distances, while predictive algorithms can optimise assortment based on demand patterns, purchase frequency, and consumption occasions. But technology alone can't guarantee success. Dark stores need sufficient throughput, and newer locations may take 12-24 months to achieve breakeven or profitability.

Amazon's mix of first-party inventory capabilities in food, fresh produce, and staples, alongside third-party marketplace participation, could offer flexibility in managing selection and inventory risk. So the critical metric is not how many dark stores a platform opens, but how well each store converts inventory into profitable transactions. Quick commerce is often viewed as a metropolitan phenomenon, given higher population density and shorter delivery distances. However, demand for everyday essentials is not restricted to metros. While lower density can increase last-mile distances, cheaper rentals and manpower costs could partially offset these disadvantages. The opportunity is meaningful, but expansion must be driven by local demand economics rather than an indiscriminate race for geographic presence.

Can Amazon translate its existing customer relationships into frequent, impulse-driven transactions? Can it anticipate hyperlocal demand without compromising inventory productivity? And can it deliver attractive unit economics while scaling? These questions remain unanswered. In my view, quick commerce will't necessarily be won by the fastest platform or the one with the largest dark-store network. It will be won by whoever understands consumer needs most accurately and fulfils them profitably.

TECHPROOF EXPRESS

THE TALENT ON THE PAYROLL ISN'T THE PROBLEM; THE JOB DESCRIPTION IS

How AI capability counts

SIDDHARTH PAI

Technology consultant and venture capitalist
By invitation



A BOSTON CONSULTING Group report published last week makes an observation simple enough to miss its own implication: The technology services industry does not lack headcount for the artificial intelligence (AI) opportunity ahead. It has, by BCG's account, much of the talent the opportunity requires, already on payroll. The report's real argument is quieter and more uncomfortable. Having the people is not the same as having the right people, and most of what currently gets counted as AI capability inside these firms is the old workforce, doing the old job, faster.

That is worth sitting with longer than a headline allows, because it exposes a confusion this column has circled before without naming directly. The industry keeps answering a question nobody has carefully posed: What, exactly, is the objective that AI talent is meant to serve? "Build AI capability" is not an objective. It is a slogan vague enough that a firm can train people towards it, tag them accordingly, and still have no idea whether it has built anything a client will pay for.

The objective, stated plainly, is this: Move the unit of sale from hours supplied to outcomes verified. For three decades, Indian IT's entire commercial architecture rested on a stable premise, that a client bought engineering time and the firm supplied more of it, reliably, at scale. This column's look at the September quarter earnings found the premise already breaking under its own numbers: AI revenue at TCS, HCLTech, and Infosys is growing far faster than company revenue, consistent with AI-led work repricing and partly replacing the hour-based business sitting beneath it, not simply adding to it. The market has started paying for something other than hours before most firms have finished deciding what that something is.

Once the objective is stated this way, the talent shortfall comes into sharper focus, and it looks nothing like a generic AI skills gap. I looked in an earlier column at the forward-deployed engineer role that made the shape of it concrete. The forward-deployed engineer (FDE) is not a developer who has learned some AI tools. The role requires moving between a business conversation and a production codebase in the same afternoon, diagnosing what a client's process actually needs, and, frequently, telling the client that the thing they asked for is not the thing that will work. That combination—business judgement fused to technical depth fused to the willingness to deliver an uncomfortable answer—is precisely what a pyramid built for scale execution does not produce. It was never supposed to. It was built to execute specifications someone else had already written, extremely well, at volume. TCS's own stated ambition to have an FDE corps of several thousand is an attempt to manufacture, at pace, the one capability that structure was designed to avoid needing.

> **AI did not create the shortage. It has simply made it visible, by changing what clients are willing to pay for before the industry finished deciding who should be doing the work**

The economics compound the problem rather than easing it. This column's piece on reengineering the delivery pyramid worked through the arithmetic: A team restructured around verification-grade judgement rather than junior volume costs more per head and needs fewer heads, because the people doing the work are doing something harder than execution. A large existing payroll, built on the old ratio of many juniors to few seniors, is not a resource waiting to be redirected toward the new objective. It is raw material—valuable, but expensive to reshape and structurally resistant to the reshaping, because its scale was the whole point of how it was built.

There is a shortcut tempting enough that most firms will try it anyway—relabelling. Take the existing engineer, run a short internal programme, issue a new title, and count the headcount towards the new objective. An earlier column's argument on the Expertise Paradox applies here with uncomfortable precision. An engineer fluent in the vocabulary of a role is not the same as an engineer who possesses its judgement, and a client cannot easily tell the difference between the two until something breaks in production. The gap between sounding capable and being capable does not close because a title changed. It closes, if it closes at all, through exactly the kind of accumulated experience that a short reskilling programme cannot manufacture and a large payroll, however willing, cannot shortcut.

This is the real shape of the shortfall, and it is worth stating without the comfort of a training-programme solution. It is not a shortage of people who have touched an AI tool. By that measure, the industry's shortage is difficult to see. It is a shortage of people who can be handed an ambiguous problem, tell a client an inconvenient truth, and be trusted to own what happens next, a capability that has always been scarce, has always taken years to develop, and was never meant to scale the way the rest of the pyramid did. AI did not create this shortage. It has simply made it visible, by changing what clients are willing to pay for before the industry finished deciding who should be doing the work.

The firms that work this out first will not be the ones with the largest AI-tagged workforce. That admission costs nothing to state and everything to act on, which is exactly why most firms will wait for a client to force it. They will be the ones honest enough to admit that the payroll they already have was built to answer a different question than the one the market is now asking.

Keynes vs Friedman: A Nobel takeaway



AMOL AGRAWAL

The author teaches at the National Institute of Securities Markets

The two major warring ideas that shaped the subject of macroeconomics joined hands this year as the prize recognised economics as much as macroeconomic history

THE 2026 NOBEL Prize in economics was awarded to Robert Hall and Michael Woodford for "microeconomic foundations of macroeconomic stabilization". The Nobel Committee extensively cited British economist John Maynard Keynes (122 times in the Scientific Background document) for laying the foundations of the stabilisation policy. Economist John Cochrane of Stanford University commented that the Nobel laureates' work can be traced to Milton Friedman. It is quite interesting how the two major warring ideas that shaped the subject of macroeconomics have joined hands for this year's prize.

In 1936, John Maynard Keynes published *The General Theory of Employment, Interest and Money*. Although Keynes does not mention macroeconomics even once in his book, his framework shaped macroeconomics as a distinct subject. Keynes wrote the book challenging the classical theory which suggested that markets will resolve the world economy from Great Depression. Keynes wrote that markets were not clearing as wages and prices were sticky and that they do not change instantly as shown by traditional economics. As markets were not functioning, Keynes argued for a large-scale government stimulus to resurrect the economy.

The Great Depression was followed by the Second World War which too required large-scale government intervention. The twin forces of depression and wars led to a surge of Keynesianism across economic policy and economics departments in universities. Keynesianism got a boost when Alban William Phillips, in 1958, noted a negative trend between inflation (wages) and unemployment. This relationship, called the Phillips curve, showed there is a trade-off between the two economic variables. Policymakers can choose between inflation and unemployment.

In 1968, Milton Friedman entered the hallowed debates of economic stabilisation. He argued that the trade-off between inflation and unemployment exists only in the short run. If inflation is allowed to rise, it feeds into expectations. Over time, people start seeing higher inflation and demand higher wages. Firms respond to higher wages by cutting down labour and employment. In the end, we have both high inflation and high unemployment. Friedman's prognosis came true in the 1970s when world economies suffered from high inflation and unemployment or stagflation.

> **Woodford's research added to Hall's analysis, saying that consumption is also impacted by interest rates**

The world of macroeconomics was now divided into two major warring factions: Keynesianism and the Chicago School. Keynesianism advocated government role in economic stabilisation whereas the latter suggested that government should play a minimal role in economic affairs. The Chicago School also revived monetarism, which said money supply leads to inflation. As central banks are responsible for money supply, they play a major role in economic stabilisation. While Keynesianism was based on sticky wages and prices, Chicago was based on free markets and rational expectations.

Friedman was joined by his University of Chicago colleague Robert E Lucas Jr who criticised Keynesianism as a vague theory. He argued for a new macroeconomics framework built on microeconomic foundations and rational expectations. Few economists insisted on retaining the Keynesian ideas of sticky prices/wages. The debates resulted in a New Keynesian approach where macroeconomic decisions are the result of millions of decisions by households and businesses. Individuals have rational expectations that if policy is anticipated, it will not have any impact.

In this historiography of macroeconomics enters the work of the 2026 Nobel Laureates. Keynes had argued that income is a sum of consumption, investment, government spending, and net exports. In most countries, consumption forms the largest share of a country's income and thus it is important to determine consumption. Keynes said that consumption is a function of income, and if income rises consumption does too. Friedman noted that consumption is driven by permanent income, not a temporary income like government transfer. Hall turned the consumption debate on its head, stating that consumption cannot be predicted based on income. Instead, he suggested, households make consumption decisions based on their expectations of the future. People change consumption only if there is a change in information about the future.

Woodford was one of the key figures of the New Keynesian School which summed up the stabilisation policy in three equations. The first equation asked how output responds to change in interest rates. The second, based on the Philips curve, asked how output and expectations impact inflation. The third fed into the first two equations and asked how central banks interest rates impact inflation and output.

Thus, Woodford moved away from money supply to interest rates and provided a modern monetary policy framework in which central bank interest rates impact output and inflation. Woodford's research added to Hall's analysis, saying that consumption is also impacted by interest rates. If a central bank lowers interest rates and these are not expected by households, consumption could be higher than expected.

Woodford drew deep insights from Swedish economist Knut Wicksell's work on natural/neutral interest rate which neither stimulates nor reduces consumption. In fact, Woodford's book title, *Interest and Prices*, was inspired by that of Wicksell's book. His ideas are now used by central banks and finance ministries across the world. The Urjit Patel Committee report that established inflation targeting at the RBI mentions New Keynesian Woodford models as the basis for the inflation targeting framework.

The 2026 Nobel is as much a prize for economics as macroeconomic history. Most economists who have contributed to this history have been awarded the Nobel Prize. Hall and Woodford are the latest additions to the galaxy.

LETTERS TO THE EDITOR

Reward decarbonisation

Apropos of "A necessary trade-off" (*FE*, November 2), climate policy cannot succeed if it becomes an arena for trade retaliation. Carbon-border measures may discourage companies from shifting emissions abroad, but they can burden developing country exporters that lack finance and access to cleaner technology. Rejecting climate accountability would be shortsighted. The priority should be fair implementation: richer economies must support cleaner production, recognise verified emissions reductions, and consult trading partners before imposing penalties. Smaller exporters need affordable technology, carbon accounting, and transition periods. Otherwise, environmental rules risk becoming protectionist barriers that deepen inequalities. Climate action should reward genuine decarbonisation wherever it occurs.
—SM Jeeva, Chennai

Public tax ledger

"Firm, not arbitrary" (*FE*, November 2) rightly separates genuine evasion from a demand that stretches back too far. Yet the debate may be missing a simpler fix: a public tax ledger that records every clarification, ruling, and appeal outcome in plain language, searchable by anyone. When a company and an officer read the same rule differently, citizens could see how similar cases were settled before. Such openness would discourage both hidden misclassification and sudden, surprising demands. Think of it as shared memory for taxation. Businesses would plan with confidence, while officials would have to justify every unusual move in writing. Limitation periods would become easier to defend, since the record would show when the department first knew of a problem.
—K Chidanand Kumar, Bengaluru

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The Hindustan Times
ESTABLISHED IN 1924

{ OUR TAKE }

Why the midterms matter... and don't

If the Democrats gain, they will build pressure on the administration, but Trump's promise to use his veto powers will thwart major policy changes

All eyes are on US President Donald Trump as he enters the midterm polls with an aggregated approval rating of 36% in October, and only eight out of the 50 states giving him a net positive rating. The numbers suggest that Trump's unpopularity may drive away Republican voters even in the staunchly red states such as Kentucky and South Carolina. Whether this is enough for Democrats to seize Congress (Senate, House, or both) electorally remains to be seen. Should that happen, the second half of the Trump presidency can look very different.

In terms of the economy — the top issue for both Democratic and Republican voters — Democrats' pressure can change the way American AI and other big tech companies confront regulatory guardrails and innovation. To be sure, the US economy grew 3.4% in the last quarter, largely driven by investments in AI. Potential Democratic interventions on AI regulation, as signalled by several senators including Elizabeth Warren, are likely to create a global ripple effect, including an impact on equity markets.

In terms of geopolitics, if Congress flips, strained ties with Europe might receive some salve, even if there is no significant policy movement on the Iran situation. Democrats do not really have a plan yet. Increased fuel prices, primarily due to the war with Iran, have angered voters, putting cost of living at the forefront of domestic concerns. This is unlikely to be addressed in the short term, irrespective of the midterm results. There isn't a lack of hawkishness on Iran even in the Democratic camp. At best, votes on war powers, oversight committees, and impeachment of members can be moved, but Trump is prepared to use his veto to annul any legislative steps. And this will characterise the rest of his presidency. History shows that any assertion of Democratic strength makes Trump double down on his policies; he's already promised to become "Mr Veto".

India is in the middle of trade negotiations with the US. A delay in negotiations can be expected if Democrats, emboldened by a strong midterm performance, insist on revisiting the terms. This may not necessarily be bad for New Delhi as it would give a buffer for getting more favourable terms. India has enough to stay interested in the results.

Air Force needs an urgent hardware boost

It has become *de rigueur* for both incoming and outgoing chiefs of the Air Force to reiterate the urgent need to plug its hardware gap, which has left the service short on operational squadrons relative to its sanctioned strength. Air Chief Marshal Ashutosh Dixit, too, has made his foremost task the rebuilding of the IAF's combat strength through indigenisation. Dixit's thrust on indigenisation needs to be seen as a signal to Indian defence manufacturers to get their house in order in terms of timely deliveries and ingenuity.

Inducting and operationalising the LCA Mk-1A is Dixit's immediate priority as the IAF's long-serving MiG-21s were finally mothballed last year. Deliveries of the aircraft by State-owned manufacturer HAL have been held up, ironically, by delayed engine imports. The IAF is to receive 180 LCA Mk-1A fighter jets from HAL in two tranches, with subsequent plans to procure the more advanced LCA Mk-2 versions to replace foreign-made jets such as the Jaguars, Mirage 2000s, and MiG-29s. The vision is simple: Reduce dependence on imports for critical needs and streamline the fighting portfolio by eliminating the potpourri of platforms. The diversity in the makes and models of IAF hardware has been the result of India's insistence on strategic autonomy, thus steering clear of any disproportionate reliance on a single platform.

The government is right to give indigenous companies the mandate to supply the armed forces with their fighting machines, but this single-source system must not create the dependence India has always sought to avoid. More importantly, the push for indigenisation should not compromise fighting power. Modernisation and indigenisation need to be complementary, not contradictory. For that, any slippage on the part of the suppliers needs to be tackled with an equal and efficient zero-tolerance policy.

India's interests must guide space partnerships

New Delhi should move with a clear understanding of what each partnership enables, what it restricts and what happens if cooperation ends



With competition in space accelerating, India will need partners for missions it cannot yet undertake alone. ANI



Syed Akbaruddin

No country owns the Moon. The powers that shape the rules of space may find that they do not need to. On October 23, China published its position paper on space governance as a bid for influence over those rules. India had already signed the US-led Artemis Accords in June 2023. New Delhi must now weigh Beijing's proposals against its existing commitments, while preserving choices it may need as its capabilities grow.

Much of the legal framework governing space was written decades ago. Commercial ventures and new technologies are now testing how those rules apply to activities at a scale their authors could barely have imagined. Whether this leads to new agreements or disputes over existing ones, India should prepare for another round of diplomatic jostling.

China wants the United Nations to remain the main forum for writing the rules of space. Its proposals cover commercial operators, information sharing and arms control. The paper has political weight: Chinese foreign minister Wang Yi announced it among eight practical actions under Beijing's wider governance agenda. Developing countries are promised a larger say. Part of President Xi Jinping's Global Governance Initiative, it seeks to turn their frustration with existing arrangements into support for China's claim to global leadership.

Many countries depend on satellites they do not own and services whose operating conditions they had little role in shaping. Their fear is that powerful governments and companies will settle the rules among themselves. India's experience of using space technology for development gives it common ground with countries seeking affordable, reliable access to these services.

China's call to stop commercial space companies from unlawfully intervening in conflicts appears aimed partly at services such as Starlink in Ukraine. When a private satellite network becomes vital to a military campaign, responsibility cannot simply stop at the company's registered address. But who decides when support becomes unlawful, and would China accept the same rule for its own firms?

China's destruction of a satellite in 2007 left thousands of persistent debris fragments in orbit. India has demonstrated an anti-satellite capability too. Both have reason to prevent an arms race. Beijing's paper offers principles of restraint, but leaves specific obligations and verification arrangements to future negotiations.

Under the Artemis Accords, India has endorsed principles promoted by the US for civil space exploration. These include the view that extracting lunar resources does not in itself amount to claiming national ownership of territory. The Accords also envisage temporary safety zones, where operators coordinate their activities to avoid harmful interference. These confer no territorial ownership. How large they become, and how they are used, will nevertheless matter to countries arriving later.

The Accords do not bar cooperation with China. They are legally non-binding political commitments, although endorsing contradictory principles elsewhere could carry a diplomatic cost. Once a mission is designed around a partner's equipment and data systems, changing partners can mean redesigning the mission. Separate technology restrictions and project contracts may narrow the choices further. Freedom may remain on paper even as the cost of using it rises.

Access to advanced technology and shared infrastructure can also make missions that India could not undertake alone possible. Refusing such opportunities in the name of independence could leave it with fewer capabilities and fewer choices. Negotiators should ask what Indian teams will learn to design, maintain and operate themselves, and which essential functions will continue to depend on foreign assistance.

At the BRICS summit in New Delhi in September 2026, India joined a declaration supporting negotiations on space arms control. It also recognised the Russian and Chinese draft treaty as an important step towards preventing an arms race. Joining the Artemis Accords did not prevent India from taking that position. That support does not mean India must accept every treaty provision that Russia or China favours.

India's serious political differences and strategic rivalry with China limit how far such cooperation can go. Exchanging collision warnings requires a different level of trust from sharing sensitive infrastructure or relying on Chinese systems for an essential service. India must consider whether deeper cooperation would allow Beijing to interrupt a vital service or exert pressure.

The Indian government's space reforms have opened more activities to private companies and eased foreign investment rules. ISRO, diplomats, defence planners and commercial operators need to identify where India is vulnerable. Which satellite services could be interrupted by a foreign decision? How quickly could essential suppliers be replaced? The answers should inform the agreements India signs and the domestic capabilities it funds.

India need not wait for negotiations to offer something useful. It could expand cooperation with countries that need satellite data to anticipate floods, monitor crops and assess disaster damage, while training local teams to use it. Such work would also show India which problems any future rules should address. Those relationships would be worth building whether or not Beijing's UN proposals lead to substantive negotiations.

With competition in space accelerating, India will need partners for missions it cannot yet undertake alone. It should negotiate with a clear understanding of what each partnership enables, what it restricts and what would happen if cooperation ended. The most revealing question is what India could still do on the day a partner said no.

Syed Akbaruddin served as India's permanent representative to the United Nations in New York and, currently, is dean, Kautilya School of Public Policy. The views expressed are personal

French Halloween: Horrors of a broken social contract



Jean-Luc Racine

It was an unusual Halloween in Paris this year. The youth-led cost-of-living protests in France saw isolated clashes in the capital and other cities on Saturday, and have now inspired the youth in neighbouring Germany to also take to the streets over similar pains and anxieties.

This movement started on September 17, at a secondary school in Créteil, a Paris suburb, when teachers protested against the lack of resources and staff. Some students supported the movement and decided to blockade the building. One week later, on TikTok, an interview with the students highlighted their complaints. The video was viewed more than one million times, and the movement expanded in the greater Paris region, and then across the country. The protesters' had several demands: upgrading of decrepit schools, avoiding extended time schedules with gaps between courses — the result of reforms multiplying course options — and dropping the unclear process called *Parcoursup* determining entry into universities or vocational institutes; the last two issues resulted from reforms implemented during President Emmanuel Macron's first mandate (2017-2022). Sociologist François Dubet has argued that such a selection system fails to democratise access to a better life through education.

The protests soon extended, by solidarity, even to the prestigious Latin Quarter, and then to universities. In a piece published on October 17, economist Thomas Piketty underlined that during Macron's two mandates, the nominal higher education budget rose by 17%, but the real budget per student fell by almost 20% because of inflation and rising student numbers. These trends reveal, at the very least, the power corridors' failure to anticipate these. Some critics believe these result from a philosophy focused mostly on the future elites of the "start-up nation" dear to Macron, but leaving behind many disenchanted with the mainstream public education system.

By the end of September, the students' movement had spread across dozens of French cities, while clashes between protesters and the police opened a new debate about the intensity of the repression that had left some young students seriously wounded. On October 2, the minister for education received secondary school student unions and opened a platform for gathering students' views. That was not enough, and a new dynamic emerged, enlarging the protests through a call for the "convergence of struggles": During the October 6 demonstration, students from schools and universities were joined by teachers and education staff, national trade unions, parents' associations, and leaders of Left parties.

On October 17, at the margins of the marchers, two types of actors marked the day: First, the hardcore militants from the ultra-Left, called the black blocs because of their black attire, attacked public buildings in a number of cities. Second, young vandals, amid the chaos, loot many shops, including small businesses. The home minister, who had adopted a hard line on "maintaining order," offered to resign; Macron refused. Overshadowing the massive and peaceful demonstrations, the images of destruction and looting went viral globally, with a number of consequences. First, since the beginning of the movement, the French government and the Right had blamed the Left party, La France insoumise (Unbowed France), for the agitation and the troubles; the party had sent some of its MPs to hear and support the students. The dubious accusations against it were amplified, despite the fact that the movement's genesis was not party-led. Scholar Luc Rouban, sees the violence of October 17 as "without doctrine", fed by the failure of the State and the weakened capacity of political parties and trade unions.

Second, the French far-Right, led by Marine Le Pen, was vocal about restoring "the rule of law", and now stands to benefit the most from the chaos. Six months before the next presidential election — to be held in 2027— Le Pen was leading the opinion polls. As a bonus for her, the current government has showed the tools for containing demonstrations: detentions in large numbers, local curfews, banning some protest marches, shifting their allowed routes, among them. Moreover, a part of the Republicans, a centre-Right party, has seceded to create a new formation that is ready to cooperate with Le Pen's National Rally. Meanwhile, a set of news TV channels owned by reactionary billionaires give hard-Right commentators significant airtime.

Third, images of the chaos in France has delighted Right-wing governments abroad: Amid growing uncertainty ahead of the US midterm polls, Donald Trump stated that France's troubles were attributable to uncontrolled immigration. The Benjamin Netanyahu government in Israel, just days before the now-concluded general elections in the country, denounced the French demonstrators as supporters of Hamas, because some protesters had carried Palestinian flags. In India, many TV channels and social networks used the Paris troubles to try to delegitimise the Cochin Janata Party, positing it as part of a (non-existent) "international Islamist-leftist network". Such disparagement, however, doesn't conceal the fact that Gen Z movements, which changed the game in Sri Lanka, Bangladesh, and Nepal, have now sprung up in many European countries, either inspired by the French protests (in Belgium and Greece), or through their own dynamics (Spain, Portugal, Italy, Albania, and Serbia, where the youth-backed Students' Lists won a snap election held on October 25, ending the rule of the Right-wing strongman Aleksandar Vučić, after a 14-year stint in power.

Finally, after another wave of successful and peaceful demonstrations across France on October 24 despite restrictions imposed by the home ministry, the French government announced on October 27 a set of measures that roll back some of the reforms implemented during Macron's first term. It also promised more funds for education and more teachers. The student organisations believe these announcements to be inadequate, and have stuck to the larger agenda for the next protests.

France's Gen Z movement is not totally similar to the May 1968 upheaval, although it refers to it. In 1968, the student movement was soon accompanied by massive workers' strikes, shaking Charles de Gaulle's presidency before the Right marched to Paris and recovered ground. The 1968 movement left a deep impact, contributing to the liberation of a number of social norms. The goal today is less a regime-change than offering everyone the possibility to study and enter into professional life without too many hindrances. Obviously, this call for equality is not disconnected from political aspirations for a fairer society. In this regard, a big question is: What will emerge from the presidential election next year?

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{ JENS-FREDERIK NILSEN } PRIME MINISTER, GREENLAND

If Greenland wants to be independent, we need to have a strong foundation... in terms of industry and business

At the inauguration of a new international airport at Ilulissat



Expanding urbanisation calls for governance to keep pace



Debolina Kundu



Mehebub Rahaman

India's urbanisation is extending beyond the boundaries of its recognised cities. It is taking shape in villages on the edges of cities, along industrial corridors, and in settlements where farms co-exist with factories, warehouses, and new housing. These places may not appear on the urban map, but they are already part of India's wider urban economic ecosystem. A 2026 analysis by the National Institute of Urban Affairs (NIUA) found that peripheral areas accounted for more than 80% of built- up growth across 20 major cities between 2000 and 2020. In Kerala, a spatial analysis identified more than 500 functional urban or transitional settlements in 2025 — home to nearly 9.63 million people — that are currently exhibiting urban characteristics.

India's last Census data offers an earlier glimpse of this transition. Between 2001 and 2011, the number of Census Towns rose from 1,362 to 3,894, while their contribution to incremental urban population rose from 10.2% to 31.2%, showing how economic activity and settlement patterns change long before administrative boundaries or governance arrangements change.

This urbanisation pattern creates a mismatch between the geography of growth and the geography of governance. A village may become a centre for industry, trade and housing while its infrastructure and institutions remain designed for a predominantly rural settlement. Roads, drainage, water supply, sanitation, waste management, and public transport come under pressure. Real estate and commercial development increase exponentially, while planning and service provision struggle to keep pace.

The consequences of transport-oriented development and city-based spillover extend beyond individual settlements. Workers travel across administrative boundaries, businesses depend on regional transport networks, and demand for housing and services spreads into surrounding areas. The National Capital Region illustrates this interdependence. The Union Budget 2026–27 proposed City Economic Regions (CERs), with an allocation of ₹5,000 crore per region over five years. This recognises that economic activity, infrastructure needs, and development opportunities often extend beyond individual city boundaries into wider regional territories. The Urban Challenge Fund's Operational Guidelines (2026) similarly emphasise integrating infrastructure projects with broader city and regional growth strategies, highlighting the importance of aligning investment with the wider geography of urban development. So, the question is whether public investment and governance can respond to the transition.

The Sixteenth Finance Commission's recommendation of a ₹10,000-crore Urbanisation Premium for 2026-31 offers a timely opportunity to incentivise the merger of peri-urban villages with adjoining urban local bodies having an existing population of at least one lakh. The recommended amount is calculated at ₹2,000 per person, based on the 2011 Census population of the area being incorporated. Access to this grant is linked to states formulating a Rural-to-Urban Transition Policy. The Commission also recommends identifying transitional settlements, assessing their needs and preparing transition plans covering infrastructure, service delivery, finances and institutional arrangements.

This recommendation creates an incentive for states to treat urban transition as a planned process, not merely an administrative change at the end of it. Odisha's Rural Urban Transition Policy, notified in 2023 and revised in March 2026, provides for the identification of peri-urban areas, assessment of their economic and settlement characteristics, and phased provision of urban infrastructure and services before their formal recognition as urban local bodies.

Importantly, the first step is to reliably identify where this transition is taking place. NIUA's research (2026), *Understanding the New Geography of India's Urbanisation: A Geospatial Approach*, demonstrates how geospatial evidence can identify settlements exhibiting urban characteristics beyond conventional administrative boundaries. Indicators such as population density, economic diversification, commuting patterns and access to essential services can help assess the nature and extent of this transition. These assessments can inform area-specific transition plans, setting out infrastructure priorities, service delivery, and institutional arrangements. While some settlements may need stronger coordination between existing authorities, others may be ready for notification as urban local bodies. A single administrative solution may not meet the needs of all transitional settlements.

India's Urbanisation Premium offers an opportunity to turn the recognition of peri-urban transition into a planned policy response. Realising its potential requires states to translate these assessments into priorities for public investment and define how responsibilities for planning and service delivery should evolve. A rural-to-urban transition policy can provide the framework for aligning institutional arrangements and financial support with the realities of emerging growth patterns. States must proactively formulate such policies and access the grant to ensure a planned transition towards sustainable urban development. The task is to plan for changes already underway, in the places where India's urban future is being shaped.

Debolina Kundu is director, and Mehebub Rahaman is research lead, National Institute of Urban Affairs. The views expressed are personal

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BUSINESS Powered by mint

FM acknowledges investor concerns

Rajeev Jayaswal
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NEW DELHI: Ahead of the Union budget, finance minister Nirmala Sitharaman on Monday acknowledged investor concerns amid changing circumstances and said the government would consider the need to deepen and widen equity and bond markets while keeping its focus on trust-based taxation, ease of compliance and new-age skilling to generate employment.

Asked whether the budget would roll out a red carpet for foreign portfolio investors (FPIs), Sitharaman said she understood the sensitivity and anxiety among retail investors and equity market participants. She pointed out that the taxation structure had been similar in 2023-24, when India recorded its highest inflows. "Whilst I observe this with not being biased either way, the taxation structure was what it is today even in 2023-24 when we had good inflow into the country," she said at the Financial Express Leadership Awards in Mumbai.

"Nothing differently was done for drawing investments. But, of course, the situation is very different now. Circumstances have changed. Challenges have grown. More FII outflows, we have happened. It started resuming now. They've started coming back now," she said.

Without disclosing specific policy details ahead of the budget, Sitharaman said the government would take investor concerns into account, given the importance of sustaining economic growth.

"So, I know that circumstances have changed, and therefore, voices of concern are louder. I quite appreciate that. So, I'll consider all these, because at a time where our growth is very important, where people are putting their very best, that we are able to see sustained 7-plus growth, in order to keep that intact, we need capital and equity, particularly now," she said.



Nirmala Sitharaman, finance minister. PTI

"Although the last few years have been placing a lot of emphasis on bond market, deepening it, widening it. Now we also have this voice which says, come on, even equity needs that kind of support," she said.

When asked again whether the budget would roll out a red carpet for the dollar, Sitharaman cautioned against framing the issue as favouring foreign investors over domestic ones.

"He [interviewer] would be gracious enough to say, FM said red carpet for the dollar. And, after which Indian investors would say already there's a bias for foreign investors. You didn't want red carpet for the Indian Rupee?," she said adding, "So, on that ground, I don't answer you."

FM weighs in on Tata row

Sitharaman also weighed in on the ongoing developments at the Tata group, saying the matter required commercial judgement and cordiality rather than government intervention.

"I think these are very delicate matters. And matters where a lot of commercial and business acumen will have to work, business cordiality will have to work," she said. Acknowledging the Tata group's contribution to the economy and its global standing, she said the matter should be resolved amicably within the group.

"The contributions of the Parsi community have made Tata as a huge global brand," she said, noting that the group was engaged in a wide range of activities and was a critical component of the Indian economy.

"So, this [Tata Group] is a very critical component to Indian economy, and therefore, it has to be amicably settled among themselves. So, they talk it out to make sure that it comes back quickly to some normalcy. It cannot be spilling out like this in the public. And, for the maturity of that leadership, we would like to have this scene settled sooner," she said.

Policy priorities

On policy priorities ahead of the budget, FM said the government would continue investing in skilling young people to prepare them for new-age technologies and improve their employability. She also emphasised the need to incorporate artificial intelligence (AI) into education curricula and skilling programmes.

She said the government would continue its focus on trust-based taxation, citing corporate tax reductions, personal income-tax rationalisation and indirect tax reforms under the second version of the Goods and Services Tax (GST 2.0).

Sitharaman also said the government would continue regulatory reforms and decriminalisation, and hinted at further easing of procurement rules, tender conditions, bank guarantees and project execution procedures.

She urged industry and other stakeholders to engage with the government throughout the year rather than limiting their interaction to the annual pre-budget memorandum. "They are welcome to ask the government for anything that they want. And I don't think I will be wary of any demand that they want to ask. But post that, I would also want them to keep engaging with us to say whether they're moving forward or not," she said.

Sebi's proposal on LTCG tax, RIL surge lift stock markets

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MUMBAI: A rally in Reliance Industries (RIL) shares and growing optimism over a possible rollback of long-term capital gains (LTCG) tax for foreign investors gave Dalal Street plenty to cheer about on Monday, lifting both benchmark indices nearly 2%. Buying picked up through the session, with RIL stock seeing its biggest intraday upmove since April 2020.

Sebi has recommended scrapping LTCG tax for foreign investors as India seeks to revive its underperforming equity markets, Reuters reported on Monday. The market regulator has also proposed an LTCG exemption for mutual fund investors who sell existing holdings to reinvest in other funds, the report said.

Sebi's proposal is a step in the right direction, but tax efficiency alone will not bring foreign capital back to India, said Nirav Karkera, head of research and fund manager at W by Groww, a wealth manager.

While lower capital gains taxes would improve post-tax returns, reduce friction and make Indian equities more competitive against other emerging markets, the primary drivers of foreign flows remain earnings growth, valuations, currency stability, and India's relative attractiveness within emerging markets, he added.

On Monday, Nifty 50 closed 1.68% higher at 23,440.80 and Sensex ended 1.66% up at 75,692.78. RIL, which carries a 7.3% weight in the Nifty 50, surged 11.6% on NSE, its biggest single-day gain since it jumped 11.9% on 7 April 2020, according to Bloomberg data.



Sensex jumped 1.66% to 75,693, while Nifty surged 1.68% to 23,441. REUTERS

The index started the week on a strong note, opening with a gap-up and holding on to its gains through the session. RIL, Tata Steel and JSW Steel were best performers in the benchmark index.

"The index broke out of its recent consolidation range, extending its winning streak to three sessions and signalling an improvement in near-term buying sentiment," said Sudeep Shah, head of technical and derivatives research at SBI Securities. He pointed out that the Nifty has also moved above the 38.2% Fibonacci retracement level after a sharp correction over recent months. This means the index has recovered over a third of its recent losses, indicating improving momentum and a potential turnaround in market sentiment.

Khambata exits Trusts, slams Sept 17 events

Varun Sood & Satish John
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BENGALURU/MUMBAI: Senior Supreme Court lawyer Darius Khambata has chosen not to seek another term as a trustee of the Sir Dorabji Tata Trust and the Sir Ratan Tata Trust, the two principal Tata Trusts, and termed "astounding" the Tata Sons directors' rebellion against Tata Trusts chair Noel Tata, which he said is 'a day that will live in infamy'. In a four-page letter sent to Noel and Tata Trusts chief executive officer (CEO) Sidharth Sharma on Monday, Khambata was sharply critical about the Tata Sons board and two fellow Trustees, Venu Srinivasan and Vijay Singh.

"The sad events of 17 September 2026, a day that will live in infamy, have sullied Tata Sons' reputation and have imperilled the image of corporate India. No spin doctoring can mask what happened," Khambata wrote.

"Would the board of Tata Sons have acted as it did on 17 September, had Ratan Tata still been alive? Of course not. But duties are owed to institutions, not to individuals. And as Ratan Tata used to say, the institution is always bigger than the individual".

"In April 2026, contrary to unanimous resolutions they had been party to, Vijay and Venu suddenly told the media, though not their co-trustees, that they favoured listing, disregarding the Trusts' interests. They have not shared their reasons for this volte-face with either," he said.

Khambata's stint at both SDTT and SRTT, which own 27.98% and 23.56%, respectively, of Tata Sons, ends later this week. With him leaving, SDTT will have five trustees, while SRTT will have four. Besides Noel, Srinivasan and Singh, SDTT's two other trustees include Noel's son Neville Tata and former Titan Co. CEO Bhaskar Bhat. SRTT's four trustees are Noel, Srinivasan, Pune-based businessman and philanthropist Jehangir H.C. Jehangir, and Jimmy Tata. Khambata also questioned Srinivasan's choice to ignore the Trusts' instructions a day before the 17 September board meeting, where Srinivasan's key vote supporting Tata Sons chair Chandrasekaran helped him secure a third term.



Khambata's stint at both SDTT and SRTT ends later this week. REUTERS

"It is now untenable to say that a nominee director of a public charitable trust, particularly a sitting Trustee, may act against the Trust's interests merely because he also owes a duty to the company; he sits on that board precisely to protect the Trusts," Khambata wrote, citing an earlier ruling by the Supreme Court in Tata's earlier case against former chairman Cyrus Mistry. "There cannot be two classes of trustees," he wrote.

On the question of listing Tata Sons, Khambata described the Tata model as a "living example of Mahatma Gandhiji's trusteeship idea: India's most famous industrial and charitable group, a national treasure where neither part is important without the other"."That this model is now threatened by those who, ironically citing its success, would decouple Tata Sons from the Trusts, is not objective judgement," he said.

Khambata praised Noel's leadership, calling his two-year period 'eventful', which he handled with 'calm dedication'.

"My stand and approach has at times differed from others', including Noel's; I appreciate Noel's democratic acceptance of this. That is the old Tata way," Khambata wrote.

Khambata's decision not to seek another term at Tata Trusts comes about eight months after former Citibank India head Pramit Jhaveri also chose not to seek reappointment at SDTT.

Trustee appointments and reappointments require unanimous approval from all trustees. However, because Srinivasan and Singh's views don't align with those of the other trustees, Khambata's reappointment could have become problematic, according to an executive. For this reason, Khambata, despite being asked by Noel to continue, decided not to seek another term.

India's manufacturing growth momentum eases in Oct

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NEW DELHI: India's manufacturing sector activity lost some growth momentum in October compared to September as output and new orders increased only marginally, according to HSBC India Manufacturing Purchasing Managers' Index (PMI) data released by S&P Global on Monday.

The headline figure, the manufacturing PMI — tracks factory conditions based on new orders, output, employment, suppliers' delivery time, and stock of purchases — stood at 54.7 in October, compared to 55.1 in September. To be sure, manufacturing activity remained in expansion, as the index stood above 50.

"India's manufacturing PMI softened to 54.7 in October from 55.1 in the previous month, but remained firmly in expansionary territory and above its long-run average," said Pranjul Bhandari, chief India economist at HSBC.

New business increased in October reflecting sustained demand for manufacturing goods. Growth softened marginally from September, which recorded a seven-month high, though it remained strong by historical standards. Firms cited favourable demand trends, new client wins and successful marketing campaigns for the growth. International orders increased at the fastest rate in six months and contributed to the index's expansion.

SC rejects Centre's plea in Vedanta-Ravva case

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NEW DELHI: The Supreme Court on Monday dismissed the Union government's appeal against a Delhi High Court order allowing Vedanta Ltd and Ravva Oil (Singapore) Pvt Ltd to enforce foreign arbitration awards involving claims of $99 million, criticising the Centre for resisting enforcement of awards that date back more than two decades and warning that such litigation could undermine confidence in India's arbitration regime.

A bench of justices JB Pardiwala and Manmohan questioned the government's approach to arbitration, asking why it was frustrating enforcement of an arbitral award even after the dispute had been adjudicated by foreign courts. The bench also questioned the Centre's commitment to promoting arbitration as an effective means of dispute resolution.

"What are these arguments? You are frustrating an arbitral award like this? At the stage of enforcement of it?" remarked the court, expressing concern over the message such litigation would send to international investors and parties choosing India as an arbitration destination.

"And we talk about all of this arbitration and seat and this and that?...Nobody will trust you," said the court, questioning the government's continued resistance to the awards.

The bench ultimately found no reason to interfere with the high court's July 1, 2026 judgment, which had rejected the Centre's objections to enforcement of the awards passed in 2004 and 2016 by an arbitral tribunal seated in Kuala Lumpur, Malaysia.

"We are of the view that no error, not to speak of any error of law, could be said to have been committed by the high court in passing the impugned judgment and order," said the Supreme Court while dismissing the appeal.

The Supreme Court's dismissal of the Centre's appeal now leaves the high court's directions undisturbed.

Tata battery venture's China director leaves

NEW DELHI: The sole representative of Agratas Energy Storage Solutions Pvt. Ltd's Chinese-owned technology partner, AESC Apollo, has stepped down from the board of the Tata Group's battery venture less than two years after joining it and just ahead of the firm's move towards commercialization, regulatory filings show.

The departure of Gordon Louis Chin comes amid a decline in outstanding payments for its services and equipment to AESC and Agratas building its own manufacturing capabilities. The move marks a shift in the partnership's boardlevel representation just as the Tata firm prepares to scale up manufacturing in India and the UK.

Agratas is building a 40 GWh battery plant in Somerset, UK, and a 20 GWh facility in Sanand, Gujarat. Its research and development expenditure increased to £20.9 million in FY26 from £7.7 million in FY25 as it develops both LFP and NMC battery technologies.

According to company filings with the corporate affairs ministry reviewed by Mint, the two firms had entered into an intellectual property agreement in FY26 covering two types of lithium battery technologies for electric vehicles (EVs), nickel manganese cobalt (NMC) and lithium ferrous phosphate (LFP) battery technologies.

Agratas is looking to scale up battery manufacturing, with a 20 GWh plant in Gujarat and a 40 GWh facility in the UK, with Jaguar Land Rover lined up as its first major customer as part of a ₹5,000-crore deal between the two firms.

The board member's exit is significant because AESC's presence on the board gave the technology partner a say in Agratas' strategy and growth plans as the company prepares to begin manufacturing and scale up operations. *Mint* could not independently ascertain why Chin, who serves as AESC's general counsel, stepped down.

Agratas declined to comment on the issue, while AESC did not respond to emailed requests for comment. AYAAN KARTIK

GOVT PROMISES TO RESOLVE SCOTCH TARIFF DISPUTE

NEW DELHI: India assured industry executives on Monday it would honour a trade pact with Britain and resolve a dispute over Scotch whisky tariffs, easing concerns for companies such as Diageo and Pernod Ricard, six people with direct knowledge of the matter said.

In the first major dispute linked to the landmark India-UK trade pact, implemented in July, New Delhi in recent weeks launched investigations into major liquor companies and told them bulk Scotch imports were not eligible for the tariff cut to 75% from 150% agreed under the agreement, *Reuters* has reported.

At a closed-door meeting on Monday, commerce ministry officials told liquor industry executives that New Delhi would honour the pact in letter and spirit.

"We are potentially moving towards a resolution. Bulk Scotch whisky imports are indeed part of concessions under the trade deal," said one government source familiar with the discussions. REUTERS

TRAI mandates AI-led complaint centres, 16-hour human support

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NEW DELHI: The Telecom Regulatory Authority of India (TRAI) has directed telecom operators and internet service providers (ISPs) to run round-the-clock complaint centres that can be handled by AI agents, while mandating human assistance for at least 16 hours a day.

It has also introduced penalties of up to ₹20 lakh per quarter per service area for improper disposal or handling of consumer disputes, under amended telecom consumer complaint redressal rules released on Monday.

TRAI said that the rules would be published in the gazette.

For the first time, the telecom regulator has included AI-based customer care services in a binding rule under the Telecom Consumer Complaint Redressal (Fourth Amendment) Regulations, 2026. The rules, amended after more than a decade, were last revised on July 1, 2014.



TRAI said that the rules would be published in the gazette. MINT

The amended regulation 3(3) requires AI systems to "operate with appropriate human oversight" and consumers to receive "a notification" that they are speaking to an AI agent.

Under the amended rules, service providers will be charged ₹1,000 for every complaint and ₹5,000 for every appeal found to have been wrongly disposed of, with penalties capped at ₹20 lakh per quarter per service area.

TRAI also directed operators to submit quarterly performance reports, including number of complaints and appeals received, disposed of and pending, time taken for disposal and feedback survey results, in a format specified by the regulator.

Late submission of quarterly reports will attract penalties of up to ₹5,000 a day for 15 days and ₹20,000 a day thereafter, capped at ₹10 lakh per licensed service area.

The draft regulations were released on May 7, with stakeholder comments invited until June 12 and countercomments until June 19. TRAI received 32 comments and 24 countercomments, which it uploaded to its website. An open house discussion was held on July 17.

Operators opposed the 24x7 complaint-centre requirement on cost grounds.

Adani airport capacity cuts draw opposition

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NEW DELHI: A proposed reduction in Mumbai airport's capacity from April 2027 has intensified a standoff between airlines and Adani Airport, with foreign carriers resisting a plan to shift part of their international operations to the newly opened Navi Mumbai airport.

The Airline Operators Committee-Mumbai (AOC-Mumbai), which represents 46 airlines operating from the airport, again approached the aviation ministry on Monday, seeking protection for existing flight slots. It has argued that airport operator Mumbai International Airport Ltd (MIAL) has not adequately justified the proposed cut.

The dispute centres on MIAL's plan to shut Terminal 1 for redevelopment from April and shift 265 of the 770 weekly international departure slots at Terminal 2 to Navi Mumbai, about 50 km away. The move would cut Mumbai airport's passenger-handling capacity by 5 million passengers a year. Adani is not looking to defer the redevelopment further. MIAL is a JV between Adani Airport Holdings Ltd and state-run Airports Authority of India. Adani also operates Navi Mumbai airport.

In an email to civil aviation secretary Samir Kumar Sinha on November 2, AOC-Mumbai described the proposed cuts as unilateral and questioned the lack of justification and transparency. "We are concerned about MIAL's decision to reduce airport capacity by 5 MPPA from S-27 (April), which was categorically communicated by its senior official to all airlines present at the meeting on October 28, 2026, as a unilateral decision, without adequate justification or transparent disclosure of the actual available capacity at CSMIA," the committee said. *Mint* has reviewed a copy of the email.

{ THE CROSSWORDS }

CRYPTIC CLUES

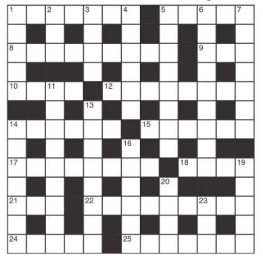
ACROSS

1 Faulter when reduced to weeping (7)
5 Quick-tempered holy man cutting dried grass (5)
8 Unit for office or kitchen (9)
9 One about to display anger (3)
10 Badly hurt widow who married a wealthy farmer (4)
12 Biased team and what may be done about it (3-5)
14 Slightly sensitive? (6)
15 It returned having departed as ordered (6)
17 Make a deduction (8)
18 Manages to hit back and bring down (4)
21 She cut the first man short (3)
22 Complete journey to meet train perhaps (9)
24 She writes a letter in French (5)
25 Be prepared to defend (5,2)

DOWN

1 Fixed a trip to see an animal (5)
2 An attempt made in the past (3)
3 Generous ransom (4)
4 What is wrong in a record being beaten? (6)
5 An ironclad excuse for not buying luxuries (8)
6 Salt-water spray (9)
7 Bore fruit and let go (7)
11 Extremely handy sort of sketch (9)
13 She hurried round to a furniture designer (8)
14 Willingly die? (7)
16 Wins points for musical arrangements (6)
19 Devotion is a major point in compassion (5)
20 Very keen to rise as a singer (4)
23 Help I had with an article (3)

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QUICK CLUES

ACROSS

1 Chivalrous (7)
5 Come into the mind (5)
8 All things considered (2,7)
9 Thick heavy mat (3)
10 Kind of long upholstered seat (4)
12 Capital of Hungary (8)
14 Price-fixing consortium (6)
15 Room attached to a church (6)
17 Indecorous (8)
18 An unfounded notion (4)
21 Only a handful (3)
22 Without precedent (7-2)
24 Tend in illness (5)
25 Pay no heed to orders (7)

DOWN

1 A dozen dozen (5)
2 Hit ball in high arc (3)
3 Competent (4)
4 Language (6)
5 Daunted (8)
6 At present (9)
7 With justification (7)
11 Destructive capacity of guns (9)
13 Firm of purpose (8)
14 Light diaphanous fabric (7)
16 Orderly arrangement (6)
19 Big and strong (5)
20 A raised floor (4)
23 To nickname (3)

YESTERDAY'S SOLUTIONS (17632)

CRYPTIC

O	V	E	R	C	A	S	T	■	S	P	A	R	■	■
A	■	G	■	H	■	T	■	L	■	R	■	E	■	■
K	Y	O	T	O	■	R	U	I	N	O	U	S	■	■
S	■	T	■	R	A	G	■	E	■	■	■	■	■	■
■	F	I	R	E	L	I	G	H	T	E	R	S	■	■
I	■	S	■	N	■	T	■	■	■	T	■	■	■	■
N	O	T	I	C	E	■	C	H	A	I	S	E	■	■
T	■	A	■	■	■	E	■	■	■	D	■	■	■	■
R	E	V	E	R	B	E	R	A	T	E	D	■	■	■
E	■	E	■	■	■	R	■	■	■	R	■	B	■	■
P	R	E	P	E	R	S	■	T	I	A	R	A	■	■
I	■	W	■	T	■	F	■	■	■	R	■	T	■	■
D	A	S	H	■	W	A	R	D	R	E	S	S	■	■

QUICK

F	E	E	D	B	A	C	K	■	J	A	V	A	■	■
S	U	I	T	E	■	G	O	U	L	A	S	H	■	■
T	■	G	■	A	■	E	■	T	■	R	■	E	■	■
■	P	E	C	K	I	N	G	O	R	D	E	R	■	■
S	■	N	■	T	■	F	■	■	■	E	■	■	■	■
P	A	T	C	H	Y	■	D	E	A	D	E	N	■	■
I	■	R	■	S	■	A	■	E	■	T	■	■	■	■
T	U	R	N	O	F	F	H	A	P	H	R	A	S	E
E	■	A	■	■	■	E	■	S	■	P	■	I	■	■
F	A	T	I	G	U	E	■	H	O	A	R	D	■	■
U	■	I	■	H	■	D	■	O	■	I	■	E	■	■
L	O	O	T	■	H	Y	S	T	E	R	I	A	■	■

{ SUDOKU }

DIFFICULTY LEVEL ★★★★

7					1		3	2
	2				7			6
		8	9	2		1		
4			1			5		
				3				
	6				5			9
		4		5	2	7		
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6	9		8					4

Fill in all the squares in the grid so that each row, column and each of the 9X9 squares contains all the digits from 1 to 9.

GAME ZONE: Scan the QR code for more daily puzzles and brain teasers

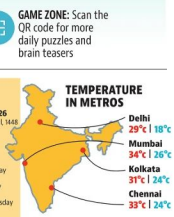
{ WEATHER }

TEMPERATURE ▪HIGH ▪LOW

TUESDAY	WEDNESDAY	THURSDAY
Mainly clear sky mist in the morning hours	Mainly clear sky mist in the morning hours	Mainly clear sky
29°C | 16°C	28°C | 15°C	29°C | 16°C

ALMANAC
Today is
3rd November 2026
22 Jumada Al-Awwal, 1448
10, Kartika, Krishna Paksha, 10
Samvat 2083
Sunset: Tuesday at 05.34 p.m.
Sunrise: Wednesday at 06.35 a.m.
Moonset: Tuesday at 02.02 p.m.
Moonrise: Wednesday at 01.43 a.m.

TEMPERATURE IN METROS





A thought for today

Popularity should be no scale for the election of politicians. If it would depend on popularity, Donald Duck and The Muppets would take seats in Senate

ORSON WELLES

Back To Front?

Betting mkts reckon Trump will resume war against Iran after midterms. He has good reasons not to

Last month, Trump promised he wouldn't hit Iran "at any time prior to midterm elections," and he's kept his word, but what will he do after polls end? Nobody knows. Prediction markets are the closest thing to a crystal ball these days, and last evening Polymarket showed 94% chances of the ceasefire holding into Wednesday, but by Sunday that confidence dips to 76%. Is Trump really going to take a swing at Iran? Nothing really stops him once the votes are cast. Don't forget he's got three aircraft carriers in Arabian Sea, and is nursing a bruised ego.

That could make things ugly for everyone. Iran won't take a strike lying down. Mojtaba Khamenei's response will be "without geographical limitations". So, we'll expect a rerun of attacks on oil and gas infra across West Asia. Analysts see oil exceeding $140 a barrel in the worst-case scenario, and staying there because winter is starting, Europe and America need oil to heat homes, and their stockpiles have been depleted. For India, oil at that rate would mean higher inflation, rate hikes, slimmer forex buffer, weaker rupee, and yet another bear run in the stock markets. It'll be harder to keep up 7% growth.



But this isn't inevitable. Monday morning, oil futures actually slipped on talks between Iran and Qatari officials, who are mediating to end the war. Also, at his Halloween party, Trump didn't rule out peace when reporters asked him about Iran war. He said negotiations "are going fine". Then there's the prospect of a Democratic majority in both chambers of US Congress, which, while it can't stop Trump from waging war, can certainly limit funds available for it. Per Polymarket, Democrats will almost certainly control the House, and there's a 73% chance of their getting a Senate majority as well.

Trump doesn't care for voters' suffering, but he's thin-skinned about his image, and brags about how well the US economy has fared under him. Democrats have blamed inflation on Iran war, and question is, does Trump want to be held responsible for costly heating oil this winter? US stocks have done well, thanks to AI, but higher energy prices could finally pull the rug from under them. High inflation and rate hikes after Russia's invasion of Ukraine in 2022 had broken crypto's bull run. Iran war can do it to AI, and trigger a US slowdown to boot. Trump might not want it on his CV. Let's just hope he doesn't.

Age Of Play

A 20-year-old is F1 World Champion. The generational queue is crumbling across societies

Italy is overjoyed. After 73 years, one of their own has become a Formula 1 World Champion. It's a bit complicated, because Kimi Antonelli is a Mercedes man, in a country where F1 equals religion, but also Ferrari. But even the Ferraristas have packed the streets with celebration. The second most notable thing about Antonelli is that he is just 20 years old, beating the last youngest F1 World Champion, Sebastian Vettel, by 3 years. Over at the Ascot, another 20-year-old, Billy Loughnane, has become the youngest rider to be crowned Britain's champion jockey, in over a century. And our own Vaibhav Sooryavanshi, is the youngest player to score a fifty in men's international cricket, at age 15.



Sports have traditionally run on age segregation between juniors and seniors. Of course, different sports demand different things, and the sporting prime depends on what one is playing. But generally, youngsters were expected to wait their turn, while older players were expected to retire gracefully. Those boundaries are increasingly porous. At the opposite end of the Antonelli-Loughnane-Sooryavanshi spectrum are Virat Kohli at 37 and Djokovic at 39. Nutrition, recovery, biomechanics, fitness monitoring, sports psychology, data analytics, and specialised coaching, are transforming what athletes can do with their bodies. And, as a result, the generational queue is collapsing. Excellence has increasingly individual timelines. You are less and less a cohort, and more and more you.

If age is becoming a less powerful organising principle, this is not in sports alone. The implicit social contract where everyone has to wait their turn – you learn from your elders, pay your dues, accumulate experience, and eventually get your opportunity – is weakening across society. It's not just that a 15-year-old can become a global sporting sensation, but also that a 25-year-old can run a major company, and a 70-year-old can begin an entirely new career. Life now runs less and less linear.

In Protest Season

Ferrying curry leaves takes longer than usual

Anil Abraham



Kamala had sent me to buy some curry leaves, as she began seasoning the sambar, forgetting that it's the season of protests. Some neighbours had gathered near the park, emanating an angry buzz. I joined out of curiosity – and a misplaced sense of community. "We are protesting!" Senior Shanthamma informed me passionately. She has the unique distinction of having voted in every election since Independence. In the last local election, her photo had been featured on the city newspaper's front page. I assumed she was protesting because SIR had removed her name from the voter list. I was wrong. She informed me firmly that no sir could remove this madam.

By now I was distracted by voices raised on the other side of the crowd. Protest Prabhakara was arguing vehemently. Had Boomer Uncles with FOMO decided to participate in their first protest after the Partition? I moved closer, hoping to find the actual cause of the agitation. It turned out to be the price of milk. Apparently, steep hikes in the price of common household essentials are making domestic budgets untenable.



At the epicentre of another disturbance, Angry Arnab was raising a cyclonic storm. He and the nation were demanding to know why Tiger had been shot. He was upset that this young cub could be in danger, while we were importing cheetahs from other countries. Dimagi Damodar desperately tried to explain the difference between a nepo kid and a national animal, but as usual, Arnab was not listening to anyone else. Meanwhile, Frivolous Fatima asked the men a hundred times, to focus on things that really mattered. Like the National Crush and her *Koffee With Karan* and *Arjun Reddy*. Or, scouting for true love on *Bigg Boss* and finding sibling rivalry instead.

Keralam Kunjunni was seething too, over several important issues. He held a banner about those who ought to be in jail because *Jailer 2* has a Malayalam song, without one word from God's Own Country. He also had a beef with a travel blogger who had dissed both the menu and the artwork in Kochi's iconic Kashi café. Another legendary Bengaluru restaurant had customers protesting, because a cockroach had been found defending democracy in a dosa. 'No place to protest' was the excuse offered by the delinquent insect. "What took you so long?" Kamala asked with irritation as I finally handed over the groceries. The lady doth protest too much, methinks!

Midterms, Not Middle Path

Even if Democrats win both Houses, many of their likely winners will be fringe left. That'll be true, on the right, for Republicans. So, Congress will likely be dysfunctional, with moderates unable to control extremists

Dan Cassino



Professor of Govt & Politics

In these US midterm elections, candidates are campaigning not around ideology or issue positions, but fervent opposition or kowtowing obeisance to Trump. These approaches might have helped them win primary elections, but they're making it hard to appeal to mainstream voters, and neither one is very useful in the actual work of governance, or well suited to the fast-approaching post-Trump era.

There has never been this big of a gap between the rank-and-file members of Democratic Party and candidates seeking their votes. Earlier this year, Democratic-leaning districts and states around the country saw candidates coming out of the woodwork to run in hotly contested primaries, hoping to take advantage of what was expected to be a blue wave in Nov.

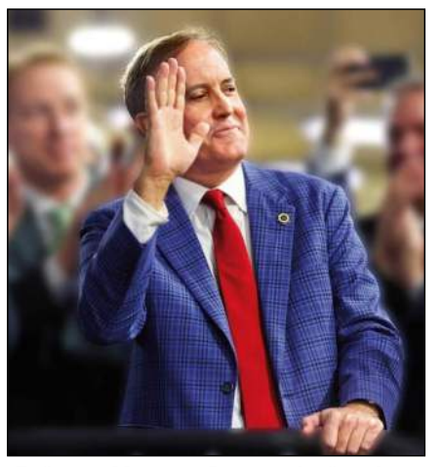
While traditional party power brokers and organised interests tried to push moderate candidates, voters had different ideas. Turnout in US primary elections is generally much, much lower than in general elections, and the relatively small number of voters who show up in these elections tend to come from the fringes of the party. As a result, candidates who won in many of these primaries weren't those thought to be most electable, or most appealing to voters in the broader electorate, but those who best channelled the anger of progressives towards Trump.

In Senate, this has led to candidates like Abdul El-Sayed in Michigan, or Angie Nixon in Florida, who appealed to Democratic primary voters but have struggled in the general.

This has put Democratic leadership and more moderate candidates in a tough spot: they don't want to criticise their colleagues, but they also don't want to be associated with their progressive or socialist views. It's also led to real concerns about the ability of Democrats to control the House or Senate if they were to win majorities in one or both, as seems likely. A Democratic Speaker of the House is likely to face the same problems that have faced the current Republican Speaker, Mike Johnson: unable to wrangle fringes of his party, he's basically given up on trying to pass bills.

Republicans are facing the opposite problem. Ten years into the Trump era, anti-Trump Republicans who had been holding on, hoping to take the party back from its populist foray, have largely given up. Republican Party is, now, very much the Party of Trump, and with Trump's approval at record low levels – he's less popular than Nixon was just before his resignation – moderate voters have been fleeing the party, identifying instead as independents, or just opting out of politics altogether.





LEFT AND RIGHT, BUT NO CENTRE: (L) Abdul El-Sayed, Michigan Democratic Senate candidate; (R) Ken Paxton, Texas Republican Senate candidate

But that means that the most active members of Republican Party, the ones picking candidates in primaries, are the most fervent Trump supporters, and they've been nominating candidates who share their adoration. In Texas, Republicans kicked out popular incumbent Senator John Cornyn, replacing him with the Trump-endorsed former Attorney General of the State, Ken Paxton. Cornyn was a solid Republican, and voted with Trump on every major issue, but Trump objected to him on the grounds that he hadn't endorsed Trump quickly enough in 2024.

Were Cornyn on the ballot in Texas, he'd be well ahead of Democrat James Talarico. But the nomination of the scandal-scarred Paxton, who was once impeached by his own party for corruption, means that the race turned from a safe Republican win to a toss-up.

A similar dynamic is facing Republicans in ruby red South Carolina, where Trump's choice for the Senate nominee, Darline Graham, has no qualifications other than being the sister of the late Senator Lindsey Graham, and her utter devotion to Trump. That choice means that the South Carolina race, which in most years would be a blowout victory for Republicans, is in danger of going to the Democratic nominee, a pediatrician focused on healthcare issues.

But even aside from electoral challenges these candidates represent for both sides, they present bigger problems for governance. The constitutional system is designed to force some degree of conflict between the branches, as they fight to retain their power, and some degree of cooperation, as they have to work together to pass laws and shape policy. It simply doesn't function when one party refuses to check the powers of the president, and the other refuses on principle to work with him at all.

We've seen both extremes in the past few years, with Republicans in Congress refusing to work with Obama or Biden on anything, then letting Trump trample on the traditional separation of powers, and neither makes for effective governance.

But parties run by extremists are also parties that alienate voters. Support for democracy in US is at record lows: in a recent Gallup poll, only about 30% of voters are happy with how democracy is going, and perhaps for good reason. Major issues like immigration, social security, and healthcare are in need of difficult, creative solutions, and require serious, thoughtful legislators who can forge compromises. Voters are right to expect that their representatives will address issues facing the country. But legislators – of either party – who have built their politics around Trump, aren't in a position to do that.

While there are doomsayers devoted to the idea that Trump will be the end of democracy in US, it's so far struggled along, battered as it may be, through the better part of two terms with him in charge. The bigger danger now isn't Trump himself, but candidates who can't see past him.

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NavICating: Charting India's Course Through Space

Launch of NVS-03 is a meaningful step towards India's goal for navigation sovereignty. But, ageing satellites and component dependence remain a challenge to sustaining the self-made satellite system

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The satellite launched on Oct 30 marked an important milestone for India's Navigation with Indian Constellation (NavIC). The satellite, NVS-03, is the latest addition to a system conceived to give India independent access to positioning, navigation and timing (PNT) services, without having to rely on foreign-controlled satellite navigation networks.

It comes at a time when NavIC has been struggling to maintain its core positioning capability. In July, GOI acknowledged that only three satellites were providing PNT services. Since at least four operational satellites are required for basic positioning, NavIC could no longer provide standalone positioning, although its timing service remained functional. NVS-03 has helped move towards the minimum threshold required to restore this capability. Reaching the minimum number is one thing, but it's key to ensure long-term reliability.

NavIC's origins lie in a strategic vulnerability exposed during the 1999 Kargil conflict. India recognised risks of depending on foreign navigation systems for critical military ops, particularly when access to satnav information could be restricted by the state controlling the system.

Cabinet approved Indian Regional Navigation Satellite System (IRNSS) in 2006. Unlike GPS, Russia's Glonass, EU's Galileo and China's BeiDou, which offer global coverage, IRNSS was designed as a regional system covering India, and an area extending about 1,500km beyond its boundaries.

Isro developed a seven-satellite architecture combining geostationary and inclined geosynchronous satellites. The first, IRNSS-1A, was launched in July 2013, the first-generation constellation was completed with IRNSS-1G, and PM renamed the programme NavIC. The design's high-elevation visibility allowed New Delhi to establish an independent system without the expense of building a global constellation. It also provided for a restricted service for authorised strategic users, alongside civilian positioning services.

The agenda was straightforward: India needed to control a critical infra capability, whose availability shouldn't depend entirely on decisions of another country. That ambition, however, encountered a significant technical vulnerability. Navigation satellites depend on extremely accurate timekeeping. Receivers calculate their distance from satellites by measuring how long radio signals take to travel to Earth. Even tiny timing errors can translate into significant ranging errors, affecting the accuracy of the position calculated.

Three rubidium atomic clocks aboard IRNSS-1A, procured from Swiss manufacturer SpectraTime, failed in 2016. Similar failures were reported in Europe's Galileo constellation.

Isro incorporated corrective measures in the clocks aboard IRNSS-1I, launched in 2018 to replace IRNSS-1A. But the incident exposed a larger weakness: a system could be designed and controlled domestically, while remaining dependent on foreign suppliers for components critical to its operation. Multiple atomic clock malfunctions in more than one satellite prompted Isro to switch to indigenous clocks.

Other setbacks included IRNSS-1H failing to reach orbit in 2017. NVS-02, launched in Jan 2025, reached its initial orbit, but could not be manoeuvred into its intended geosynchronous orbit due to pyro valve issues. IRNSS-1F completed its 10-year design life in March 2026, with its onboard atomic clock also ceasing to function. By July, the system had fallen below the minimum satellite strength required for standalone positioning.

The second-gen NVS satellites represent Isro's attempt to address these challenges. NVS-01, launched in May 2023, carried an indigenous atomic clock. NVS-02 and NVS-03 were also designed with indigenous clocks alongside procured ones. NVS



satellites introduce another major improvement: an L1-band navigation signal in addition to existing L5 and S-band signals. L1 is widely supported by commercially available navigation receivers, including those used in smartphones. Thus, its addition could improve NavIC's compatibility with civilian devices, encouraging wider adoption. Compatible receivers can also combine signals across frequencies to improve positioning performance.

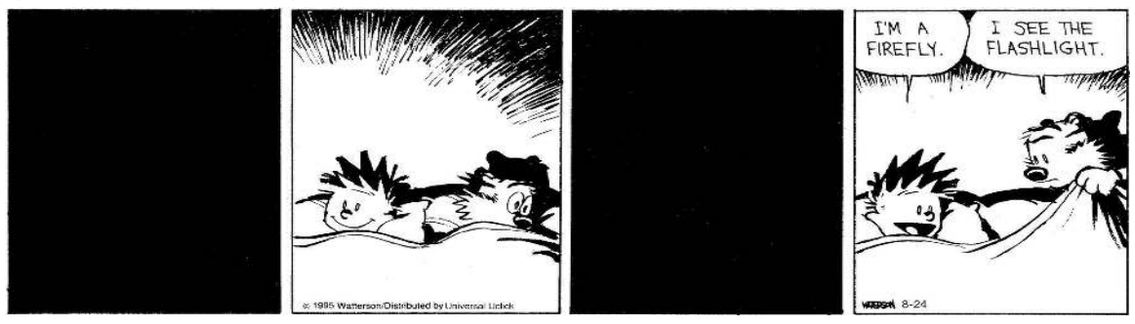
But the transition is not complete. NVS-03 still carries procured clocks, indigenous tech still being integrated. The planned NVS-04 and NVS-05 satellites will be important to rebuild the constellation, and provide the redundancy a reliable navigation system requires. Isro has set itself a 10-month deadline to launch these two satellites. This is where the distinction between technological sovereignty and operational sovereignty becomes important. Developing an indigenous atomic clock is significant. But a navigation system cannot depend on a handful of satellites operating at minimum threshold. It needs sufficient redundancy, to withstand component failures, ageing and launch setbacks without losing essential services.

Moreover, NavIC's strategic value cannot be measured only by number of satellites in orbit. Its civilian and economic potential depends on its integration into transport, aviation, maritime navigation, telecom, surveying etc. Wider adoption will require compatible receivers, industry participation, and confidence the service will continue.

GOI says most users operate in a multi-constellation environment, drawing signals from systems such as GPS and Galileo, alongside NavIC, wherever it is used. So, no standalone positioning doesn't necessarily mean loss of navigation services for users. But it leaves unsolved the original strategic problem – the independent alternative system has to deliver positioning on its own.

NVS-03 is therefore a major step, one of many more required, to realise NavIC's potential. India has the critical navigation tech, and must also maintain a dependable constellation, replace ageing satellites on time, and build an ecosystem that uses its signals.

Calvin & Hobbes



Sacred*space*



Acceptance looks like a passive state, but in reality it brings something entirely new into this world. That peace, a subtle energy vibration, is consciousness.

Eckhart Tolle

Mukesh...For Whom The Bells Chime

Preeti Mehta

We spend a lifetime building our net worth. But what is our human worth? A video clip of a man with one of the world's largest fortunes has travelled far this week. The billionaire, accustomed to commanding boardrooms, making consequential decisions and carrying the weight of an enormous empire, is seen listening to his children speak. His expression changes. His eyes well up. He tries to hold back his tears, briefly covers his face, and eventually breaks into a smile as though he has earned the biggest dividend of his life before the closing bell. The frame captures an overwhelming realisation: his legacy is safe in the hands of his children, mentees.

The moment was precious. It touched the hearts of countless viewers because there is something disarmingly human about watching a powerful man unable to contain his emotions in public. And it brings up an intriguing question: We spend a lifetime building our net worth, but what is our human worth? Our net worth tells the world what we have accumulated. Our worth as humans is reflected in what we have given, nurtured, and left behind in others. Not many of us will leave towering companies or immense fortunes. But every one of us leaves behind children, students, colleagues, friends and family. Each carries some part of us – what they learnt, absorbed, how we treated them and how our presence shaped their lives.

THE SPEAKING TREE

Sometimes, we may even have touched an unknown life in ways we will never know. That is the legacy that speaks for us when we are no longer in the room. In a sense, our own lives continue to be reflected in theirs. The Upanishads remind us: *Matru Devo Bhava, Pitru Devo Bhava, Acharya Devo Bhava* – revere your mother, father and teacher as divine. The Gita, meanwhile, reminds us that our right is to action, never to its fruits. Here, perhaps, was a rare glimpse of those fruits. What might those tears have been saying? 'I worked. I built. I tried. I gave. And now I see.' As life progresses, our definition of success changes. The milestones that once consumed us give way to simpler, more enduring pleasures: meaningful conversations, shared memories, the affection of those closest to us, and the desire to do good and touch as many lives as we can. Our net worth may tell the world what we have accumulated. Our human worth tells the story of what we have given. And if, after a lifetime of building an empire, a few heartfelt words from one's children, reflecting the values one has instilled in them, can bring tears of joy, pride and humility, one has already acquired the greatest wealth of all.

The richest moment of a billionaire's life, it turns out, cost nothing at all. He simply listened. And the sound of the bell that later chimed, setting off one of the biggest scrambles for an opportunity to create wealth, suddenly seemed to mean very little.

The writer is an anaesthesiologist

Editor's TAKE

US midterms: Tough test for Trump

The midterms could hand Democrats control of the House and put the Senate within reach, reflecting growing anger over living costs and Trump's policies

When Americans cast their votes for all 435 House seats, 35 Senate seats and 36 governorships, the man at the centre of it all will not be on the ballot. The midterms are a referendum on Donald Trump's second term, and Republicans, holding a 53-47 Senate and a razor-thin House majority, enter the final day on the defensive. The likeliest outcome is a Democratic House. All 12 forecasts in a recent political-science round-up predict it; models and markets put the odds at roughly 78 to 93 per cent. The Senate is the real contest: with Vice-President JD Vance breaking ties, Democrats need a net gain of four seats. Fox News rates control a toss-up.

Decision Desk HQ last gave Democrats 56 per cent, Kalshi traders about 71. Texas, Iowa and Alaska, Fox's toss-ups, may decide it. In Texas, a University of Houston poll has Democrat James Talarico on 48 per cent to Republican Ken Paxton's 46 per cent.

The mood explains the map. Trump's approval averages roughly 37 per cent against about 60 per cent disapproval; Reuters/Ipsos last measured him at 32 per cent. Democrats lead the generic ballot by around nine points, wider than 2018's seven. Yet this is no embrace of the opposition. Gallup put congressional approval at 14 per cent in October, and Chuck Schumer has polled worst of the four congressional leaders, underwater even among Democrats. The opposition is winning on anger, not affection. That anger is about money. Seven in ten adults disapprove of Trump's handling of living costs, and Brookings' William Galston blames the Iran war and tariffs. AP-NORC finds 80 per cent want lower living costs prioritised by the next Congress, and 68 per cent want an end to the war.

Republicans have a case: the Senate map tilts their way, some voters see price rises as temporary and the war as worth winning, and polls have missed before. Speaker Mike Johnson has questioned the numbers.

For America, a Democratic House means hearings, subpoenas and spending control rather than new laws: gridlock and a sharper fight over executive power.

For the world, the lesson is caution. European diplomats told AFP they doubt the midterms will tame Trump, and a Pentagon review of US forces in Europe is due in December. Jefferies expects the average US tariff to stay at 10-20 per cent even under divided government, since Congress is unlikely to legislate it down.

India should read the result the same way.

The interim trade deal remains stalled despite Marco Rubio's claim that it is 99 per cent done. A law allowing tariffs of up to 100 per cent on buyers of Russian oil has been paused, reportedly to shield American fuel prices before the vote. H-1B holders, about 70 per cent of whom are Indian, face proposals to scrap their post-lay-off grace period. A Democratic Congress can constrain Trump; it will not reverse him. New Delhi's best hope is a chastened Washington, not a changed one. This Tuesday will show how much patience voters have left with a president they blame for rising prices.

A sanctum lost and a system broken

The Panchkula tragedy is a grim, heartbreaking warning. We are failing our children on two devastating fronts: we are failing to protect the innocent from harm, and we are failing to prevent our young from becoming the perpetrators of that harm



PRIYANKA CHATURVEDI



As a mother, my heart broke into several tiny pieces when I saw the horrific news coming out of Panchkula. I keep replaying that video in my head to truly grasp what it means and what it reflects of us as a society. When you start to send your toddler to school, you hope and also believe, with every fibre of your being, that they'd be safe in the school, as it is a home away from home.

A few years ago, in Badlapur, Maharashtra, we saw how two minor four-year-old girls were assaulted by a contractual school sweeper, which led to massive protests. We were outraged, and after the news cycle led to the man's arrest, we moved on. But there is never any moving on for the families whose children were assaulted. Also, there are no lessons that seem to be learnt despite the anger and the outrage. The country continues to believe it won't happen to any of us until it happens again. This time, in Panchkula, Haryana, and in this case, not a sexual assault but a violent attack, and that too by an accused who is merely an eight-year-old child.

The details captured on CCTV look like a psychological horror film, with a violent act being carried out like that of a person possessed. The eight-year-old boy lured a six-year-old, specially-abled kindergarten girl away from the crowd, led her to an empty, deserted first-floor classroom, and unleashed a feral, unimaginable wave of violence, even long after her frail body had gone limp.

Today, that innocent little girl is fighting for her life with severe facial fractures, while the boy is undergoing psychological evaluations. The school administration faces criminal charges for negligence.

As I read the details, I am left staring at a terrifying, unavoidable question that we must all face: how does an eight-year-old child develop such a monstrous capacity for violence? What are we doing to our children?

When I look at the systemic failures that allowed this to happen, the anger is overwhelming. On that fateful day, the teachers were pulled away for government administrative duties-I won't be surprised if it involved election duty, such as SIR or electoral roll corrections. This constant pull of sarkari teachers to carry out administrative duties has repeatedly been a source of concern. The principal had left the premises early. The CCTV cameras installed to guarantee safety were broadcasting to an empty administrative office. Security cameras are nothing more than useless wall ornaments if there are no human eyes behind the glass. So, nobody was watching, and there was no one to save her. A vulnerable, specially-abled child was left completely unprotected in a place that promised to shield her. What is worse is that when the father tried to find his daughter, nobody had a clue about her whereabouts except the same eight-year-old boy-it was he who led the father to the class where he had brutally and violently attacked the girl.

> IT IS HIGH TIME THAT WE BROUGHT MENTAL HEALTH OUT OF THE SHADOWS AND INTO THE CORE CURRICULUM. EVERY SCHOOL, PUBLIC OR PRIVATE, NEEDS PERMANENT, QUALIFIED CHILD COUNSELLORS WHO CAN INTERVENE LONG BEFORE BEHAVIOURAL ISSUES TURN INTO TRAGEDIES

First, it is obvious that children do not inherently know how to bludgeon a classmate with a brick. They are only mirroring the world we build around them. In our fast-paced, digitally saturated lives, we have handed our children smartphones as digital babysitters. We look away while they consume hyper-violent video games, simulated cruelty, and adult content on streaming platforms where brutality is casual and death is just a restart button.

Second, we must also look inside our own homes. A child's sudden, explosive rage is rarely an isolated incident; it is almost always an echo of their environment. When a child witnesses domestic abuse, emotional neglect, or experiences harsh physical punishments, their capacity for empathy is systematically eroded. They learn that power, anger, and force are the only true currencies of control.

Third, combined with our deep societal denial of child psychology, where early red flags like explosive outbursts or cruelty to animals are brushed off as "just a phase", we create a ticking time bomb inside our classrooms.

If we want to ensure our schools do not turn into arenas of terror, we need a radical, uncompromising shift in how we protect and raise the next generation.

We must establish institutional accountability and make it legally binding. If a school cannot guarantee adult supervision in every hallway and classroom during school hours, it should not be allowed to operate. These government duties assigned in addition to teachers' roles should never strip a school of its primary caretakers.

It is high time that we brought mental health out of the shadows and into the core curriculum. Every school, public or private, needs permanent, qualified child counsellors who can intervene long before behavioural issues turn into tragedies.

Last, as parents, we must reclaim our roles as emotional anchors. We have to enforce strict digital gatekeeping and replace screens with open, empathetic dialogue. We must teach our children how to process frustration without resorting to fists.

The Panchkula tragedy is a grim, heartbreaking warning. We are failing our children on two devastating fronts: we are failing to protect the innocent from harm, and we are failing to prevent our young from becoming the perpetrators of that harm. Our classrooms must be restored as the sanctuaries of learning they were always meant to be. We owe that much to the little girl fighting for her life in Panchkula, and to every child we wave goodbye to each morning.

The writer is a former Member of Parliament (Rajya Sabha) and currently heads Women Led Futures at ORF

Daiv Vani

WISDOM FOR A MEANINGFUL LIFE

Born Alone, Yet Never Alone

Loneliness is hardest when we forget that solitude is also where company with the Divine begins

The ancient law books state a plain truth: ***"Ekah prajayate jantur eka eva praliyate; eko nubhunkte sukritam eka eva cha dushkritam"*** — Alone a being is born, alone it departs, alone it receives the fruit of its good deeds and its wrongs (Manusmriti 4.240). It is a sobering statement, and it describes every life, rich or poor, famous or unknown.

Mirabai lived this truth. Her family opposed her, society mocked her, and she walked away from the comforts of palace life, holding on to nothing but her unwavering devotion to Lord Krishna.

Her answer was a single line she sang for centuries: *"Mere to Girdhar Gopal, dusrona koi"*— For me there is only my Girdhar Gopal, and no other. In her solitude, she found a presence nobody could take away.

Today, spend ten minutes alone in quiet, with a mantra or a prayer, and treat it as a company rather than absence, a quiet appointment with the Divine. Then reach out to one person you know is lonely and offer them the companionship that you have just found.

– DR. MANASA NAGABHUSHANAM, DAIV

PIC TALK



A woman plucks saffron flowers during the harvest season, at Pampore in Pulwama district, Jammu and Kashmir. PHOTO: PTI

The concrete hubris: why engineers must stop fighting nature



SIDDHARTH ROY

2ND OPINION



For the last two centuries, modern civil engineering has operated on a quiet arrogance. In the seventeenth century, the philosopher Francis Bacon argued that humanity must conquer and command the natural world. Engineers took that philosophy and poured it in concrete. Across the globe, we built giant dams, straight canals and towering river walls to force water and land into submission. We drew neat lines on maps and expected rivers and coastlines to obey them.

Today, that stubborn mindset is breaking under the weight of a changing climate. The National Institute of Urban Affairs notes that over seventy per cent of natural wetlands in major Indian cities have vanished over the last four decades, buried under asphalt and real estate. In Assam and Bihar, thousands of kilometres of earthen and concrete river embankments built over the last seventy years have failed to stop annual floods. In fact, by trapping silt and raising riverbeds, these walls often make the eventual breaches far more deadly. When we trap a swollen river in a concrete straitjacket, we do not eliminate the risk. We merely store up the fury for a bigger disaster downstream.

To survive the coming decades of extreme weather, civil engineering needs a philosophical change of heart. Instead of Francis Bacon, our city planners should look to the ancient Chinese concept of Wu Wei, which means working with the natural flow rather than fighting against it. A tree that stands completely rigid in a cyclone will snap in half, while the bamboo that bends with the wind survives. Our cities and bridges must learn to be like the bamboo.

Around the world, smart engineers are already trading arrogance for humility. After devastating flood alerts in the nineteen nineties, the Netherlands launched its famous Room for the River programme, spending over two billion euros to deliberately move dikes backwards and lower floodplains at more than thirty locations. Instead of building higher walls, Dutch engineers gave the water a safe place to spread out. Similarly, China and several European nations are building sponge cities. By replacing solid concrete pavements with porous roads, sunken rain gardens and restored wetlands, these urban areas soak up to seventy per cent of rainwater on the spot rather than pushing it into choked storm drains.

India must urgently embrace this gentler way of building. Every monsoon, from the flooded streets of Chennai and Bengaluru to the crumbling mountain highways of Himachal Pradesh, nature reminds us who is really in charge. Pouring more cement into fragile hills or encroaching on riverbeds is not development. It is a recipe for tragedy. True engineering genius does not lie in dominating a river or flattening a mountain. It lies in listening to the land, leaving room for the water and designing towns that bend instead of break. When we finally stop treating nature as an enemy to be walled out, we will build cities that truly last.

The writer is a consultant to Rashtriya Raksha University, a short story writer, columnist and contemporary affairs commentator

LETTERS TO THE EDITOR

Opposition unity needs a strategy

Apropos of "CEC's Removal First Step Towards Restoring Democracy: INDIA Bloc", published on 2 November, here is my response. The INDIA bloc's rally at Delhi's Ramlila Maidan was an important display of Opposition mobilisation, but its political value will depend on what follows. The rally brought Congress, the Left, Samajwadi Party, TMC, RJD and other parties together around allegations of vote chori, SIR and the demand for CEC Gyanesh Kumar's removal. If their goal was to project unity and place electoral-roll integrity at the centre of national debate, they have achieved it. LoP Rahul Gandhi framed the issue as a defence of the Constitution and citizens' voting rights, while leaders from several states signalled an attempt to build a broader anti-BJP front ahead of the 2027 state elections. However, a large crowd does not constitute a durable political movement. The Opposition must present verifiable evidence, resolve seat-sharing differences and convert public concern into electoral support.

Recent ballot-paper elections also raise questions about the impact of EVM allegations on voters. The BJP should not dismiss the gathering as a flop show. The Government and the Election Commission must respond with transparency, clear procedures and factual answers rather than political counter-attacks.

BAL GOVIND | NOIDA

Prithviraj Kapoor's enduring legacy

Our generation knows the legendary Prithviraj Kapoor as Akbar in *Mughal-e-Azam*. However, he was also one of the pioneers of Indian cinema.

Born on November 3, 1906, Kapoor devoted his life to establishing a respected place for theatre and cinema when acting was not widely considered a respectable career. Despite numerous obstacles, he established his theatre group and travelled across India, staging plays that inspired young people towards patriotism and the freedom movement. His play Pathan was particularly popular. He began his film career with silent films before appearing in *Alam Ara*, India's first talkie. His performances in *Sikandar*, as King Porus, and *Mughal-e-Azam*, as Akbar, remain memorable. His theatrical training, commanding personality and exceptional dialogue delivery distinguished him as an actor. His performances in films such as *Awara*, *Rajkumar* and *Kal Aaj Aur Kal* further demonstrated his versatility.

He also founded Prithvi Theatre in Mumbai with his family, leaving a lasting legacy in Indian theatre.

Honoured with several awards, Kapoor remains revered as the Bhishma Pitamah of Indian cinema.

Humble tributes to this legendary actor on his 120th birth anniversary.

SUNIL OKHADE | INDORE

Poverty reduction must go beyond survival

With reference to the editorial "Extreme Poverty Falls, Challenges Remain" (November 2, 2026), the World Bank's findings deserve acknowledgement, but also closer scrutiny. At roughly ₹60 a day, the $3 benchmark measures survival, not security. By the Bank's $4.20 poverty line, about 216 million Indians remained poor in 2024, while at $8.30, the figure stood at 1.14 billion. Celebrating headline figures risks confusing the removal of destitution with genuine well-being.

The first concern is how progress was achieved. Food transfers and reduced leakages sustain consumption but do not necessarily increase earning capacity. If over 80 crore people still depend on subsidised rations, households remain vulnerable to illness or job losses. Such gains depend on the state's ability to sustain welfare spending.

Measurement is another concern. The 2022-23 survey changed its methodology without a bridge survey, while the national poverty line has not been revised since 2009. Comparisons are therefore difficult.

The remedy lies in creating formal, labour-intensive jobs and improving conditions for women's employment, given their low workforce participation. The Centre must revise the poverty line to ensure progress is measured meaningfully.

SM JEEVA | CHENNAI

The Pioneer
NEW DELHI | TUESDAY | NOVEMBER 3, 2026

Beyond economic losses: The unseen human cost of Bihar's recurring floods

Flood assessments often measure damage to homes, land and livelihoods, but overlook losses that cannot be priced. In North Bihar, recurring floods also erode dignity, social relationships, cultural identity and community ties. Integrating economic and non-economic assessments is essential to making recovery more meaningful and inclusive



EKLAVYA PRASAD



REPRESENTATIVE IMAGE

During the webinar Beyond the Breach - *Understanding Cascading Mountain Hazards in Nepal and Building Climate Resilience*, organised by the Forum for Policy Dialogues on Water Conflicts in India on October 29, 2026, Krity Shrestha of DCA Nepal spoke about non-economic loss and damage (NELD). She drew attention to consequences often overlooked in disaster assessments, including damage to social relationships, cultural identity, dignity, emotional well-being and a sense of belonging. These effects shape people's lives long after floodwater recedes. Her intervention brought me back to a question arising from Megh Pyne Abhiyan's (MPA) household-level flood loss assessment in North Bihar. We examined what households lose when floods affect their homes, land, livelihoods and possessions. But what do people lose that cannot be priced? And what happens when those losses recur before communities have had time to recover?

North Bihar is not a uniformly flooded landscape. Its plains are crisscrossed by an extensive network of rivers and drainage channels, including major river systems such as the Gandak, Burhi Gandak, Bagmati, Kamla-Balan, Kosi and Mahananda, alongside numerous smaller, often unnamed rivers and streams. While embankments along some of the major rivers have altered the movement and spread of floodwater, the smaller rivers and local drainage channels follow their own courses, often creating distinct patterns of inundation and waterlogging. The resulting flood dynamics vary considerably across the region. Some settlements face sudden inundation following embankment breaches, while others experience prolonged waterlogging, erosion, drainage congestion or shifting river channels. In many places, the effects of one monsoon carry into the next.

For many communities in North Bihar, the end of a flood does not necessarily mean a return to normal life. The damage and disruption often continue long after the water recedes, affecting homes, livelihoods, social relationships and the local environment. Families may have little time to rebuild their savings, restore their livelihoods or regain a sense of security before the next flood arrives. The concern, therefore, extends beyond the damage recorded each year to the limited time families may have to restore their lives and livelihoods before the next flood.

MPA's assessment covered 2,290 households in 134 wards and 21 panchayats across seven districts. It documented economic losses to land, houses and other assets, as well as how families managed during and after inundation. Focus group discussions and participatory flood mapping brought community experiences into the exercise. These methods offered insights beyond financial loss, but the assessment was not designed as a systematic NELD exercise. Bringing the two approaches together is a logical next step.

Economic assessment remains essential. It establishes material and financial consequences and can inform compensation, livelihood support and reconstruction. But the value of a damaged house cannot tell us what displacement does to family relationships. The cost of repairing a toilet cannot capture the loss of privacy experienced by women and adolescent girls living on raised roads or embankments, or the difficulties of managing menstruation without private spaces, water and sanitation. Nor can the number of school days missed capture the cumulative effects of interrupted education on children's learning, confidence and development. Repeatedly losing classroom time can leave children behind their peers, limit opportunities to develop their capabilities and disadvantage them in pursuing higher education, skills and employment.

Older people, persons with disabilities and those living alone may lose independence when familiar surroundings, support systems and everyday services are disrupted. Families may become separated, informal care networks may weaken, and community spaces may become less accessible. River erosion can take more than homes and land. It can sever ancestral connections, familiar neighbourhood ties and relationships built over generations. Flooding may also disrupt festivals, customary practices, local markets and shared spaces. As younger generations become less connected to traditional understandings of rivers, soils, seasonal changes and cultivation, communities risk losing insights and practices developed over generations of living with the floodplain. These losses affect autonomy, belonging, cultural continuity and collective identity, yet rarely appear in post-flood damage records.

> IN NORTH BIHAR, BRINGING ECONOMIC AND NON-ECONOMIC DIMENSIONS TOGETHER CAN HELP ENSURE THAT THE PRIORITIES OF AFFECTED HOUSEHOLDS AND COMMUNITIES ARE REFLECTED IN THE DECISIONS THAT SHAPE THEIR FUTURE. THE STRENGTH OF AN INTEGRATED APPROACH WILL ULTIMATELY LIE IN ITS ABILITY TO MAKE RECOVERY MORE RESPONSIVE TO THE REALITIES OF LIFE ON A CHANGING AND REPEATEDLY DISRUPTED FLOODPLAIN

The opportunity is to bring economic assessment and NELD into a common framework, not to conduct two disconnected exercises. Household-level assessment can establish losses to land, housing, productive assets, livestock and livelihoods. A NELD assessment can examine how these material losses, displacement and wider disruption affect dignity, relationships, cultural practices, local knowledge and people's ability to shape their futures. The approaches can inform each other. Household findings can indicate where deeper social consequences need investigation, while NELD can explain why similar material losses have different implications for different families and communities.

An integrated approach must reflect the diversity of North Bihar's floodplains. The experience of a family affected by an embankment breach differs from that of a household living between embankments, in a waterlogged settlement or in a village facing progressive erosion. The nature of losses and the ability to recover also vary across households. Surveys can document economic impacts, while participatory discussions, community mapping and focused interviews can capture experiences that financial measures cannot. Communities must help identify what has changed and what they consider important to recover.

The value of integration lies in how this evidence shapes action. Economic estimates can guide compensation, housing reconstruction and livelihood restoration. NELD findings can help ensure that recovery also addresses the loss of community spaces, cultural practices, local knowledge and social support. Rebuilding a house, for example, may restore a physical asset without restoring a family's connections to its original settlement or its place in community life. Both dimensions must inform decisions about what recovery requires.

Recovery cannot be measured simply by the return of physical assets or the completion of reconstruction. A household may regain a dwelling but find that its livelihood, social support and sense of security remain fragile. Similarly, relocation may provide safer housing while distancing families from the networks, resources and shared spaces on which everyday life depended. An integrated assessment can bring these less visible consequences into recovery planning and help identify what people need to regain stability, agency and meaningful connections with their communities.

Bihar has considerable experience recording flood-affected populations, distributing relief and estimating physical and economic damage. These functions remain indispensable. Integrating household-level economic assessment with NELD can build on this experience and give government departments, development partners, civil society organisations and local institutions a stronger basis for setting priorities, coordinating interventions and assessing recovery. It can also broaden the understanding of what constitutes a successful recovery.

Krity Shrestha's intervention invites us to reconsider not only how flood losses are assessed, but also whose experiences inform recovery decisions. In North Bihar, bringing economic and non-economic dimensions together can help ensure that the priorities of affected households and communities are reflected in the decisions that shape their future. The strength of an integrated approach will ultimately lie in its ability to make recovery more responsive to the realities of life on a changing and repeatedly disrupted floodplain.

The writer is Managing Trustee, Megh Pyne Abhiyan

Delayed compensation fails vulnerable victims



KUMAR HRISHIKESH

The editorial, "Victim Compensation: Justice Delayed, Relief Denied", published in *The Pioneer* on October 30, 2026, raises an important issue that has largely remained outside mainstream public discussion. I would like to pass on my sincere appreciation to the author for drawing attention to critical aspects highlighting the plight of those who are unable to receive their statutory right to compensation and are instead kept waiting for a prolonged period of time for any recovery and rehabilitation support. The tragic case of an intellectually disabled rape survivor who passed away without being able to receive her full compensation is a concerning example highlighting the gap between justice delivery and justice delivered.

The author correctly highlights that the Indian legal framework does not necessarily lack appropriate provisions or mechanisms concerning victim compensation. Section 396 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (corresponding to the erstwhile Section 357-A of the Code of Criminal Procedure, 1973) provides a legal framework covering compensation to victims requiring rehabilitation. This is supplemented by various similar schemes at the National and State Govt. level; however, the existence of these mechanisms means little if they are unable to deliver timely relief to deserving victims.

One aspect that could have been examined in greater detail is the actual journey of a compensation claim. Although Section 396 provides for completion of the prescribed enquiry within two months, from the public information available, one can note that the actual process can take considerably longer and involves various parties at various stages. Each stage may involve correspondence, extensive documentation, and administrative scrutiny. The absence of timelines for each stage makes it difficult to identify precisely where applications remain pending. The procedural difficulties with respect to the processing of victim compensation are a matter of concern as well. Requiring survivors who have been through scarring ordeals to produce extensive documents at multiple levels is something which should be rethought. It is true that to prevent misuse of such schemes, verification is necessary; however, a balance should be maintained, and such excessive verification may translate to apathy towards victims.



REPRESENTATIVE IMAGE

Another significant concern that was raised by the author is the failure of courts to issue appropriate compensation directions. The Supreme Court's intervention in this matter is welcome, and the apex court has noted that in the absence of appropriate directions, victims are often forced to pursue compensation claims independently. The Supreme Court has also directed judicial academies to sensitise judges with respect to the relevant legal framework, which is a crucial step. In my opinion, courts should routinely assess the needs of victims in such cases and should not wait till the stage of final judgment before a relevant direction in this regard is passed. There is also a crucial need for setting specific timelines with respect to each and every stage of the process involved in the disbursal of compensation to victims under the current legal framework. Accountability needs to be fixed, and any delays in the processing of claims should be explained in writing by the relevant officer or department.

Finally, as the author points out, the underutilisation of the Nirbhaya Fund and differences in State compensation schemes weaken the effectiveness of the entire framework. There is an urgent need for all parties to ensure appropriate and timely funding, publication of utilisation reports, and periodic review of compensation amounts. Digitisation of this process through a centralised portal can also help increase transparency and visibility, as well as the remediation of bottlenecks in this process.

To conclude, victim compensation is not charity or an act of generosity, but it is an important component of the State's obligation and a legal right of each and every victim of this heinous crime. The purpose of such extensive administrative schemes and legal frameworks is defeated when the relief it aims to provide arrives too late. The author has rightly brought light to this issue, and the next step must be to set out a transparent, time-bound, and accountable system in which the right to compensation is not merely a legal right but is effective in delivering its aim to needy victims. As it is rightly said, justice delayed is justice denied.

The writer is an IRS officer, who has a keen interest in analysing and sharing his perspective on contemporary issues

Why young couples need preconception care



PRATIKSHA VATS

Today's young generation lives in a fast-paced world filled with long working hours, constant phone screens, late nights and high stress. Because of this unhealthy lifestyle, many young couples face significant challenges when trying to have a baby. When natural conception does not happen quickly, most couples panic and turn straight to doctors for test-tube procedures, expensive treatments and quick medical fixes.

However, both ancient Indian tradition (Garbh Sanskar) and modern genetics teach us an important lesson: having a healthy baby is not just a mechanical or clinical process. True prenatal care does not start after a positive pregnancy test or in a test tube-it starts months before conception by cleaning and preparing the parents' bodies and minds. In Indian tradition, this vital first step is called Beej Shuddhi (purifying the biological seed).

My personal experience in practice: What patients share

During my practice, I frequently interact with young, educated and ambitious couples who share their deeply personal struggles with conception. A heart-wrenching pattern unfolds continuously: patients arrive clutching thick folders full of medical test reports, blood work and ultrasound scans. Many have spent months or years running from doctor to doctor, undergoing painful tests and pursuing expensive treatments in search of a quick biological answer.

Yet, underneath all these medical papers lies a simple, unexamined truth that patients repeatedly share: both husband and wife are completely burnt out. They suffer from poor sleep, constant workplace stress, bad eating habits, digital overload and deep anxiety. They want a baby desperately, but their bodies and minds are too exhausted and stressed to support new life.

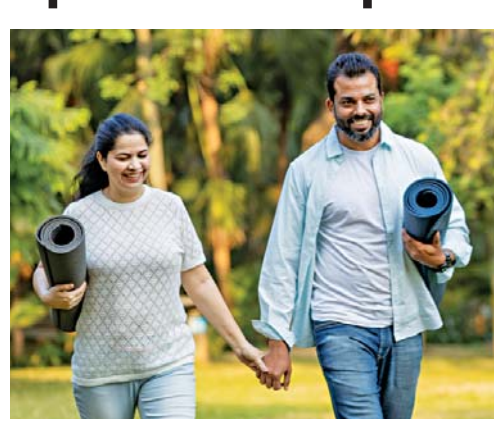
I often share with patients that modern medicine has created amazing technology, but when we treat conception like a quick medical procedure, we forget a basic law of nature: a fragile seed cannot grow in dry, tired and unhealthy soil. Preparing the mother and father before conception is the real secret to a healthy pregnancy.

"*Yatha Vrikshasya Beejam Tatha Garbhasya Sambhava* — Just as a giant tree comes from a pure and healthy seed, a healthy child comes from the healthy body and calm mind of the parents before conception."

- *Charaka Samhita* (Sharira Sthana, Chapter 2)

Lessons from Hindu mythology

In Indian culture, having a child (Garbhadhana) was never seen as an accidental event or a routine task. It was treated as a sacred act that required physical cleanliness, emotional peace and proper preparation. Ancient Ayurvedic



books like the Charaka Samhita recommend that couples spend three to six months before trying for a baby cleaning their diet (Aahar), lowering their stress (Vichar) and improving their lifestyle (Vihar). This is called Beej Shuddhi.

We see this clearly in Hindu epics like the Mahabharata. Before Queen Ambika and Ambalika conceived, Sage Veda Vyasa told them to prepare their minds with deep calm and discipline. But when Ambika closed her eyes in intense fear during union, her son Dhritarashtra was born blind; when Ambalika turned pale with severe fear and anxiety, her son Pandu was born physically weak. These stories teach us a clear lesson: the emotional and mental state of parents at the time of conception leaves a lasting impact on the child.

Similarly, the story of Abhimanyu learning how to break the Chakravyuha while still inside his mother Subhadra's womb shows that ancient Indians believed babies could hear, feel and learn inside the womb — a fact that modern brain science confirms today.

What modern genetics (Epigenetics) proves

What ancient Ayurvedic scholars called Beej Shuddhi, modern science calls fetal epigenetics. Epigenetics shows that while a baby inherits a fixed set of genes (DNA) from its parents, how those genes work depends heavily on the parents' lifestyle.

When parents are constantly stressed, high levels of stress hormones (like cortisol) can affect egg and sperm quality. Studies in medical journals show that high stress before and during pregnancy sends biological "danger signals" to the foetus, making the future child more likely to suffer from anxiety, poor immunity and high stress levels later in life.

On the other hand, when parents practise *Garbh Sanskar* — eating clean food (a Sattvic diet), doing breathing exercises (Pranayama) and maintaining a peaceful mind-they turn on positive genes in the baby that protect against future diseases and promote emotional stability.

Fixing the infertility problem in daily life

In my interactions with patients, when young couples face delays in having a baby, society tells them to rush into medical treatments immediately. While medical procedures are necessary for certain medical conditions, pursuing treatments without addressing basic lifestyle and health issues often leads to repeated failures and heartbreak. When couples pause their continuous hospital visits and spend just three months improving their sleep, eating clean food, practising daily breathing exercises (Pranayama) and lowering work stress, their body markers improve dramatically. Sperm and egg quality improve, and many couples conceive naturally. Even if medical treatment is needed, preparing the body beforehand increases treatment success rates significantly.

Final thought: A legacy beyond DNA

In our relentless pursuit of fast-paced success, we have reduced one of human life's most sacred milestones to a stressful medical checklist. It is time for young couples to reclaim parenthood, not as an anxious reaction to social clocks or biological delays, but as a conscious, joyful act of creation. Bringing a child into this world begins long before the first heartbeat; it begins in the peaceful biology of a prepared mind and a cleansed body. Beej Shuddhi and Garbh Sanskar are far from forgotten rituals — they represent ancient wisdom aligned with modern genetic science. By choosing to heal our own lifestyle before giving life, we do not merely protect our children from stress and disease; we gift the next generation the ultimate foundation: resilience, calm and absolute biological strength.

The writer is a nutritionist, health writer and wellness coach

The Tribune
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Campus horror

Schools can't afford to let their guard down

THE brutal assault by an eight-year-old boy on a six-year-old girl with special needs in a Panchkula school is a shocker for all stakeholders in the field of education. The incident makes it amply clear that children's safety on the campus cannot be taken for granted. The Haryana Education Department has suspended two teachers, while the girl's family has alleged that CCTV cameras were left unmonitored, teachers were assigned other duties and the principal had left before school hours ended. These accusations against the school authorities must be probed in a fair and transparent manner. The disturbing case comes days after a Class-9 boy stabbed a girl in a Pune school over a dispute regarding social media videos.

Schools cannot claim to provide safety simply because cameras are installed or staff members are appointed. Constant supervision, vigilance and prompt intervention are essential, particularly when kids and students with special needs are involved. The proposed safety audit of schools across Haryana must result in enforceable guidelines, regular inspections, adequate staffing and operational surveillance systems. At the same time, the accused (a Class-3 student) must be treated in accordance with juvenile justice provisions. Psychological assessment, counselling and an assessment of his family and social environment are essential. Punishment alone cannot address the underlying causes of aggression and indiscipline among schoolchildren.

Parents expect schools to ensure a secure environment for their children. The Panchkula and Pune episodes must serve as a wake-up call: no child should have to fear for their safety inside or outside the classroom. A school that cannot protect its students has failed in its most fundamental duty.

Public hardship

Pollution curbs need practical alternatives

DELHI's latest pollution-control restrictions raise an important question of fairness: should citizens who legally purchased vehicles, maintained them responsibly and possess valid Pollution Under Control (PUC) certificates be penalised for not owning newer models? The November 1 restrictions barring non-BS-VI petrol and diesel vehicles registered outside Delhi have brought this dilemma into focus. Long queues at various entry points to Delhi left commuters stranded for hours as vehicles not meeting BS-VI emission standards were turned back. The chaos hit thousands of people who commute daily from Haryana and Uttar Pradesh for work, education and business and from other states like Punjab and Rajasthan for work or catching flights.

A middle-class family that bought a BS-IV car in good faith cannot be expected to replace a functioning vehicle overnight merely because regulations have changed. For two-wheeler users, small traders and daily-wage workers, the financial implications could be even more severe. A valid PUC certificate does not guarantee entry into Delhi, exposing the gap between compliance with existing rules and the new restrictions. Vehicle replacement is not an easy choice for millions of households. BS-VI cars and electric vehicles entail substantial expenditure, while loans, fuel costs and maintenance already stretch family budgets. Restrictions that overlook these realities risk making pollution control appear punitive rather than participatory.

Before imposing such curbs, authorities must ensure affordable and dependable alternatives. Better bus connectivity from NCR towns, adequate Metro services and last-mile transport should precede stringent restrictions. A clear transition period and targeted relief for vulnerable commuters also deserve consideration. Delhi cannot clean its air by shifting the burden to neighbouring states and their residents. Environmental protection must be equitable and practical. Clean air is a right, not a privilege reserved for those who can afford a new vehicle.

Pakistan steps up strategic rhetoric

India must respond to geopolitical shifts in the wake of Operation Sindoor



SHYAM SARAN
FORMER FOREIGN SECRETARY



QUID PRO QUO PLUS : Lt Gen Khalid Ahmed Kidwai (right), Adviser to Pakistan's Nuclear Command Authority, has spelt out his country's retaliatory policy. FACEBOOK/STRATEGIC VISION INSTITUTE ISLAMABAD

AT a conference on nuclear non-proliferation, hosted by the Strategic Vision Institute in Islamabad on October 20-21, Lt Gen Khalid Ahmed Kidwai, Adviser to Pakistan's Nuclear Command Authority (NCA), spelt out his country's strategic and nuclear posture after Operation Sindoor. His remarks should be studied carefully as they point to certain important shifts in Pakistan's strategic stance, including its nuclear approach vis-à-vis India.

Kidwai's rhetoric indicates that Pakistan's calculations are changing in response to a stronger Chinese commitment to its defence, as was witnessed during Op Sindoor, a partial revival of American patronage and its role as a mediator in the ongoing Iran war. This is further enhanced by the Makkah Defence Pact, signed by Pakistan, Saudi Arabia and Turkiye in August. Kidwai cites the pact as a step towards reinforcing deterrence against India. This rhetoric may be self-serving, but what lies behind it in terms of geopolitical shifts should be properly evaluated. Pakistan has gained a higher geopolitical profile and greater room for manoeuvre that India must acknowledge and respond to.

It is worthwhile to trace the trajectory of Pakistan's nuclear strategy since it became an overt nuclear-armed state, like India, after a series of nuclear tests in May 1998. In those early days, it committed itself to a Credible Minimum Deterrence (CMD) just as India did, but unlike the latter, did not subscribe to a No-First Use (NFU) posture.

After taking over as the first Director of the Strategic Plans Division in December 1998, Kidwai envisaged the use of nuclear weapons only if Pakistan confronted an existential threat. He stated that Pakistan would consider the use of N-weapons against India if the latter attacked and occupied a large part of Pakistani territory; destroyed most of Pakistani military assets; tried to economically strangle Pakistan; or instigated widespread internal political subversion in the country. These were worst-case scenarios, with nuclear weapons serving as weapons of last resort. It was his view that nuclear deterrence made the prospect of a conventional war between the two sides unthinkable.

Kidwai dates the first important shift in Pakistan's nuclear approach to India's adoption of the Cold Start strategy (2004), which sought to find space for hitting Pakistan with conventional thrusts across the border without triggering a nuclear response. Since then, he has claimed that Pakistan's response has been to acquire weapons and capabilities to deny any such space to India.

Thus, in 2011, the 60-km-range Nasr tactical nuclear weapon was deployed to respond to Cold Start-type operations. India's response has been that any use of nuclear weapons, of any yield or range, would, under its nuclear doctrine, invite massive retaliation; that nuclear weapons, once used, would trigger an escalatory dynamic resulting in an all-out nuclear war. Pakistan dismisses this contention.

> India should examine the implications of the consolidation and centralisation of Pakistan's nuclear command and control structure.

In 2013, Kidwai formally adopted the term "Full Spectrum Nuclear Deterrence" (FSND), though CMD was not abandoned. In a speech at the Carnegie Endowment in 2015, he explained that FSND was aimed at ensuring that no space for war below the nuclear level was available to the adversary. This was backed by a range of weapons and a variety of delivery systems. No target within the Indian landmass would be out of range. He claimed that Shaheen-3 missile (then newly deployed), with a range of 2,750 km, could reach bases in the Andaman and Nicobar Islands. In his latest remarks, he has called India "target-rich" and said that "there is no place for India's strategic weapons to hide."

Kidwai has claimed that after Op Sindoor, "new normals" are "now defined by Pakistan," that the Pakistan Air Force is now the dominant air power in the region and the "robust combination of nuclear and conventional forces" ensures strategic stability. He referred to Pakistan's "retaliatory policy of Quid Pro Quo Plus", which was "responding with punishment greater than the adversary's original sin."

Interestingly, this is conventional retaliation and not nuclear, which implies that Pakistan believes it has overcome India's conventional superiority. Kidwai then upped the ante to recommend that in the next round, "retaliatory punishment should be so severe and unforgiving, directed at the heart of India's vulnerabilities, which are numerous, that India's dangerous strategy of imposing on Pakistan the BJP's policy of externalising India's internal politics is buried once and for all."

This is inflammatory and provocative language that has the potential for dangerous overreach. One should take the threat seriously.

Kidwai has interpreted India's development and deployment of sea-based ballistic missiles as a "destabilising" move. Rather than accept it as a second-strike capability aimed at responding to a first strike by an adversary, he is treating it as evidence that India is shifting away from NFU and preparing for a first strike.

He has warned that Pakistan would have to respond by developing its own sea-based strike capabilities in order to restore strategic stability in South Asia. One should expect Pakistan to seek Chinese assistance to help neutralise India's more advanced capabilities in this regard. The Babur-3 submarine-launched cruise missile has already been announced and the Ababeel MIRV (multiple independently targetable re-entry vehicles) system is under testing.

India should also examine the implications of the consolidation and centralisation of Pakistan's nuclear command and control structure. The NCA Act was amended earlier this year to create the post of Commander of the National Strategic Command, who will also advise the Commander of the Defence Forces, Field Marshal Syed Asim Munir.

Taken together, Kidwai's remarks and other developments presage a more assertive, even intemperate behaviour by Pakistan. While reinforcing its own deterrence capabilities, India should pursue political engagement with Pakistan that will create an opportunity to make a better assessment of the situation and explore confidence-building measures, even if they are of limited utility to begin with.

The nuclear and conventional balance is shifting in our region and beyond. We need a better compass to navigate a more challenging security terrain. Minimising the scope for misperception and misinterpretation of each other's intent is in mutual interest.

The writer is former Chairman, National Security Advisory Board

THOUGHT FOR THE DAY

"Our nuclear weapons are meant purely as a deterrent against nuclear adventure by an adversary. — Atal Bihari Vajpayee"

A thoughtful gesture for school kids

GOPAL KRISHAN SHARMA

RECENTLY, I boarded a long-route bus while travelling from my native village Aloh in Kangra district to Solan. The bus had designated stops for picking up and dropping off passengers. The driver scrupulously stuck to the schedule. However, when he saw some students of a government school standing by the roadside and waving to him, he stopped the bus and allowed them to board. They were also dropped at places other than the prescribed points. Such thoughtfulness for schoolchildren brought back memories of my school days in the late 1970s.

I was a Class-IX student at Government High School, Hatli. The campus was about 8 km from my home. The connecting road was unpaved, and the bus service operated for barely six months in a year.

My family faced a financial crunch, and even the daily bus fare was difficult to afford. In those days, student bus concession passes were issued through the regional manager's office at the district headquarters, which was over 40 km from my native village. Travelling to that office and bearing the expenses involved in obtaining the pass would have cost us more than the benefit it offered. Therefore, we did not make any attempt to obtain it.

When we needed to reach school early in the morning, we sometimes travelled by a bus plying between Tutroo and Una. One of its drivers, Gian Singh, was very considerate towards us. He allowed us to board the bus and instructed the conductor not to charge us for the ride.

One day, however, the conductor issued tickets to us. When Gian Singh came to know about it, he stopped the bus and confronted the conductor. He refused to drive any further until the money was returned to us. Taking a firm stand, he put his own job at stake to help schoolchildren who could barely afford their bus fare.

The considerable distance to the school, the bad road and the erratic bus service made our daily commute difficult, but the driver's support and cooperation made things a bit easier for us. We will always remain indebted to him.

Buses have prescribed routes and stops. However, making allowances for schoolchildren, particularly in rural areas, can make a big difference. For many kids, public transport is the only available means of reaching school.

Children are the future of the country, and ensuring their access to education is a collective responsibility. Perhaps buses should carry a message for drivers and passengers alike: "A Small Stop for You, A Big Step Towards Their Education."

The writer is ex-Asst Registrar, Maharaja Agrasen University, Baddi

LETTERS TO THE EDITOR

India needs more satellites

Refer to 'Booster shot for satellite navigation'; India's successful launch of NVS-03 marks a significant step towards strengthening its indigenous navigation system, NavIC (Navigation with Indian Constellation). The Kargil War highlighted the strategic risks of depending on foreign navigation systems, particularly when the US reportedly declined India's request for GPS-related information during the conflict. Despite setbacks caused by faulty imported atomic clocks and the failure of NVS-02, ISRO has made notable technological advances. NavIC can boost national security and benefit fishermen, farmers and the aviation sector. However, since one satellite cannot ensure reliability, India must expand its constellation to 10-15 satellites to achieve strategic autonomy and a robust navigation network.

CHANCHAL S MANN, UNA

Need inter-state rivers tribunal

Apropos of 'Punjab must revisit its water question'; in national interest, all inter-state rivers need to be nationalised and managed by a national council on the lines of the GST Council. Political parties ought to work together to undo the indecisiveness embedded in the Reorganisation Act. Obsolete provisions must be deleted for optimising national development instead of settling political scores. The writer aptly decries the stark contradiction between "being strongly Punjabi and strongly Indian".

LALIT BHARADWAJ, PANCHKULA

Display factory emission levels

Refer to 'Enforce pollution norms fairly'; on similar lines as AQI (air quality index) boards set up at major junctions across cities, factory emission levels in comparison with prescribed norms should also be displayed. Industrialisation does not necessarily mean pollution, as factories can operate within acceptable emission limits. Many heavily industrialised countries have successfully controlled pollution. The onus of preventing pollution should fall on all stakeholders — factory owners, farmers and the public.

GINISH SHARMA, BHIWANI

Give equal monetary benefits

Refer to 'Unequal gains'; despite breaking barriers in various sectors, women continue to face persistent gender disparities. Underpayment undermines the value of their skills and efficiency. Genuine recognition demands tangible progress in fair remuneration, equal pay, full access to institutional benefits and equal opportunities. True gender equality will remain an illusion until women's efforts are recognised through monetary benefits and professional rewards they rightfully deserve.

VIJAY LAXMI, AMRITSAR

Dignified standard of living

Refer to 'Poverty reduction'; statistics alone do not tell the whole story. India continues to face serious challenges of malnutrition, child stunting, unemployment, stagnant real wages and widening wealth inequality. Crossing the poverty line does not necessarily mean achieving economic security or a dignified standard of living. Credit for progress must also be shared across successive governments rather than claimed exclusively by any one political dispensation. The real measure of development is not merely how many people escape extreme poverty, but how many achieve decent employment, adequate nutrition and lasting economic security.

ADARSH KAUL, PATIALA

People's voice growing louder

The massive public gathering at Delhi's Ramlila Maidan on the call of the Congress party and INDIA bloc members shows that the voice of the people is much louder than the voice of political leaders in Parliament. When Parliament becomes a cage, democracy fights for itself in the street. Ramlila Maidan is not asking for a new party, it is asking for the restoration of trust. Not because the Opposition says so, but because people are asking for it. Democracy runs on vote; not on deletion of votes. It runs on people's voice, not on government's voice in a muted Parliament.

CAPT AMAR JEET (RETD), KHARAR

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**

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, WEDNESDAY, NOVEMBER 3, 1926

Sir O'Dwyer's article

THOSE who imagined that with the publication of his book on India, which in the judgment of most competent authorities was the most audacious misrepresentation of the country in our time and generation, Sir Michael O'Dwyer would rest on his oars, and would not take any further trouble to benefit an ungrateful nation were obviously mistaken. His is the higher type of benevolence which moves independently of gratitude or ingratitude in the receiver. That is why not a month, sometimes not a week, passes without his giving some tangible evidence that his love for India is just as strong and active as it was in the days when he made a famous speech in the Indian Legislative Council for which he had to apologise, or in the still more eventful days when he evolved a portentous rebellion out of his imagination to give Punjab some idea of his strength and the might of the government of which he was an agent. The latest manifestation of his love is in the shape of an article in the *Edinburgh Review* for October under the heading "Politics and Religion in India today," of which the Editor of the *Review* has courteously sent an advanced proof to us, presumably at the suggestion of Sir O'Dwyer himself. Every page, every paragraph, every line of this article breathes that great, if somewhat peculiar, love of India and that anxiety to serve her and help her forward on the road to that noblest of all goals of national endeavour, perpetual subjection, with which Sir O'Dwyer made us so familiar during his administration in this province, and especially its concluding part.

Myth of migrants and politics in Punjab



SHIWANI | HARINDER S HAPPY
PHD SCHOLARS, JNU

MIGRATION is a human urge driven by the pursuit of opportunities and ambitions. It has always been part of human history, and it is difficult for anyone to claim that their ancestors have lived in the exact place where they live today. Yet migration is also marked by paradoxes, as migrants' positionalities — regional, religious, caste-based and, of course, class-based — are frequently questioned. Anti-migrant sentiment is widespread across the world, often arising from the misgovernance of particular regions, yet the blame for the resulting problems is frequently placed on migrants.

To examine these claims, we investigated 15 villages and 30 urban wards across three districts of Punjab, selected because of their substantial migrant populations and the prevalence of such cases.

Accounts from two villages reveal a more disturbing reality. At Dagana Khurd village in Hoshiarpur district, where a migrant woman serves as the sarpanch, she is reportedly the only migrant in the entire village. Upon inquiry, we found that her own house is in the city and that her Aadhaar card was issued using a 'care of' address in the village. She is the de jure sarpanch as the seat was reserved for SC women.

However, the village's Jat leaders fielded their housemaid as the candidate, sidelining a local Dalit woman who was also a candidate. This is her second term, yet she has not been given any real authority. Instead, a Jat panchayat member acts as the de facto sarpanch and keeps the bank passbook, muster rolls and official stamp in her possession. The elected sarpanch is not involved in village development programmes or informed about meetings; she is reportedly misinformed deliberately.

A similar story emerges from Raowali village in Jalandhar district, where the sarpanch's seat was reserved for an SC candidate. A Jat landowner allegedly fielded his *siri* (bonded labourer) as a dummy candidate. Here, too, this Jat family has long dominated village politics, holding the sarpanch's position across multiple terms and exercising considerable influence over the selection of successive sarpanches.

The local SC candidate who contested against the migrant sarpanch filed a complaint with the Deputy Commissioner and the matter is before the Punjab and Haryana High Court. She has alleged that the Jat family arranged a fake SC certificate for the migrant sarpanch and he made a certificate of 'Adh-Dharmi' — a caste which is not there in the SC list of Chhattishgarh, her native state.



INDISPENSABLE : No major economic sector in Punjab can function without migrant labour. FILE PHOTO

These two cases reveal that the issue is not simply about migrants. Rather, it concerns caste hegemony, which has enabled migrants to become sarpanches under circumstances that undermine the representation of local Dalits. These cases also explain how the Jat dominant caste (Jats) perceive Dalits as difficult to control and view migrants as potential new subordinates.

This dynamic is also evident in agricultural labour relations and wage negotiations in villages where village Dalits are choosing not to work for local landowners and migrant labourers are replacing the traditional *siri-pali* system of farm labour, associated with relations of dependence and, in some cases, bonded labour.

> Dagana Khurd village's Jat leaders fielded their housemaid as the candidate, sidelining a local Dalit woman who was also a candidate.

These cases highlight the exclusion of marginalised communities and the hollowing out of their political representation at the village level.

Another popular misconception is that all migrants in Punjab are 'bhaiyas', meaning people from eastern Uttar Pradesh or Bihar. Our research found that people from across India migrate to Punjab for work. Jalandhar has a neighbourhood known as Qazi Mandi, referred to as a 'Madrasi mohalla', with a councillor of Tamil origin for a long time. There is also a Marathi Mohalla where migrants from Maharashtra, many of them Dalits belonging to the Mahar Buddhist community, reside.

While some migrant communities experience varying degrees of residential segregation and ghettoisation, many maintain good relations with Punjabis. Some have even established matrimonial ties with local families.

Similarly, substantial numbers of migrants come from West Bengal, Himachal Pradesh, Uttarakhand, Nepal, Rajasthan, Haryana, Madhya Pradesh, Gujarat, Chhattisgarh, western UP and J&K. But migrants from eastern UP and Bihar constitute the largest migrant groups.

Another misconception is that migrants in Punjab are primarily associated with the BJP. While the BJP has made greater efforts to engage with these communities through its Hindi-Hindu-Hindustan political framework, migrants' political ambitions and affiliations are not limited to the BJP.

Notably, Punjab's first Migrant Welfare Board was established by the then CM, Parkash Singh Badal, and some of the earlier municipal councillors from migrant backgrounds were elected with SAD support. The Badals have maintained relations with migrant leaders. These community leaders are commonly known as *pardhans* — unelected local leaders who represent particular mohallas. Many such *pardhans* are also associated with the Congress, the Aam Aadmi Party (AAP) and the left parties, holding positions within their respective party organisations.

In some cities, migrants contest municipal council elections, but they tend to win only in areas where migrant communities constitute a numerical majority.

Not surprisingly, migrants in Punjab also maintain connections with political parties in their states of origin. The Lok Janshakti Party (Ram Vilas) has an active presence in some urban areas of Punjab and its candidates have contested elections. Migrants have also contested elections under the RJD and the JD (U) banners.

Ludhiana has also seen the emergence of a party called the Purvanchal Vikas Party, though it is currently inactive.

As Punjab approaches the 2027 elections, the question of migrant voters is becoming important for political parties. Concerns raised by Punjabis about resources and governance cannot simply be dismissed. Punjab is grappling with agrarian and rural distress, environmental degradation, cultural shifts, a political vacuum and misgovernance. At the same time, migrants are equally entitled to rights, dignity and political participation.

Everyone we spoke to during our research agreed that no major economic sector in Punjab could function without migrant labour, including agriculture, industry, construction and street vending. Given the interests and concerns of both local residents and migrant communities, there is a need for policies developed through consultation with all stakeholders. This will address local concerns without scapegoating migrants to ensure that their rights and dignity are protected.

For full article, go to www.tribuneindia.com/opinion

Stent not for every blocked artery



CHANDRAKANT LAHARIYA
PHYSICIAN & FORMER WHO STAFF MEMBER

KERALAM Chief Minister VD Satheesan stirred a controversy recently when he called for a campaign against unnecessary angioplasty. He alleged that financial incentives, including commissions, could influence decisions to perform the procedure. The Indian Medical Association's state chapter objected that such generalisations could undermine public trust in doctors. A Kozhikode Medical College cardiologist supported his concern.

Both sides have a point. Emergency angioplasty during a heart attack saves lives and public distrust must never delay treatment. Anyone experiencing possible heart attack symptoms should seek emergency hospital care immediately. But what about angioplasty performed and stents inserted on patients whose heart disease is stable?

The concern about unnecessary procedures is neither imaginary nor confined to India. Science offers answers about when angioplasty helps. Consider a patient undergoing a routine examination who is told: "You have 70 per cent blockage in a coronary artery. We must insert a stent immediately." The patient, understandably frightened, agrees. But does the narrowing itself justify intervention? Not necessarily.

Opening a narrowed artery can improve blood flow, but it does not automatically prevent a future heart attack or extend life. There is, however, an essential qualification. These trials concern stable coronary disease, not heart attacks or unstable angina. Important exclusions included significant left-main disease, severely impaired pumping function and unacceptable chest pain. These exceptions matter.

Angioplasty, however, has some role in relieving persistent angina. The angioplasty should be recognised as distinct process of bypass surgery, which offers survival benefits for selected patients, including some with complex multivessel disease, diabetes or impaired heart function.

> Angioplasty saves lives during heart attacks, but in stable heart disease, medicines and lifestyle changes often work just as well.

The message is not that stents are useless. It is that in stable disease, medication, lifestyle modification and careful clinical assessment should generally precede intervention, which are needed in smaller proportion.

Another widespread misunderstanding concerns the relationship between arterial blockage and heart attack risk. The degree of narrowing does not directly predict where the next heart attack will occur. Protecting overall cardiovascular health matters more than mechanically correcting every visible narrowing.

Also, popularity of coronary artery calcium (CAC) is growing. This CT scan measures calcified plaque to help estimate future cardiovascular risk. A zero score generally indicates lower risk, but does not exclude disease. Higher scores may strengthen the case for preventive measures, including cholesterol and blood pressure control, exercise and healthier diets. They do not automatically justify angiography or stenting.

CAC scoring's interpretation varies with age, symptoms and existing treatment; statins can also increase plaque calcification without necessarily increasing danger. It is not recommended for people younger than 30 and older than 70 years. Commercial heart-health packages may then turn a risk assessment into a cascade of investigations, anxiety and unnecessary interventions, with little clinical benefit.

For full article, go to www.tribuneindia.com/opinion

Hill states don't need concrete



KOMAL KARWA
PUBLIC POLICY RESEARCHER

FOR decades, the standard response of policymakers to catastrophic mountain disasters has followed a familiar pattern. An unprecedented flashflood or hillside collapse strikes an inhabited valley, emergency teams are sent in, compensation is paid, and committees are appointed to examine the geology. Once the silt has settled and national attention has moved on, the heavy machinery returns to the slopes, cutting deeper tunnels and pouring more concrete into narrow gorges.

This year has shown how costly that cycle has become. Between June and early September, the monsoon left 261 people dead in Himachal Pradesh in rain-related disasters and road accidents, with damage estimated at Rs 1,202 crore. In late August, a glacier-linked debris flow tore through Nepal's Bhote Koshi valley, damaging a key highway to China and the Rasuwagadhi border post, according to preliminary reports. The approach is no longer merely careless; it has become unsustainable.

The scientific position is clear. Asia is warming at twice the global average, and in the high Himalayas that warming is turning the permafrost that once held the rock together into loose, unstable material. When surface meltwater cuts vertical shafts through glaciers, it gathers at the bedrock, lubricating large ice masses and sending them crashing into confined river canyons. No retaining wall that human engineering can construct is strong enough to hold back an entire mountainside once its thermal foundation has failed.

Treating high-altitude ecosystems as mechanical corridors for electricity transmission ignores the basic fact that a broken mountain cannot be repaired by a corporate balance sheet. Stopping megadams alone will not stabilise the Himalayas if policy continues to overlook the demand side of the mountain economy.

A fair objection is that hill states themselves often champion these projects. Hydropower royalties and tourism are among the few large sources of income they have, and elected governments in Shimla and Dehradun cannot be expected to give them up for nothing.

> No retaining wall is strong enough to hold back an entire mountainside once its thermal foundation has failed.

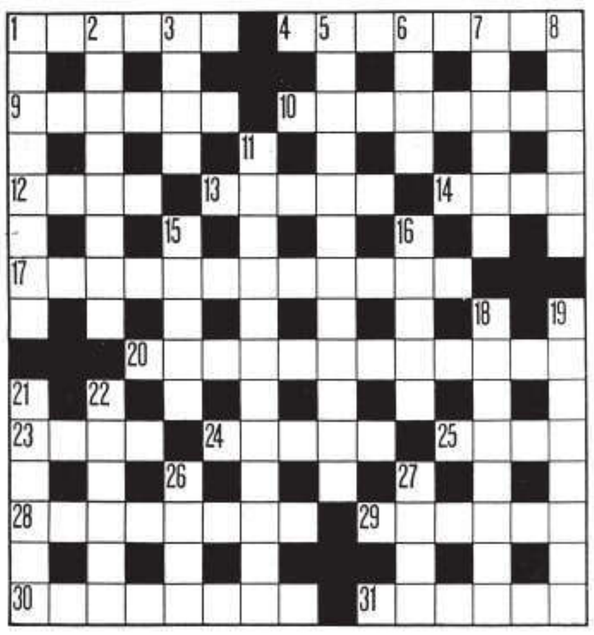
That is precisely the point. As long as destruction pays and conservation does not, the incentives will keep pointing towards the next tunnel and the next hotel.

If the Himalayan belt is not to become an uninhabitable hazard zone, governance must move beyond engineering prohibitions and establish genuine ecological federalism. Mountain states cannot simply be told to stop development while being left without a workable fiscal alternative. The Finance Commission gives forest cover a 10% weight in tax devolution, and the 16th Finance Commission has kept that weight while rewarding states that expand their forests. But the formula still largely rewards standing forest, and Uttarakhand, whose cover dipped slightly, receives nothing from the new performance pool.

The Union government should go further and create a dedicated ecological services dividend, channelled through Finance Commission allocations, that compensates hill regions for maintaining their forests, glacial reserves and river catchments for the benefit of the rest of the subcontinent. Once mountain states receive steady public revenue for ecological conservation rather than resource extraction, the administrative incentive to approve dangerous projects will weaken.

For full article, go to www.tribuneindia.com/opinion

QUICK CROSSWORD



ACROSS
1 Uprising (6)
4 To a certain extent (2,1,5)
9 Swamp (6)
10 Vulgarity (3,5)
12 Raised platform (4)
13 Raid (5)
14 Fiasco (4)
17 Noble (12)
20 With total devotion (5,3,4)
23 Genuine (4)
24 Large stringed instrument (5)
25 Cunning (4)
28 Put up with (8)
29 Deep blue (6)
30 Obliquely (8)
31 Ill humour (6)

DOWN
1 Designed to cure (8)
2 Eastern US state (8)
3 Hit with whip (4)
5 Twin Canadian-US cities (7,5)
6 Locate (4)
7 Lie snugly (6)
8 Freed from liability (6)
11 Simultaneously (12)
15 Give expression to (5)
16 A language of India (5)
18 Absolutely convinced (8)
19 Minimise importance of (4,4)
21 Free of charge (6)
22 Legendary (6)
26 Forehead (4)
27 Speak sharply (4)

Yesterday's Solution

Across: 1 Crawl, 4 Careful, 8 Asp, 9 Chauffeur, 10 Chablis, 11 Alike, 13 Resume, 15 Unfair, 18 Salon, 19 Acclaim, 21 Rigmarole, 23 War, 24 Engrave, 25 Maybe.

Down: 1 Chaucer, 2 Appraisal, 3 Local, 4 Clause, 5 Refrain, 6 Fee, 7 Large, 12 In a bad way, 14 Montana, 16 Remorse, 17 Parole, 18 Surge, 20 Cream, 22 Gag.

SU DO KU

			9			1		3
4			7					
	8					9	4	
3					8		7	
			4	2	9			
	4		1					9
	3	5					6	
					4			8
2		4			6			

V.HARD

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YESTERDAY'S SOLUTION

5	4	8	1	6	2	9	3	7
6	9	1	3	8	7	2	5	4
7	3	2	5	4	9	6	8	1
9	5	6	4	3	1	7	2	8
4	1	3	7	2	8	5	9	6
2	8	7	6	9	5	4	1	3
8	6	9	2	7	3	1	4	5
3	7	5	9	1	4	8	6	2
1	2	4	8	5	6	3	7	9

CALENDAR

NOVEMBER 3, 2026, TUESDAY

Shaka Samvat	1948
Kartik Shaka	12
Kartik Parvishte	18
Hijari	1448
Krishna Paksha Tithi 9, up to 11:55 am	
Shukla Yoga up to 9:54 am	
Magha Nakshatra up to 3:27 am	
Moon in Leo sign	
Gandmoola up to 3:27 am	

FORECAST

SUNSET: TUESDAY 17:34 HRS
SUNRISE: WEDNESDAY 06:38 HRS

CITY	MAX	MIN
Chandigarh	31	16
New Delhi	29	16
Amritsar	29	16
Bathinda	32	14
Jalandhar	29	15
Ludhiana	30	15
Bhiwani	31	15
Hisar	31	17
Sirsa	30	17
Dharamsala	26	14
Manali	21	05
Shimla	21	12
Srinagar	19	05
Jammu	27	17
Kargil	15	–01
Leh	11	–03
Dehradun	29	16
Mussoorie	23	12

TEMPERATURE IN °C

The Statesman
Incorporating and directly descended from the Friends of India -founded 1818

Optics and substance

The INDIA bloc's rally at Delhi's Ramlila Maidan on November 1 was more than a protest demanding Chief Election Commissioner Gyanesh Kumar's resignation. It was an attempt to turn the controversy over electoral-roll revision into a national political issue and demonstrate that opposition parties could mobilise together. The BJP's counter-demonstration showed that it, too, understood the importance of controlling the day's political narrative.

The presence of Rahul Gandhi, Sonia Gandhi, Mallikarjun Kharge, Mamata Banerjee, Akhilesh Yadav and other opposition leaders lent the gathering considerable political weight. Their unity should not be underestimated. The INDIA bloc comprises parties with competing interests, particularly in states where they contest against one another. Sharing a platform does not resolve those differences, but it demonstrates that a common grievance can temporarily overcome them. Whether that cooperation survives the immediate controversy remains uncertain.

The turnout gave the protest a significance that extended beyond the leaders on the platform. Ramlila Maidan was packed with people, while tens of thousands of other enthusiasts, including Delhi residents and visitors from neighbouring states, thronged the capital's streets and the approach roads to the venue. Many could not enter the overcrowded ground and had to remain outside. The gathering's scale demonstrated a capacity for mobilisation that the opposition will hope to translate into wider public engagement.

Numbers alone, however, cannot establish how far the protest's message resonates beyond those who attended. The dispute concerns the Special Intensive Revision of electoral rolls, which has resulted in more than 130 million names being removed from draft lists. The Election Commission says the exercise is intended to eliminate duplicate entries and the names of deceased, relocated or otherwise ineligible voters. The opposition fears that eligible citizens may also be excluded and alleges that the process could benefit the BJP.

The scale of the exercise demands transparent procedures, accessible appeals and credible explanations. Reports of disagreements among election commissioners over aspects of the revision have added to public concern. The Commission cannot restore confidence merely by asserting that its processes are sound; it must demonstrate that errors can be identified and corrected. The BJP sought to redirect attention by organising a march invoking the 1984 anti-Sikh violence and demanding an apology from the Congress. The victims' suffering and the demand for justice remain legitimate subjects of public scrutiny. But Congress's historical responsibility and the present controversy over electoral rolls are separate questions. Remembering one injustice does not settle another.

The opposition's opportunity lies in converting mobilisation into sustained scrutiny, documenting wrongful exclusions and demanding remedies. The Election Commission, meanwhile, must show that every eligible citizen's right to vote is protected. Sunday's contest produced no conclusive victor. The INDIA bloc demonstrated its capacity to unite; the BJP showed that it would contest the narrative. The decisive test will be whether the political spectacle leads to verifiable answers. Electoral confidence cannot be secured by competing rallies or slogans. It depends on institutions that can explain their decisions, correct their mistakes and command public trust.

Monetary tightrope

The Federal Reserve's decision to leave interest rates unchanged exposes the dilemma confronting the US economy: inflation remains uncomfortably high, yet further monetary tightening could weaken growth and employment. With midterm elections approaching, the stakes extend beyond economic management. The cost of living, borrowing costs and public perceptions of economic competence have become inseparable from the political fortunes of the administration. The decision to maintain the federal funds rate at 3.75-4 per cent does not signal that the battle against inflation has been won. Rather, it reflects uncertainty about how much additional restraint the economy requires. After raising rates in September for the first time in three years, the Fed is waiting to assess the effects before deciding whether another increase is necessary. Monetary policy operates with a lag: changes in borrowing costs take time to influence consumption, investment, employment and prices.

The difficulty is that neither course is without risk. Raising rates could suppress demand, make mortgages and business loans more expensive, and discourage investment. Holding rates steady for too long, however, could allow inflationary pressures to become entrenched. Households already struggling with elevated prices would then face the prospect of a prolonged squeeze on purchasing power. A premature reduction in rates might provide temporary relief to borrowers but ultimately require more aggressive action if inflation surges. The disagreement within the Federal Open Market Committee underlines the uncertainty. Two of its 12 members favoured another increase, suggesting that some policymakers believe the danger of persistent inflation outweighs the risks of additional tightening. Their position cannot simply be dismissed as excessive caution. Equally, the majority's preference for a pause reflects the need to avoid tightening monetary conditions beyond what is necessary.

The political calendar makes the decision particularly sensitive. President Donald Trump has a direct interest in economic conditions shaping voters' choices in the midterm elections. High prices can erode public confidence even when inflation is slowing, because disinflation means prices are rising more slowly, not that they are returning to earlier levels. Lower interest rates would ease some borrowing costs, but they would not reverse the accumulated increase in the cost of living.

This creates an institutional test for the Fed. Its credibility depends on making decisions according to its economic objectives rather than the administration's electoral interests. Political pressure for cheaper credit cannot eliminate the underlying causes of inflation, just as higher rates cannot resolve every supply-side constraint or structural weakness in the economy.

The Fed has therefore chosen caution, not certainty. Its next move will depend on whether incoming data demonstrate that inflation is easing sustainably without an unacceptable loss of economic momentum. Neither another increase nor an eventual reduction should be ruled out. The real test is whether the central bank can restore price stability without inflicting unnecessary economic damage. With inflation still unresolved, political demands for immediate relief cannot substitute for that judgement.

AI in public service

AI should strengthen the public servant's ability to serve. It should not become a wall between the citizen and the person responsible for helping them. The citizen with the folder of papers should not have to understand artificial intelligence. She should be able to ask a question, receive a clear answer and know what to do next



A citizen visits an office to ask about a pension. She carries her papers in a plastic folder. She has made the journey before. One document is missing. She is told to come again. This is not a failure of technology at all. It's a failure of a system that simply isn't designed to be easy to reach. Public service is all about the small things really. A form you understand. A call you return. A file you find. A problem you take seriously. They don't make the news. But they're what actually make up the experience of the state. Artificial intelligence may help us improve these encounters. It can sort information, translate languages, identify patterns, and reduce repetitive work. It can help public systems see needs sooner and respond faster.

But technology cannot decide what good public service means. We must decide that first. AI's possible uses in India are wide. In health, it could help organise records, flag risks for a doctor to review and guide patients towards the right service. In agriculture, it could bring local crop advice and pest or weather alerts closer to farmers. In education, it could help teachers prepare learning material and identify where students may need support.

It could make welfare schemes easier to navigate. It could help a person understand what documents are needed, check an application's progress or find the right office for a grievance. In courts and government departments, it could organise records and help staff manage voluminous files.

In cities, it could help plan transport and maintenance. In disaster response, it could help bring together information about weather, roads and vulnerable communities. These are not promises of a machine that can replace a doctor, teacher, field officer or public servant. They are possibilities for helping people who already carry too much work.

The distinction matters. A system that helps a health worker find a relevant record can be useful. A system that makes a diagnosis without proper clinical oversight is a different proposition. An AI tool may help sort applications. It should not quietly become the final authority on who deserves support.

There is another risk. People may begin to treat a computer-generated answer as neutral simply because it looks precise. An official who sees a risk score or eligibility flag may defer to it, even when the underlying information is incomplete. Human oversight must therefore mean more than a person being present in the process. That person needs the authority, time and information to question the system. India does not need thousands of isolated experiments that cannot speak to one another. We need useful capabilities that can travel across departments and states, while still adapting to local needs.

Language is one place to begin. A person should be able to ask a question about a public service in the language they use at home, by voice if necessary, and receive an answer they can understand. A frontline worker should be able to translate a notice, find guidance or prepare a routine response without spending hours on it.

There is value, too, in helping the state anticipate rather than only react. Earlier warnings about a disease outbreak, a pest attack or a flood can matter more than a faster report after the damage is done. Better forecasting can help officials prepare staff, medicines, supplies and relief. The government has reported identifying 762 AI problem statements across 62 ministries and departments. That is a striking measure of interest. It also raises a more important question: which of these problems should AI actually solve, and how will we know if people are better served as a result?

The first test should be simple. Does the tool reduce a person's effort? Does it help a public servant do their work better? Does it make a service more reliable? If it only produces a new dashboard, or shifts the burden from one office to the citizen, it has not solved the problem.

The greatest gains may come from shared tools for translation, routine queries, document sorting and early warnings. These can support many services at once. But sharing a tool should not mean using the same design everywhere.

A model that works in a city hospital may need different testing before it is used in a rural clinic. National scale should make useful services easier to extend; it should not erase local differences.

AI depends on information. Public information is often scattered across offices, held in different formats or missing important details. A system trained on poor records may produce a confident answer that is still wrong. Data is not a neutral mirror of society. It can carry the gaps and assumptions of the systems that created it.

If some communities are less likely to appear in official records, an AI system may learn less about their needs. If past decisions reflect unequal treatment, a model can repeat those patterns while making them harder to see. Testing should ask not only whether a tool works overall, but also whether it works for people across regions, languages and social groups.

India's scale is also its challenge. A tool that works in a city may fail in a rural district. An interface designed for a smartphone may not help someone without reliable internet access. A model that understands standard Hindi or English may misunderstand a dialect, a name or a local expression.

There are practical barriers inside government as well. Departments need staff who can assess new tools, manage contracts and notice when a system is failing. They need budgets for maintenance and training, not only the initial launch. If every department depends on a different vendor, government may struggle to compare systems, fix errors or move to a better provider.

Contracts matter because public agencies may not be able to inspect a system built by a private vendor. They should know what data a tool uses, what it is designed to do, how its performance will be checked and how it can be corrected or replaced. Public responsibility cannot disappear into a vendor agreement.



SAYALI GAIKWAD

The writer is Assistant Director, Ministry of Corporate Affairs. Views are personal

There is also the risk of treating AI as a shortcut for deeper administrative problems. A model cannot repair an unclear process, a vacant post or a grievance system that does not respond. It can even make a bad process harder to question by hiding it behind a technical answer. And when a system is wrong, the person affected may not know where to turn. A family wrongly marked ineligible for a benefit cannot be comforted by being told that the software made the decision. India has taken steps to set the rules for data use and AI.

The Digital Personal Data Protection Act, 2023, and the DPDP Rules, 2025, establish a framework for digital personal data. MeitY's India AI Governance Guidelines, released in November 2025, set out principles and recommendations for responsible AI, while calling for a review of regulatory gaps and legal changes where needed. These are important steps.

But data protection alone cannot answer every question raised when an AI system influences a public decision. Nor does a general set of principles, by itself, tell each department what it must disclose, test or do when a system harms someone. If a person's access to a benefit, a licence or an essential service is affected, will they be told that AI played a role? Can they understand the reasons? Can they correct the information behind the decision? Can they speak to a human being with authority to review it?

And if harm occurs, who is answerable: the department that used the tool, the vendor that built it, or the official who relied on its output? These questions cannot be left to a contract or a help page. They concern fairness, dignity and the basic relationship between a citizen and the state. Rules for procurement should require public bodies to know what systems they are buying, what data they use and how their performance is checked. High-impact uses should face stronger testing and independent review. People need a clear route to challenge mistakes.

A useful way forward may be a common set of safeguards across government, with additional rules for sectors where the risks are different. A system used to translate a public notice does not raise the same concerns as one used to influence access to welfare, policing or healthcare. The law and oversight should reflect that difference. The difficult question is how to make responsibility and remedies clear when several actors - department, developer, data provider and official - have shaped the result.

The best way to bring AI into public service is to begin with the problem, not the technology. Ask citizens and frontline workers what makes a service difficult to access. Test a tool in the settings where it will actually be used. Include people who speak different languages and have different levels of digital access. Measure whether the tool reduces delays and wrongful exclusions, not just how many tasks it completes.

Other governments have made some of these checks part of the process. Canada requires departments to assess the likely impact of automated decision systems before they are put into production, publish the assessment and monitor outcomes. The UK's Algorithmic Transparency Recording Standard gives public bodies a common format to explain what algorithmic tools they use and why.

Under the EU AI Act, certain public bodies deploying high-risk AI systems must assess potential effects on people's fundamental rights before use. These practices offer India practical ideas: assess risks early, make public use visible and review high-impact systems before and after deployment.

Some uses can be introduced more widely, such as translation, record organisation and routine service information. Other uses require much greater care, especially where the outcome can affect a person's rights, livelihood or access to support. In those cases, an official must remain responsible and the decision must be open to review.

AI should strengthen the public servant's ability to serve. It should not become a wall between the citizen and the person responsible for helping them. The citizen with the folder of papers should not have to understand artificial intelligence. She should be able to ask a question, receive a clear answer and know what to do next.

If the system gets something wrong, she should be able to correct it. That is the promise worth pursuing. Not a state that uses AI everywhere, but one that listens better, responds sooner and remains answerable to the people it serves.

The Jakarta Post

Decolonization and the geopolitics of legitimacy

When the United Nations was founded in 1945, the global map was dominated by the sprawling colors of imperial rule. Dozens of territories remained subjugated, stripped of self-governance and integrated into extractive metropolitan economies. In response to this systemic marginalization, the UN established a clear moral, political, and legal imperative: decolonization. Through historic milestones such as UN General Assembly Resolution 1514 (XV) of 1960 ~ the Declaration on the Granting of Independence to Colonial Countries and Peoples ~ a sweeping wave of self-determination reshaped the geopolitical landscape, dismantling classical empires and birthing scores of newly sovereign states. Yet, as critical scholars of international relations and postcolonial theory frequently argue, history is rarely linear or neatly concluded. The legal termination of formal colonial administration did not automatically erase the deep structural inequalities, epistemological hierarchies, and geopolitical contestations embedded within the international system. Today, the remnants of that historical architecture have narrowed to 17 territories remaining on the Non-Self-Governing Territories (NSGT) list under the purview of the UN Special Political and Decolonization Committee (Fourth Committee). I recently participated in the Fourth Committee session as a petitioner at UN Headquarters in New York. The proceedings once again underscored the profound complexities of territorial disputes while offering a sobering lesson in the fragility of procedural discipline and multilateral norms.

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PERSONAL

In fond Memory of **Anjali Bose**, who left us for her heavenly abode on 03-11-2021. Her presence in our lives was full of enjoyment, experience and respect for dignity and values. Her absence felt in every passing moment. Remembered with love by Bulu, Bachchu, Jhuma, Seshadri, Jaideep, Asmita, Tupur, Indranuj, Pikai, Arka, Jayatri, Antu, Dolly, Gadai, Shibani, Saibal, Sumana, Ipsita, Amit, Simanti, Soubhik, Chhaya, Mou, Anu, Shampa, Bapan, Rita, Kurchi, Rina, Tapati and a host of relatives and friends.

Letters To The Editor | editor@thestatesman.com

A lesson

Sir, Apropos the report 'MLC poll results show mixed verdict, Cong draws a blank' published today, these results reflect a significant and compelling shift in voter dynamics. The wipeout of the ruling Congress in Karnataka's Legislative Council polls highlights growing anti-incumbency and discontent among educated voters, teachers, and graduates.

Securing zero seats in a state where it holds power should serve as a strong wake-up call for the party leadership to re-evaluate its governance and poll strategies.

On the other hand, the BJP's defeat in Varanasi ~ the Prime Minister's parliamentary constituency ~ demonstrates that traditional strongholds can no longer be taken for granted. Local voter expectations and grassroots issues are increasingly taking precedence over national party rhetoric.

Together, these contrasting outcomes prove that Indian voters prioritize accountability and performance over political dominance. Political parties must take these council verdicts seriously and realign their priorities to address local public concerns effectively.

Yours, etc., Sanjay Chopra,
Mohali, 29 October.

51st state

Sir, Donald Trump mooted Venezuela as the 51st US state at a rally yesterday: a notion drawn from old imperial instincts. Canada was offered the same choice and Greenland was worth acquiring, even by force. Kings and emperors of yore conquered for territory, treasure and glory. Most of them would destroy, few could build.

America itself is no stranger to territorial acquisition. It bought Louisiana from France, Florida from Spain and Alaska from Russia in the 1800s. Texas joined through annexation, while much of the Southwest came through war and ceding of territory by Mexico. Expansionism is etched in American history.

In this emancipated age, when climate change respects no borders and AI threatens to redraw the human equilibrium, the vitally needed strategy for global well being is being mislaid on redrawing maps. The next frontier for true progress is not Mars but the hunt for real estate among sovereign earth nations.

A merger here, an acquisition there, a hostile takeover ~ the language of corporate boardrooms is acquiring imperial tones. The world's dire challenges today call for a coalition of differences, not blind hegemony over consolidation of territory.



But in this new age of hubris and runaway ambitions, the travesty of greatness would lie in how much of the globe one alone can claim, while the planet itself struggles for survival. The world desperately needs leaders with sagacity and vision, not abject short sightedness.

Yours, etc., R Narayanan,
Navi Mumbai, 28 October.

The games China plays

HARSHA KAKAR

The statement by the ITBP chief, Shatrujeet Kapur, on standoffs since July this year in Asaphila and Taksing in Upper Subansiri district of Arunachal Pradesh, opened the doors for targeting the government on its ties with China. Kapur's intent was to praise the functioning of newly raised Shaurya Platoons in the ITBP. The fact that these standoffs were on during the visit of President Xi Jinping to India in September this year for the BRICS summit added to the discomfort of the ruling dispensation.

Simultaneously, China has been pushing fake narratives and videos seeking to discredit the Indian armed forces and the current government, and cause a divide between the public and the army. The Indian Army's fact-checking account has been debunking these fake videos. China's policy of issuing stapled visas for residents of Arunachal continues, which is its way of claiming that people from these regions are not from India.

In the recent past, both India and China have renamed places in Arunachal Pradesh, which Beijing refers to as Zangnan or South Tibet. China releases Mandarin names for select locations in Arunachal which have no link to history or reality as Arunachal was never directly governed by Lhasa. This is being done to add to their narrative as part of their three-warfare strategy. When questioned on it, their spokesperson mentions, "It is entirely within China's sovereignty to standardise names of some places."

As a counter, India released historical names for 27 places and geographical features in Arunachal on its Survey of India maps, to which the Chinese retorted stating the action was 'illegal, null and void.' The Chinese response implied it had never expected India to counter them. Not that Beijing's objections matter to New Delhi. The message from India was clear, it will respond in a similar manner to all Chinese actions. The same is the case with standoffs.

Standoffs have been a regular feature along the Line of Actual Control (LAC). Rarely have there been physical clashes. Some have been resolved within a short timeframe, while others have lingered. Patrols from both sides are tasked to monitor select points along their claim lines. As the LAC remains un-demarcated and disputed, claim lines overlap. There are occasions when opposing patrols reach their planned points simultaneously. Also, when intelligence inputs of an opposing patrol entering one's own claimed area is received, troops move to block them. Both these circumstances lead to standoffs.

Troops from both sides dig in and hold their positions, before mutually withdrawing after discussions. As infrastructure develops and technology is inducted in a big way, standoffs are likely to increase as movement of the adversary is detected in advance and troops move rapidly to block them.

It is to prevent infrastructure from being built, which could enhance connectivity, defence preparedness and speed up Indian reactions, that China imposes India-specific export restrictions for equipment such as tunnel boring machines, walking excavators and plateau-type wet shotcrete machines, all of which are essential for developing infrastructure in mountainous border regions.

The MEA spokesperson, in a very mature statement over the standoff, mentioned, "the situation in the India-China border areas gets disturbed from time to time when Chinese forces diverge from established patrolling patterns." He added, "Both sides continue to use existing diplomatic and military mechanisms to resolve outstanding issues and avoid misunderstanding and miscalculation along the LAC." He also reiterated the government's position which is that "maintenance of peace and tranquillity in border areas is essential for the overall development of bilateral relations."

The Chinese, on the other hand, attempted to justify their actions while blaming India, which is nothing new. The Chinese spokesperson, Guo Jiakun, said that the PLA "strictly abides by relevant agreements and important understandings between the two countries, conducts routine patrols and management activities in border areas to safeguard territorial sovereignty and border stability." If China did so, such incidents would never occur.

The Global Times, the Chinese government mouthpiece, published an editorial mentioning that the Indian statement was 'unsubstantiated' and more for 'domestic political considerations.' It also mentioned that both sides "should continue to rely on established diplomatic and military communication mechanisms to manage differences."

The Chinese have always adopted a policy of denial for their actions, while blaming India for any incident. They even hold India responsible for the clash at Galwan, whereas the reverse is true. All standoffs have occurred due to actions by Chinese troops, rarely by Indian patrols. Their fear over India enhancing its infrastructure is such that it bans export of equipment needed for the same. This is the same China which claims it is competing with the US over military power; however, it fears a rising India.

China is aware of Indian military power, which is being enhanced to



counter any future misadventure on their part. It would avoid taking any action which could escalate into an enlarged conflict. It prefers standoffs, which are localized incidents, well below the level of hostilities, and aimed at keeping its claim lines alive. Troops though armed do not employ weapons as they are banned under earlier agreements.

Added to its actions on the ground are the release of fake narratives and videos, pushed by a Pakistan-China nexus and exploited by the anti-government lobby in India. In an era of social media, each incident is blown up as part of psychological operations launched by Chinese handles, generally located outside their mainland.

The most common theme witnessed in every case is loss of territory for India, whereas it has never been so. Intrusions are always temporary. Secondly, the government and armed forces are blamed for failing in their responsibility of ensuring territorial integrity. Thirdly, India's alliances in the West, mainly with the US, are valueless and finally, China is too powerful to be challenged. In recent days they have added two new subjects, which are Pakistan-China collusion, especially since their recently concluded joint exercise termed as Karakoram 2026 and Bangladesh's tilt towards China.

The end result of each standoff, no matter how small, and its accompanying information warfare actions, supports Chinese viewpoints, while the Indian government is questioned on imaginary failures. On the contrary, it is the Indian Army which comes out on top, preventing the PLA from gaining any foothold. It is time the government concentrates on educating the common man on Chinese intent, while exposing their fake supporters in India.

The writer is a retired Major-General of the Indian Army.

Every delay is not a default

THAJASWINI C B AND ADHIRAJ SAHGAL

When the Supreme Court set aside a Rs 71.29 lakh penalty against Saudi Arabian Airlines recently, it settled far more than an old dispute over a tax collected between 1994 and 1997. In its recent ruling in the case of Saudi Arabian Airlines v. the Union of India, the Court drew a clear line between two ideas that fiscal authorities have often treated as one and the same; failure to pay tax and a delay in making such payments. The ruling is a timely reminder that a modest, explainable delay need not be met with the same severity as a deliberate default.

In this case, the court was involved in the interpretation of section 38 of the Finance Act, 1979. Under Section 35 of the Finance Act, 1979, Saudi Arabian Airlines was required to collect Foreign Travel Tax (FTT) from outbound international passengers and deposit it with the government treasury within the time fixed by the Foreign Travel Tax Rules, 1979. The appellant airline collected the tax from passengers in six separate instances and delayed depositing the collected amounts with the government treasury, ranging from a single day to sixty-three days.

In five out of six cases, the demand draft was purchased well before the due date, but security restrictions and bank processing delays slowed the process, and the amounts were deposited late. The adjudicating authority, the appellate authority and eventually the Bombay High Court each treated this delay as equivalent to an outright "failure to pay" under Section 38(3) of the Act, which prescribes a minimum penalty of one-fifth of the tax due.

The core of the Supreme Court's reasoning is a matter of careful statutory reading. The Court held that in the statutory context of Section 38(3), 'failure to pay' denotes non-payment and does not extend to a deposit that was made late. Where tax is paid even belatedly, the applicable provision is Section 38(4) read with the penalty framework under the 1979 Rules, which addresses procedural breaches rather than non-payment itself.

The apex court went beyond legal clarification and asserted the importance of discretion within the adjudicatory processes involved. The authorities at the lower level had argued that the moment a deadline is breached, the imposition of a penalty becomes an automatic and mandatory consequence, relying solely on the word "shall" in section 38.

The Supreme Court, however, placed reliance on the principle laid down in the case of Hindustan Steel Ltd. v. State of Orissa (1972) and held that a prescribed minimum penalty does not remove an adjudicating officer's discretion to consider whether a breach was technical or bona fide. Penalty proceedings under a fiscal statute remain quasi-criminal in nature and officers exercising this power are expected to weigh intent and circumstance rather than apply a fixed formula. Rule 4 of the 1979 Rules already gave the authorities room to condone a genuine and explained delay of this kind.

Perhaps an important aspect of this judgment is its invocation of the doctrine against ***reformatio in peius***, which means that a person who exercises a lawful right to appeal must not end up worse off for having done so. The airline's penalty rose from Rs 12,000 to over Rs 71 lakh after it challenged the original order and the matter was sent back for fresh adjudication. The Supreme Court held this to be a breach of fair procedure and natural justice, and directed a full refund of any penalty paid along with 9 per cent interest within three months, along with discharge of the airline's bank guarantee.

Although this ruling might appear as a narrow victory for an airline in a prolonged dispute, its true significance extends beyond that. Like many service industries, aviation relies on banks, couriers and clearance processes that can sometimes be delayed. A framework that distinguishes between a genuine isolated mistake and a deliberate

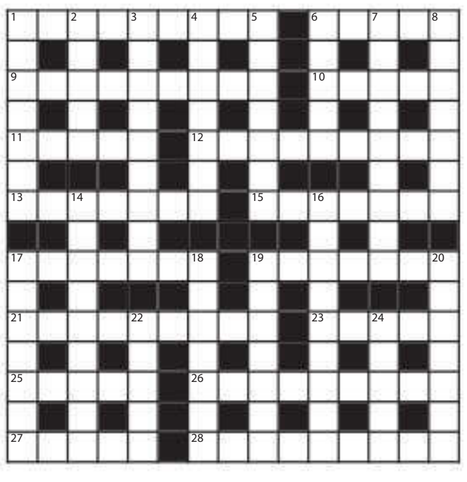


default helps ensure compliance stays strong where needed without escalating minor operational issues into financial crises, thereby protecting both the business and its customers from bearing unnecessary costs.

This judgment offers a subtle reassurance that discretion and fairness remain essential in applying tax law. It assures that businesses acting in good faith should not fear that honest delays are seen as dishonesty. In an economy that increasingly values ease of doing business, this message is relevant beyond the aviation sector. Its significance is not to endorse delayed compliance, but to serve as guidance that enforcement should adhere closely to the statutory language.

The writers are, respectively, an Advocate, practising before the Supreme Court of India, Madras and Delhi High Courts, and a law student at National University of Studies and Research in Law, Ranchi.

Crossword | No. 293625



Yesterday's Solution



ACROSS

1 Save dose if arm wobbles about (5,4)
6 Wanting bit of rumpy-pumpy? Pester Mark! (5)
9 Logic helping the French to accept answer (9)
10 Dope and rests taken regularly can be a help (5)
11 City were ahead, flipping Hearts pitiful essentially (5)
12 English staff in a foreign capital's airfield (9)
13 Outgoing old coppers brought into hearing (7)
15 Stop heroin without husband's support (7)
17 Top record in the charts by foremost of tenors (7)
19 Parents down, having half usual amount of energy (7)
21 Big cheese in cafe hit, surprisingly (9)
23 Her Maj put on crown for a bit of a laugh (5)
25 Boredom leads to earl's now nightly upper intake (5)
26 A shot sunk in a single stroke (4,2,3)
27 Want to get rid of bit of dirty mud? (5)
28 Sorry Republican felt urge for revolution! (9)

DOWN

1 A spanner or clip? (7)
2 Dope popular with half-cut teller (5)
3 I'm one mixed up with a lot of passion (9)
4 Absolute ecstasy drinking a large cask-fermented beer (4,3)
5 One known to question seriousness of court official? (7)
6 Flat British countryside (5)
7 Conversation is crude so must be changed (9)
8 Most violent end (7)
14 Old sort of French-style boarding house on Exeter's outskirts (9)
16 Police officer in bust making fellow tense initially (9)
17 Hide classified file at base (7)
18 Sprint to catch red coach? (7)
19 Position of Lord's okay with member (4,3)
20 A ruler's working like a dream (7)
22 Trust porky husband to eat last of chilli (5)
24 Academic must collect old evidence (5)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with **The Independent, London**)

100 Years Ago



Front page of The Statesman dated 03 November 1926

OCCASIONAL NOTE

ONE of the sporting events of the early cold season is the annual contest between the patience of the Calcutta public on the one hand and the mail delays due to the vagaries of the Post Office on the other. During the past three or four weeks the delivery of the English mail in Calcutta has grown steadily later. Last Sunday, when the mail was sent round somewhere about one o'clock in the afternoon, may be said to have been the climax, the limit, or whatever term of reprobation may be considered most appropriate. The Calcutta public is proverbially patient—and no one knows it better than the Post Office. But even the worm will turn, and if the postal authorities are wise they will now cease to amuse themselves at our expense and make some slight effort to deliver the English letters to time. Even if the Nerbudda bridge has gone, that fact would not explain or excuse the conduct of the postal "special" in waddling into Howrah an hour or two later than the B. N. R. express.

News Items

LABOUR SWEEP AT THE POLLS

GAINS IN MUNICIPAL ELECTIONS

(BRITISH OFFICIAL WIRELESS.)
RUGBY, NOV.

THE full results of the polling which took place yesterday for the election of councillors for over 300 county and municipal boroughs of England and Wales other than London are not yet complete. The returns published show net Labour gains numbering 137. Conservatives gained 18 and lost 86 and the net losses of the Liberals and Independents were 48 and 21 respectively.

COMBINE'S CAPITAL OF 56 MILLIONS

LORD READING JOINS CHEMICAL TRUST

(BRITISH OFFICIAL WIRELESS.)
RUGBY, Nov.

DETAILS are published to-day of the exchange of shares offered to share-holders of the four companies—Brunner Mond and Co., Nobel Industries, United Alkali and British Dyestuffs Corporation—which are to form a new combine to be known as the Imperial Chemical Industries, Limited. The capital amounts to £56,802,000.

All four companies are engaged either in manufacturing similar products or in consuming products which the others manufacture.

The fusion will eliminate overlapping, the unnecessary expenditure of capital and a duplication of stocks. The combine will be able to operate as one unit throughout the world.

Sir Alfred Mond is to be chairman of the new company and the directors include Lord Reading ex-Viceroy of India.

LEADERS IGNORED

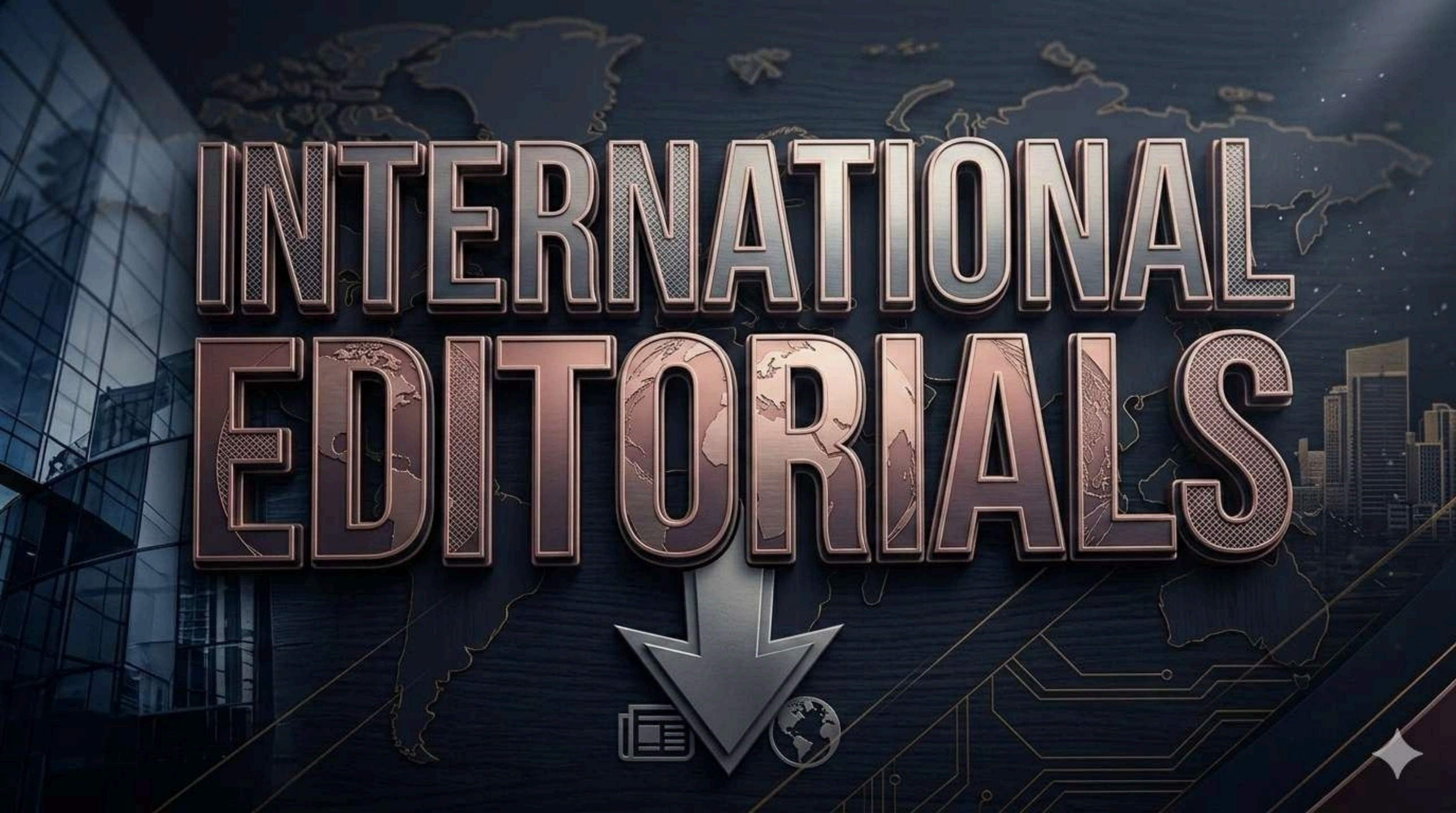
STOPPAGE IN LEICESTER ALMOST OVER

LONDON, NOV.

DESPITE the visit of the miners' war council, who directed intensive pro-paganda at Nottingham, the miners' council there has passed a resolution in favour of a district settlement, and has appointed a deputation to meet the owners and fix up a local agreement.

The week-end campaign of miners' leaders in Leicestershire failed. Speakers found no audience or a mere handful at the arranged meetings.

The stoppage in Leicestershire is almost at an end.—Reuter.


INTERNATIONAL
EDITORIALS

The FT View



FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

America needs a real Congress

Trump has faced little scrutiny. The midterm elections could change that

The most illuminating moment in what is widely seen as the worst US Congress in memory was when King Charles III addressed the body in April. The British monarch's speech, which praised America's separation of powers and historic checks on misuse of executive power, was interrupted by repeated ovations. That the King's words seemed chiefly aimed at his host, Donald Trump, did not stop Republicans from leaping to their feet. The irony is that Congress had abdicated its most basic duty 15 months before it heard from the King. It has not even made a show of holding the Trump administration to account.

The US electorate will tomorrow vote in midterm elections on the new Congress to replace America's 119th. It cannot come a moment too soon. Congress's absence has been literal as well as constitutional. The House of Representatives spent 383 hours in session from January to August, by far the lowest in a midterm year since at least 1990.

Other than Trump's "big, beautiful bill", which delivered tax cuts only partially funded by cuts in healthcare spending, few reforms were passed. The only two notable bipartisan bills have largely been ignored by Trump. The first was a law mandating release of all of the Epstein files; roughly half have not been made public. The second was a bill passed after Republican senator Lindsey Graham died, giving Trump authority to impose tougher sanctions on Russia. The president responded by relaxing sanctions. Ignoring Congress has been his leitmotif.

His life under divided government could look very different. Polls suggest Democrats will regain the House of Representatives and have a good shot at retaking the Senate. The larger their margin of victory, the harder it will be for Trump to contest the outcome. Having been blocked by courts from taking control of the mail-in ballots and denied possession of state voter rolls, Trump has hinted at more direct intervention.

Though armed federal agents are barred from polling stations, disinformation about non-citizen voters triggering raids by Immigration and Customs Enforcement cannot be ruled out. It would be ominous for US democracy were Trump to send masked gunmen to voting places. It would still be hard for him to overturn a clear result.

A Democratic Party takeover of Capitol Hill would trigger high expectations. Yet their power would be limited. Trump would be almost certain to veto their priorities, such as reversing healthcare cuts and abolishing ICE. He is also unlikely to comply with House or Senate investigations into his own and his administration's alleged corruption.

Congress can issue subpoenas for personnel to testify and demand files be handed over. But its enforcement powers are limited in practice. Moreover, the body can only refer prosecutions to the US Department of Justice, which is run by Todd Blanche, a Trump loyalist. The Democrats' best hope is thus to chronicle Trump's profit-making and his own and his family's gaping conflicts of interest. They should also probe the damage wrought by Elon Musk's so-called Department of Government Efficiency that shuttered parts of the US government without authorisation.

> It has not even made a show of holding the administration to account

Any move to impeach Trump, however, would be rash. A third attempt would have no better chance of securing the two-thirds Senate majority needed to convict him. Such "lawfare" could also restore the president's badly tarnished standing with parts of Maga. No matter how angrily Trump reacts to the investigations, Democrats have the means to shine a light on his exorbitant abuse of power. That means educating the US public. Their hopes for the 2028 presidential election could hinge on how well or badly they do that.

Opinion Europe

France and the UK require a new entente

Ben Hickey



Vernon Bogdanor

Seventy years ago, on October 29 1956, the Suez crisis came to a head when Israel, exasperated at guerrilla incursions from Egypt, attacked in the Sinai desert, advancing towards the canal. It had begun in July of that year, when Egypt's president, Gamal Abdel Nasser, had nationalised the Canal Company, in which Britain and France held the majority of shares.

On November 5, Britain and France joined in the attack on Egypt, in theory to separate the combatants but in reality to reoccupy the Canal zone and secure regime change. But the operation was called off the very next day thanks to American opposition and pressure on the pound.

The crisis ended the illusion that the UK was a global power and marked the near-extinction of its influence in the Middle East. Britain, then German chancellor Konrad Adenauer observed, was like an old man who had lost all his property but did not realise it.

> Suez was not only a failed imperialist venture, but a pointer to future relations between the countries

But Suez also led to a lasting *mésentente* between Britain and France that has helped push the UK away from continental Europe.

At first, however, the crisis seemed to presage unprecedented unity between Britain and France. In 1956, Guy Mollet, the French prime minister, sought to revive the 1940 proposal for Anglo-French common institutions and common citizenship. Remarkably, Mollet added that there need be no difficulty over France "accepting the headship of Her Majesty". If union were not possible, Mollet declared that France would be willing to join the Commonwealth.

The British prime minister Anthony Eden was sympathetic. A "closer association" would, he believed, "make the two countries a powerful partnership". But the idea was killed by officials. Cabinet secretary Sir Norman Brook objected that the British economy was not strong enough to "carry" the French — an ironic comment in view of the relative performance of the two economies in the immediate post-war years.

Suez brought the two countries together. Its failure drove them apart. The British accepted that they had failed and believed it had been wrong. Under Eden's successor Harold Macmillan, Britain drew closer to the Americans. The UK could, Macmillan patronisingly believed, become the Greece to America's Rome — an absurd piece of posturing.

The French, by contrast, accepted that they had failed but believed that the adventure had been right. They turned not to the US but to Germany and to Europe. Chancellor Adenauer told Mollet, on the day of the Suez ceasefire, that "France and England will never be powers comparable to the US and the Soviet Union. Nor will Germany. There remains to them only one way of playing a decisive role in the world; that is to unite to make Europe. England is not ripe for it." But for France, he said, "Europe will be your revenge".

Charles de Gaulle, out of power, had been strongly in favour of Suez. And he would take his own revenge. His belief that neither the Americans nor the British would give priority to Europe led to vetoes of Britain's applications to join the European Community — as the EU then was — in 1963 and 1967.

"Strange times, gentlemen," de Gaulle told his ministers, "when one cannot say without provoking I do not know what kind of hullabaloo that England is an island and that America is not Europe."

De Gaulle feared lest the US and Russia settle Europe's affairs without the continent being involved or even consulted — as he believed had happened at Yalta. It could well now happen in Ukraine.

But he never answered the question of how Europe could be a strong independent power without the UK, which is, with France, the only nuclear power in Europe. His approach was self-defeating. But it has been followed by Fifth Republic leaders who have repeatedly sought to marginalise Britain in Europe. They have been slow to appreciate that European defence must include Britain; so, after Brexit, defence policy must be formulated outside the EU.

UK Prime Minister Andy Burnham seeks a "conversation" about Europe. He wants a closer economic relationship. More important is convergence in foreign and defence policy. And, above all, joint action to preserve a liberal Europe against the extreme right and left seeking to undermine it.

Suez was not only a failed imperialist venture, but a sad pointer to future relations between Britain and France. It is high time its ghost was exorcised. A new entente cordiale is required, both for the sake of Britain, France and the whole continent.

The writer is professor of government at King's College London

Letters

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Rubio's Athens speech has lessons for Europe

In his column about US foreign policy, "Rubio still owes Europe answers about US intentions" (Opinion, October 26), Ivan Krastev contrasts Marco Rubio's trip to Europe — and a speech he gave in Athens in front of the Acropolis — with Odysseus' return home from Troy to the island of Ithaca. Krastev says the arguments Rubio makes offer a useful lesson for America, but I would contend Rubio also offers lessons for Europe.

Krastev's point is that identity must be demonstrated, not proclaimed.

Odysseus, he writes "proves who he is by stringing the great bow that no suitor can bend and sending an arrow through 12 axeheads. He convinces Penelope by acknowledging that their bed, cut from a living olive tree, cannot be moved. He is recognised by an old dog who finds the strength to lift its head and then dies."

Odysseus is recognised not through words but through proof: the bow, the bed and the dog. Europe would do well to apply the same standard to itself.

Why do Europeans feel European? How do we build belonging and solidarity? Part of the answer is for Europe to tell its story better and with confidence.

But political communities are not held together by stories alone. A democracy proves itself by delivering. The rule of law proves itself through institutions and implementation. A political project earns loyalty when people experience its benefits in their daily lives.

Europe will not become more meaningful simply because it explains itself better. It will become more meaningful if citizens experience that it can provide security, prosperity, freedom and opportunity in an increasingly uncertain world.

It is not enough to demonstrate what Europe has achieved. Europe must also show where it is going. People draw confidence not only from a successful past but from the belief that they are part of a shared present and a future worth building.

Krastev asks what America's "bow, bed and dog" is today. Europe should ask the same question of itself.

Europe, too, must demonstrate that it is what it promises to be.

André Wilkens
Director, European Cultural Foundation Amsterdam, the Netherlands; Senior Fellow, European University Institute, Florence, Italy

An eye witness to the Houthi seizure of Sana'a

Your analysis piece on the Houthi campaign against Saudi Arabia ("Latest Houthi escalation puts focus on rebels' strategic aims", Report, October 19) traces the movement's path from rebellion against the government of Yemeni dictator Ali Abdullah Saleh to the capture of Sana'a in 2014. Yet it passes over the alliance that made the capture possible.

By May 2014, while serving in Sana'a with the EU, I was describing a Houthi bellicosity without precedent, and the alliance with Saleh explains much of it.

As a 2018 study for Oxford Research Group by Jack Watling and Namir Shabibi, to which I contributed, records, Saleh's Republican Guard had been broken up only on paper and its officers stayed loyal to the Yemeni ruler. When the Houthis entered the capital, the security forces that America and Britain had mentored at close quarters since the attack on the USS Cole, did not oppose them. Indeed, a number of former Republican Guards went over to the rebel side, and a senior officer of the British-trained National Security Bureau went on to run the bureau for the Houthis.

Nadwa Al-Dawsari, an author and Yemen expert, told the US House Foreign Affairs Committee in September that the Houthis had been repeatedly underestimated.

The habit began in 2014, when it was convenient to see a sectarian insurgency on the margins and to overlook the state apparatus that came over to it. But calling the Houthis "a radical brand of Zaydism" repeats that mistake.

Jonathan Tottman
Sydney, NSW, Australia

Disentangling the Russia frozen assets conundrum

Martin Sandbu's proposal to move Russia-related assets and liabilities out of Euroclear ("Europe must liberate Belgium from its huge Russian assets risk", Opinion, October 19) is right, but the European Central Bank should mandate the prudential outcome, not prescribe the institutional structure.

It could conclude, under its supervisory powers, that concentrating the exceptional legal, financial and operational risks arising from this geopolitical exposure on the balance sheet of a systemically important European institution requires those risks to be reduced or separated.

A ringfencing or divestment requirement would then leave EU governments to determine where the assets and matching liabilities should sit, for example in a standalone entity backed by willing member states, and, if necessary, provide the legal framework for their transfer.

The distinction matters. Such a restructuring need neither confiscate Russian assets nor alter Russia's underlying claim. It would separate two questions that have become unnecessarily entangled: how to protect a critical European financial institution, and what Europe may decide to do with immobilised Russian sovereign assets.

The political difficulty of deciding what to do with the assets would remain. But the associated risk would no longer fall disproportionately on Euroclear and Belgium: the decision, and the responsibility for it, would become European.

Pietro Negri
Parma, Italy



Key moment: the Houthis' seizure of Sana'a, the Yemeni capital, in 2014

Cameron's emergency brake. Remember that?

In his letter published on October 16, Michael Romberg correctly states that freedom of movement would benefit UK citizens wishing to live and work in the EU.

As regards EU citizens wishing to become resident in the UK, the fear is often expressed that the freedom of movement is unconditional and that there is no limit to the numbers that might come over.

This fear arises because no one in the UK seems to have heard of Article 7 of Directive 2004/38, though it was often referenced when David Cameron was trying to negotiate his "emergency brake" in the run-up to Brexit.

The directive provides that an EU citizen wishing to stay in a host member state for more than three months must show that he or she has a job, or independent financial means and health cover.

If the UK rejoined the EU it would be perfectly entitled to make use of this provision, which it never did during the time it was an EU member state.

Christopher Cruickshank
Kraainem, Belgium

Workers are the missing voice in care sector debate

Camilla Cavendish argues that employers should fear a "union storm" (Opinion, FT.com, October 24). In social care, employers should be asking themselves why they haven't welcomed one sooner.

For years, care providers have complained that public funding is inadequate. They have lobbied ministers, commissioned reports and warned of growing workforce shortages. Yet despite these efforts, the sector remains underfunded and understaffed. If employer lobbying alone was going to solve the crisis, it would have done so by now.

The missing voice in that debate has too often been the workforce itself. Care workers are not a cost pressure on the sector; they are its greatest asset. They deliver care, maintain relationships with families, spot safeguarding concerns and keep services running. They also understand better than anyone what happens when funding falls short.

A workforce speaking collectively through trade unions adds weight and credibility to the case for investment. Employers who see the worker's voice as a threat are misunderstanding where their strongest ally lies. The real challenge facing social care is not that workers are gaining a stronger voice. It is that policymakers have ignored that voice, and the warnings from employers, for far too long.

Natalie Grayson
GMB Union National Care Organiser, London NW1, UK

Fixing the fin-lit problem

Michael Gilmore's column "The fintech boom has failed to improve fin-lit" (FT Financial Literacy and Inclusion Campaign, FT Money, October 17) has a simple explanation. In any commercial transaction, buyer ignorance means more profit opportunities for the seller. And in financial matters we have allowed the financial services industry to fund many private initiatives in financial learning, while central government attempts at financial guidance are fragmented.

We can fix this. Concentrate all central support for financial literacy in one department, reporting to an independent board; expose conflicted funding of private programmes; and create a single nationwide resource for financial learning, protected from the Financial Conduct Authority and the Treasury, compatible with the further spread of finance into primary schools in the national curriculum planned for 2028.

John Hunter
Director, Co-Head of Financial Learning United Kingdom Shareholders' Association, Orpington, Kent, UK

HMRC's single port of call for billionaires is welcome

The recent HM Revenue & Customs announcement that it has written to every billionaire with a UK tax footprint and assigned them a dedicated "customer compliance manager" is a welcome innovation in collecting the right amount of tax ("Treasury seeks £500mn from billionaires list", Report, October 29).

The UK's tax gap stands at close to £60bn — nearly as much as we spend on defence, with the very wealthiest contributing at least £3.6bn, but probably much more given HMRC lacks data about the very wealthiest.

Indeed, these changes bring HMRC in line with other government departments — the Foreign, Commonwealth and Development Office has helped numerous other countries set up high net worth units as part of building up state capacity. The EU Commission has also made extensive recommendations for improved tax collection — with a particular emphasis on financial transparency, third-party reporting, asset registers and specialist high net worth teams. This approach will work better for billionaires themselves — rather than having to navigate their way through HMRC, having a single port of call will help them get their taxes right, and avoid possible mistakes which can cost millions.

This new approach, together with the additional 670 compliance staff announced at the Budget, will be a welcome boost to HMRC's ability to collect the tax revenues that are essential to keeping the country running.

Joe Wright
Policy and Advocacy Manager at Tax Justice UK, London SE11, UK

Look out for your people before your competitors do

The report "What killed Weil Gotshal?" (FT.com, October 29) offers a textbook case study for the modern corporate world on the fatal risk of losing key talent. Here was a law firm with $2bn in annual revenue and almost no debt, yet it suffered a swift and total collapse. The underlying cause was neither a balance-sheet crisis nor a liquidity shortage, but a severe talent drain.

The true foundation of any enterprise remains its skilled, dedicated and trustworthy people. Without them, the most dangerous vulnerability a company faces is not financial — it is a loss of human capital that no bank or central authority can remedy.

Business leaders would do well to remember a very fundamental rule: take care of your people before your competitors do.

Hasan Huseyin Deniz
Istanbul, Turkey

Opinion

AI mania can't survive higher interest rates

MARKETS



Ruchir Sharma

When bond yields surged in recent months, analysts just shrugged, saying the AI boom would thrive regardless. This is classic bubble logic. The price of money always matters, and there is good reason to believe that is true now more than ever.

Global debt is at record levels, much of it accumulating on government books. This is good news short term (governments are typically the last fortress to fall) but bad news in the end (governments will be in no position to deliver stimulus or bailouts). The pool of available capital is more limited than in the booms of the late '90s and 2000s, because this time companies must compete with governments for money.

That sets the stage for a rapid liquidity squeeze. Steeper rates threaten to trap corporations between higher borrowing costs and increasingly wary lenders. As big tech groups turn from cash to debt to fund their multitrillion-dollar data centre build-out, AI-related debt issuance is likely to exceed $600bn in 2026, up 10-fold from 2024.

While interest rates were arguably at similar levels during the 1990s boom, the story arc was very different. Rates today aren't just high, they've risen rapidly in a short period, after nearly 25 years of historically low rates that trained investors to expect endlessly easy money. A dramatic regime change like this one is bound to cause financial stress. Already cracks are appearing, as investors demand much higher yields to finance the weakest borrowers in the AI supply chain.

Most investors nonetheless find ways to take comfort amid these tremors. The US stock market looks resilient; default rates remain low. Plenty of credit is still available to fund the frantic AI build-out. But the end of a boom is a process, not a point in time. It takes a while for higher rates to have a systemic impact.

Consider the busts of 2000 and 2008. High rates did eventually deflate those bubbles, affecting the weakest sectors before reaching the broader market and the economy. This process unfolded over several years. Tech stocks took a first big step down in early 2000, but many investors were still piling into

> The price of money always matters, and there is good reason to believe that is true now more than ever

tech funds late that year; the bubbly enthusiasm didn't die out till 2001.

Magical thinking flourishes in a bubble's final stages. One central myth of the dotcom era was that "enormous" demand for internet products had freed tech firms from ordinary economic forces, such as interest rates. Before 2008, analysts tried to make the case that "rising rates don't burst bubbles", or would merely slow not reverse gains in home and share prices, or would not touch stocks at all because corporate profits were "the best in 30 years".

Eerily similar claims can be heard today for AI. Optimists have argued that a few percentage points of interest won't mean much to companies facing historic gains in value. Or that Fed rate rises measured in mere basis points can't lower the spending ambition of companies trying to win the AI arms race. Now that higher rates are in fact hitting AI subsectors such as neoclouds, they brush off the notion that a few tens of billions in debt could take the AI complex down.

It would be a wonder if these dismissals prove correct, since every major boom of the past three centuries has ended amid tightening financial conditions. And contagions can spring from obscure corners of the market; the global crisis of 2008 started in US subprime mortgage debt.

Finding scenarios that would reverse this process of erosion caused by higher rates requires more magical thinking. AI could generate a huge boost to productivity, which comes so rapidly that the economy takes off. As a result, debt to GDP declines, interest rates come down and all the spending pays off in massive revenues for AI companies.

These blue-sky projections overlook a new vulnerability. Unlike past booms, including the late 1990s, money pouring into tech is not lifting other sectors: outside AI, borrowing is weak and investment is falling. It is difficult to see how AI companies can thrive when so many of their potential customers are struggling.

The mania for AI stocks has frayed in recent weeks as higher rates have begun to strain credit markets. Investors are becoming more discerning in how they allocate capital, a point that will be driven home anew if US interest rates resume their climb, which is likely given the ever-rising borrowing needs of the government and AI firms. This may be the most transformative tech boom yet, but it's not big enough to defy the high price of money.

The writer is chair of Rockefeller International. His latest book is 'What Went Wrong with Capitalism'

The meaning of the midterms

POLITICS



Rana Foroohar

The American midterm elections always matter, but this week's vote carries a weight that we haven't seen in decades. It's a referendum not just on individual candidates, but on the system itself. Will it hold after years of gerrymandering and ever more polarised politics? Will there be unrest at the polls, or denial of the results from the White House? And what will the voting tell us about where America may be heading longer term politically and economically?

On that score, there are five key issues I'll be watching for.

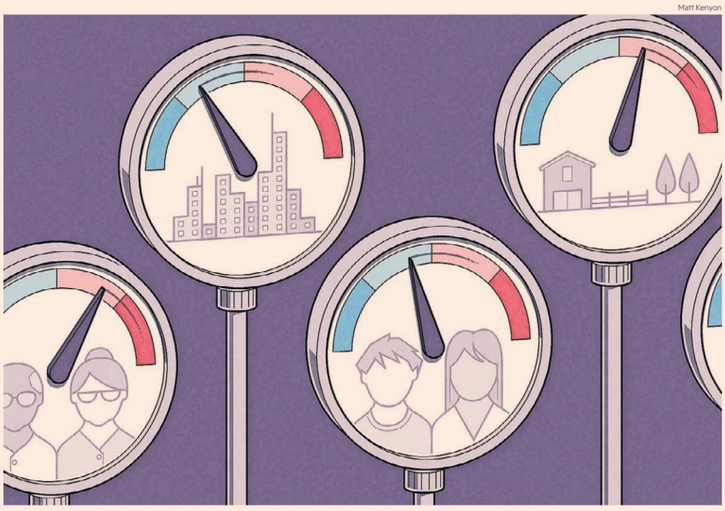
First, will the Democrats sweep both the House and the Senate? I thought (wrongly) a blue wave was coming in 2024, but this time around, Polymarket on Sunday put the odds of Democrats taking the House at 95 per cent and the Senate (historically a tougher battle) at 73 per cent. Given that presidential approval ratings are the best indicator of midterm outcomes, and 61 per cent of the country disapproves of Donald Trump, I think Democrats have a good chance of a sweep, even if it's narrow.

The second issue is what message we should take from a blue wave: that politics is fundamentally realigning in the US, or that people are simply fed up of inflation? I'm betting more on the latter, given that 84 per cent of the population sees the economy as the most important election issue. Trump's approval ratings have moved inversely to petrol prices following the Iran war, and Democratic Senate odds have risen alongside the price of diesel. Some 68 per cent of the country disapproves of Trump's handling of inflation, which is now outpacing wage growth.

The cost of living crisis will help Democrats in heartland swing states (Pennsylvania, Ohio), and may even turn reliably red states such as Iowa — where farmers are suffering from higher diesel and fertiliser prices as well as tariffs — blue. The inflationary effects of tariffs in other battleground states with large export and agricultural economies, such as Michigan, Georgia and North Carolina, favour Democrats as well. Finally, electricity price rises from data centres (which the White House supports) could hurt some Republican incumbents.

But within this "it's the economy, stupid" meta-narrative, there are more subtle trends. A third issue I'm watching is how voting breaks down along age lines. We know that young people are more progressive. One early 2026 study found 28 per cent of young adults were moving left in recent years, versus 15 per cent moving right. There is a narrative that says older and more conservative voters, who hold most of the country's wealth, will inevitably be pitted against younger and more progressive ones, with each side duking it out for their share of a shrinking pie (social security versus education spending, for example).

Matt Kenyon



Yet rising housing costs affect pensioners and young renters alike, as does healthcare inflation. Higher interest rates increase the price of mortgages and student debt. That might bring voters of different ages together around an affordability agenda. This would likely still favour Democrats, since Republican incumbents must justify why they are not to blame for the current inflation picture.

But it will be important to see which candidates win where, and why. Will midterm winners be populists arguing for higher taxes on the rich and corporations to improve the social safety net, or moderates from either party focused on faster housebuilding and targeted tax credits? Likewise, will we see a bigger "horseshoe" effect of both the far left and far right winning on a message of economic populism? And will class concerns finally trump culture?

> These elections are a referendum not just on individual candidates, but on the system itself

There, I'll be watching whether a Muslim economic populist like Michigan Democratic Senate candidate Abdul El-Sayed can win over voters wary of his identity with a Medicare for All platform, or whether a local Pennsylvania firefighter, Bob Brooks, can convince guys in the union hall to vote progressive again, even if they don't like national party leadership. The answers to these questions will help decide whether Democrats can regain their hold over working people, which Republicans disrupted from 2016 onwards.

The final point to watch will be the urban/rural divide. Republicans typically do better in the countryside, while Democrats dominate most of the highly populated and richer coastal areas. This time around, progressives are trying hard to broaden their geographic appeal by moving away from identity politics. It will be important to track whether they still win mainly in cities or whether they can appeal to white and Hispanic rural voters concerned about the cost of living in places such as North Carolina, Wisconsin, Iowa and Texas, or those worried about the growth of data centres in areas such as Pennsylvania and Ohio.

Pundits and pollsters will be parsing the results for weeks to come, as they will help shape where each party goes in advance of the 2028 presidential election. But from an investor perspective, economic cycles still matter more than election cycles when it comes to asset performance. Trump warns Democratic victory will trigger a new Depression. But equities have rallied following each midterm election for the past 80 years no matter which party is in charge. Perhaps the market knows best.

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EU leaders risk breaking their promise to help start-ups

EUROPE



Martin Sandbu

There are areas where Europe's underperformance relative to the US is more imagined than real. Its inability to fund and scale innovative tech companies is not one of them.

Take financing first. According to OECD figures, in the past decade venture capital investments in the US amounted to 0.5 to 1 per cent of GDP. The largest EU economies managed a tenth of that or less. Even the best-performing European countries — Sweden, the Netherlands, and non-EU economies Switzerland and the UK — spent at best 0.2 per cent of GDP on venture capital investments.

As for market scaling, the EU is big enough that its entrepreneurs should benefit from the same domestic growth and scale opportunities as in the US and China. But expansion is hampered by the thicket of 27 national systems of corporate, insolvency, tax and labour law.

The good news is that the EU is taking action on both fronts. The European Commission has launched a "Scaleup Europe Fund" managed by EQT, a Swedish investment firm. It has also proposed a "28th regime" for corporations — which has been dubbed EU Inc — that would allow founders to incorporate once and operate across the bloc. In theory, both approaches could be game-changers. In practice, they may yet become wasted opportunities.

Of the two, the solution for financing is the one that is in better shape so far. It recognises that the EU financial system, which is much more bank-based than the US, is not a good fit for funding innovative tech. Europe doesn't have America's large pots of private wealth with owners willing to throw money at exciting ideas to see what grows. Nor does it have, as China does, a state willing to do the same. The scale-up fund is a stab at filling the gap. Seeded with €1bn from Brussels, it is targeting €5bn in total funds raised and invested.

This is a drop in the ocean. But it marks a new and promising approach. The goal is to create a virtuous cycle, says Victor Englesson, EQT partner and co-head of the scale-up fund. "We need trillion-euro companies in Europe," he tells me, pointing out the very large amounts of capital needed to develop cloud computing, AI and advanced robotics. Besides, he adds, the success rate for growing from a $10bn to a $100bn company is higher than from $1bn to $10bn. "We need strong founders to continue to build [so] that wealth flows back into the ecosystem."

> Talks in parliament may chip away at a common approach out of fears of bypassing national systems

Currently, this potential is realised by Americans. Even European institutional investors tend to "invest in US venture funds that then fly over in private jets, fund EU entrepreneurs, take a fee, then fly back", Englesson tells me.

With US funding comes pressure to incorporate and scale up in the US. The "28th regime" ought to help relieve this pressure. The commission, to its credit, has run with the idea, proposing it in March — though not the boldest version it could have chosen. I warned then that "nothing ever emerges in a bolder and better form after a tug of war between member states and EU institutions".

So it has proved: a not-too-bad proposal was watered down by member states. A single EU company registry and a common insolvency regime are gone. Harmonised employee stock option rules have been confined to companies below a certain size, a disincentive to growth.

Talks in the European parliament now risk chipping away further at the common approach out of fears that it will bypass cherished national systems. What this misses is that the current alternative is not to stay national in the EU, but to incorporate in Delaware.

Englesson worries EU Inc "in its current form", with less harmonisation than founders ask for, will not be attractive. "Then it's almost better not to do it . . . take the time and come back with something that . . . will be used."

"EU Inc has all the ingredients to become the next big EU integration project", on the scale of the euro, passport-free travel and the single market, says Eva Maydell, an MEP. Europe, she argues, should aim to offer something even more attractive than Delaware. "This [could] change the economic structure of Europe", but policymakers "are unable to recognise the potential".

There is, in short, a lack of political ambition — frustratingly, just as European founders are more ambitious than ever. Before, they might aim to replicate a good US idea at home, Englesson says. Now they want to be the best globally and contribute to European autonomy in the process. If EU leaders mean what they say about boosting Europe's ability to compete, they had better give founders what they need.

martin.sandbu@ft.com

No amount of cash can make a war zone safe for seafarers

Deborah Layde

Few of us will ever have to decide whether to journey into a war zone to earn a living. Yet this is the reality for many of the world's 2.5mn merchant seafarers. We rely on them for the food on our shelves, the fuel at the pump and the medicines in our hospitals. But the past month alone has shown just how dangerous their job has become.

In the Black Sea, merchant ships have been struck by drones off Bulgaria and Romania, with vessels sunk and seafarers killed or missing. In the Strait of Hormuz, attacks on shipping have been constant in a conflict that has already killed at least 24 civilian seafarers. The Seafarers' Charity sees the families torn apart, the lives changed forever, and the trauma that seafarers carry with them.

As things stand, extra cash is propping up the system. Around 90 per cent of global trade travels by sea, and keeping it moving depends on seafarers being willing to sail, sometimes in extraordinary circumstances. Reports of captains being offered salaries of up to $100,000 a month and $50,000 bonuses, or crews earning five times their normal wage, show the stakes.

For seafarers, who spend months away from home to support their families, large bonuses for taking on exceptional risks can make a real difference. Responsible ship operators recognise that those facing such risks must be compensated accordingly. But money cannot make a dangerous voyage safe, and it must never override the protections that are a seafarer's right.

Existing safeguards give civilian seafarers in designated high-risk areas a framework of important rights. These include the right to refuse a voyage, to repatriation, and to additional compensation, including for their families, if they are killed or seriously injured. Whatever the intention, large additional payments, especially if negotiated outside this framework, may leave seafarers feeling they must accept risks they would otherwise refuse.

> Shipping industry and the global community must protect the people who keep world trade moving

It is easy to say that anyone worried about the risks should just refuse to step on board. But turning down a job could mean losing a significant opportunity to earn. When your family depends on your wages, how easy is it to refuse?

Shipping operators face tough decisions too. Currently, many are making significant profits from the high rates they can charge customers to move goods through dangerous areas. Yet if the situation deteriorates, it may become impossible for ships to enter or leave areas such as the Strait of Hormuz or the Black Sea. Operators would then be forced to reroute, delay or suspend voyages, potentially incurring significant costs and disrupting supply chains.

In short, there is a limit to what high pay can achieve, and those involved in conflicts that affect seafarers seem to underestimate what is at stake. The consequences of local attacks on merchant shipping ripple across the world.

Think of the recruitment challenge the industry already faces. Research this year found that an additional 113,735 qualified officers will be needed by 2030. If we want to attract the next generation to a career at sea, we must show their lives and wellbeing are valued.

The international community and shipping industry must act together to protect seafarers from attack, uphold their rights, and ensure they receive the support they need. This will be essential to securing the skilled, resilient maritime workforce that the world needs.

At our charity, we see how those who return home remain affected by what they have lived through. Some suffer from night terrors that take them back to the dangers they faced. Helping seafarers recover, through targeted support both at sea and on shore, must be part of the maritime industry's response.

Seafarers deserve fair compensation for the risks they face. But above all, they need security, protection and the assurance of a fulfilling career. They are the people who keep world trade moving and their safety must come first.

The writer is chief executive of The Seafarers' Charity

OPINION

America's Zero-Trust Reality



INSIDE VIEW
By Andy Kessler

After seeing actor Ben Stiller courtside at a televised Knicks game, I remarked to my son, "I recently read that Vince Vaughn turned down $15 million to do 'Dodgeball 2' because he said Ben Stiller was a 'whiny leftist crybaby.' " My son thought for a second and replied, "Yeah, I don't know. That doesn't sound real to me." A little digging proved him right. It was a made-up quote in a Facebook post. My son has honed his rubbish radar. Mine needs work.

This came to mind after three hours enjoying Nathan Fielder's documentary "You Can See Everything" about Elizabeth Holmes—fake voice, fraud conviction and all. I left the theater not trusting anyone involved with the movie. Actress Amanda Seyfried, impersonating Ms. Holmes as she did in an admittedly fictionalized Hulu series, is somehow OK, but (spoiler alert) Ms. Holmes's partner, Billy Evans, impersonating her on her X account is considered sleazy. Worse, with the return of talk about Theranos, I can almost feel trust in entrepreneurs and startups heading down again.

Is trust a bust? Most photos and now videos I see online require a second and third look: Is it real or AI slop? Everything is suspect. Get used to this. Muse agents from Meta try to make restaurant reservations with AI-generated voices. McKinsey is testing AI-generated avatars in interviews with job applicants. Pretty soon we won't be able to tell the difference: "Mom, my car broke down in Sheboygan. Wire money to this account." Every family should have a code word. Really. And not "Bosco." Maybe the only trusted environment left will be face-to-face interactions.

Can we trust politicians? Ha ha. Former Labor Secretary Robert Reich complained last week about Elon Musk, who "represents the power of oligarchy in America," saying we should be "laying the groundwork for nationalizing Starlink and SpaceX. Nationalize it." Thank you, comrade. In 1964 free-speech activist Jack Weinberg told the San Francisco Chronicle that "you can't trust anybody over 30." Seeing how our youth vote for socialists, I'd say don't trust anyone *under* 30.

We still can't trust the output of artificial-intelligence models because of hallucinations. Catching them takes a discerning eye—a new skill. The new armies of vibe coders have trust issues as well—their time has shifted from writing code to testing code.

Your browser may be a pit of snakes. Last month brought news of exploitable bugs in PHP, the coding language of most websites. Please don't make me go back to real stores. AI agents are even making unauthorized bank requests. Look, it's a bit early for agents. Why would anyone give an agent his bank credentials, let alone credit-card info?

We need to raise our game at spotting fakes, which seem to be everywhere.

Trust in Facebook is down since it got Donald Trump elected in 2016. Actually it didn't, but perception trumps reality. Aaron Sorkin has yet another film taking down Facebook (obsessed much?), "The Social Reckoning." It even features former chef Jeremy Allen White as a Wall Street Journal reporter.

Two weeks ago, a New Mexico judge hit Facebook with a $25 billion judgment for making, the Journal reports, "false promises respecting the security and control of [user] data." Ouch, although an editorial on these pages noted that the state was "shaking down the company for failing to suppress speech that offends the left." So now we can't trust judges? I suppose it's been that way since Solomon, who never intended to split the baby.

Trust in government has been fading faster than trust in media. The Trump administration's belching bravado about tariff windfalls was mostly hot air. Minnesota's blind eye toward the Quality Learing Center fraud was shameless. Same for California and the billions in hospice-billing fraud. And you want to trust government with Medicare for All?

This is all fixable. There are solutions to regain trust. In a recent Journal op-ed, software executive Egon Rinderer wrote about "zero-trust network access." At federal agencies, devices "must prove they are authorized during every connection." I like that. Much better than Ronald Reagan's "Trust, but verify." Let's call it "Distrust. Prove me wrong."

Until digital trust is figured out, maybe that's the upside of the (supposedly) job-destroying AI revolution. There is so much AI slop that only humans will be trusted—jobs with warm bodies as the trust layer.

Meanwhile, be cynical. You're being lied to. You're being spun. Have guideposts to catch the baloney. Get good at spotting fakes—hone your own "phony" filter. We all need to train ourselves to question everything, raise eyebrows, and employ a dose of cynicism to survive in our brave new AI world. If not, don't be a crybaby if you get fooled.

Write to kessler@wsj.com.

María Corina Brings New Hope to Venezuela



AMERICAS
By Mary Anastasia O'Grady

María Corina Machado finally made it back to Venezuela after 10 months in exile. After an arduous four-day journey from Panama City, on Oct. 25 the opposition leader walked into the Sanctuary of the Divine Shepherdess in the city of Barquisimeto. It was her eighth return attempt since August. To succeed, she had to overcome threats from the dictatorship in Caracas and U.S. attempts to thwart her homecoming.

After President Trump used the U.S. military to remove dictator Nicolás Maduro from power in January, Venezuelans expected Washington to set up new elections. But the Trump administration has been dragging its feet. Ms. Machado's sudden and dramatic appearance on a Sunday at one of the most important Catholic shrines in the country could change that. It's the most hopeful the nation has felt since Mr. Maduro was carried away by the Americans to stand trial for drug trafficking in New York.

Enthusiasm among Venezuelans for Mr. Trump waned this year after he made deputy dictator Delcy Rodríguez the interim president and began cutting sweetheart oil deals with her. He calls her "terrific," and the U.S. says she's doing what it asks. But the repression continues and the regime still holds 322 political prisoners according to the nongovernmental organization Foro Penal. In January Mr. Trump said Ms. Machado doesn't have the "respect" necessary to lead the nation. Events of the last week prove him wrong.

Ms. Machado gets high marks for her determination. Her journey home took her through Colombia and across the Venezuelan border into the state of Táchira. Planners understood that maximum secrecy was crucial. A source confirmed to me that no planes were used on the trip despite press reports to the contrary. In the final phase, the elite international team that escorted her had to dodge Venezuelan security forces and duck police inspections at checkpoints as it smuggled her north.

Noon Mass was about to begin when Ms. Machado entered the church. A witness to her arrival told me that it didn't take long for parishioners to realize that the popular politician was in their midst. Normal protocols were suspended as supporters rushed to gather around and embrace her. Tears of joy flowed. Euphoria spread throughout the congregation. A member of the laity felt it necessary to remind the faithful from the lectern that they were in the house of the Lord.

In the hours that followed, Ms. Machado made her way to Caracas on highways lined with ordinary people cheering her return. In some places the crowds were so large that thoroughfares were blocked. It was the start of a celebration that rippled throughout the country for days.

Amid domestic pressure on the State Department to let Ms. Machado return, the U.S. decided last month that while it wouldn't bring her back, it would no longer interfere.

The opposition leader returns after months in exile. Elections are possible in July.

Without admitting the U.S. had blocked her, a spokeswoman suddenly announced that while the U.S. "does not facilitate the return of opposition figures," Ms. Machado had "every right to enter her country whenever she wants to return."

Dictator Delcy sang from the same hymnal last week, clearly annoyed by the outpouring of love for Ms. Machado. "The show could have been avoided," she told the press. "The airports are right here." Sure.

The U.S. has been supervising talks between the regime and the opposition about a new supreme court and an independent electoral council that would oversee the vote. Those meetings may get more serious. The whisper date for the elections is July.

A Machado victory could throw a wrench into Mr. Trump's foreign policy. She has warned that a democratically elected Venezuelan government ought not be compelled to rubber-stamp the oil deals that Ms. Rodríguez has made with Washington or anyone else. Ms. Machado is particularly opposed to the arrangement between the U.S. and the Barbados company North American Blue Energy Partners, which has been granted rights to 17 oil fields. She told the New York Times last month that the company's CEO, Alejandro Betancourt, was behind "obscene corruption" and that under democracy she didn't see the deal surviving. Mr. Betancourt denies any wrongdoing. At a minimum, the lack of transparency in what Mr. Trump described as "the biggest oil deal in world history" is troubling.

Unnamed Trump officials liked to predict that Ms. Machado's return would be destabilizing. But this week proved that wrong too. As crowds welcomed her home she repeated her pledge that the struggle for freedom for Venezuela that she leads will be peaceful. She summed up her goal in a post on X: "For the reunification of every family, for the freedom of every political prisoner, for the freedom of Venezuela."

Write to O'Grady@wsj.com.

The Jimmy Buffett of Self-Help

By Gregg Opelka

Whenever I feel sorry for myself about life's setbacks, I think about my friend David Blake. Dave went into surgery for a routine ankle operation. An hour later, he couldn't walk, talk or hold himself up. Doctors gave him less than six months to live.

That was 11 years ago.

In 2001, Dave started a Chicago company representing musicians, actors, comedians and so on. I became friends with Dave working for the firm as a pianist for corporate events. On Christmas Eve 2013, Dave slipped on the ice and broke his ankle. A week later, he had routine outpatient surgery to put a plate in his ankle.

After the procedure, Dave's speech was slurred and he couldn't stand or sit upright. The clinic told him his symptoms were a reaction to anesthesia and would disappear. They didn't. In 2015, a leading medical clinic misdiagnosed Dave with amyotrophic lateral sclerosis and told him he had five months to live. Dave and his wife, Lisa, refused to accept the diagnosis.

After dozens of tests and MRIs, doctors linked Dave's symptoms to a recalled pre-surgery drug, but the cause was never proven. Dave then began an intense regimen of physical therapy. He spent a year in a wheelchair before graduating to walking sticks. During the first six years, he broke 19 bones from repeated falls. He still uses a mobility scooter for longer distances and spends two to three hours daily working on balance.

My friend Dave Blake turned adversity into limitless opportunity.

In 2016, Dave resumed work as a certified innovation trainer speaking to corporate groups. The Sandy Hook Promise Group hired him in 2018 as a multistate ambassador. Dave educated more than 400,000 people about suicide, bullying and gun violence over the next several years.

He and Lisa moved to Florida in 2018 because his body could no longer tolerate cold weather. That year, he launched a business newsletter called the Coconut Chronicle and sent it to companies he'd worked with in Chicago. Each edition featured a tropical cocktail recipe as well as tips on improving business skills and one's mindset.

In Florida, he rebranded himself "The Flip-Flop Philosopher" and began giving speeches on how to turn life's most difficult chapters into opportunities. The name reflects his philosophy of flip-flopping what isn't working in your life into what you desire. That breezy attitude has made him the Jimmy Buffett of self-improvement. The company tagline "Disabled by Fate, Philosopher by Choice, Life by Design" says it all.

At first, Dave didn't tell audiences about his accident. He told me: "You don't speak about it until you can do so without emotion." It took him nine years to reach that point. Now he weaves his tale of triumph over life-threatening trauma into his speeches.

He isn't done. Dave, 53, has a book slated for publication in 2027. "Events by Design: The Roadmap to Extraordinarily Human Events" will discuss how the hospitality industry can improve accessibility for people with disabilities. To celebrate his recovery, Dave is planning a 110-mile bicycle ride from Miami to Key West in March 2027.

Whenever things look grim, I remember that David Blake, a guy preparing for a marathon bike trip, not that long ago couldn't walk, talk or even clap his hands. And then I think to myself, "Now that's a flip-flop fairy tale."

Mr. Opelka is a musical-theater composer-lyricist.

BOOKSHELF | By Tara Isabella Burton

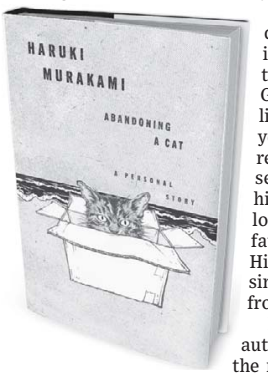
The Poetics Of Family Trauma

Abandoning a Cat

By Haruki Murakami
Knopf, 80 pages, $26

Family stories often rest on clichés. That people are mysteries. That our parents are even bigger mysteries. That we are, to ourselves, the biggest mysteries of all. Despite Tolstoy's claim that unhappy families are all unique, memoirs about unhappy families risk hitting too-familiar beats. It takes a fine writer—and a great deal of narrative specificity—to avoid letting these lessons become rote.

Haruki Murakami, the author of books such as "The Wind-Up Bird Chronicle" (1997) and "1Q84" (2011), is the creator of wildly intricate and often mesmerizing tales. But in his maddeningly sparse "Abandoning a Cat"—in which a straightforward account of a bizarre father-son outing prompts meandering reflections on family trauma and the darkest corners of Japanese history—the author seems to make a point of avoiding the telling details that would give this work a life beyond generalities.



Not quite an essay, not quite a memoir, "Abandoning a Cat" (translated from the Japanese by Philip Gabriel) comes across more like a transcript of the 77-year-old Mr. Murakami regaling a stranger with a series of interlocking family histories. "Of course I have a lot of memories of my father," Mr. Murakami writes. His storytelling proceeds, simply and conversationally, from there.

Mr. Murakami has the authority—and, one assumes, the readerly trust—to leave behind such narrative crutches as character-building detail or precise language. If anything, "Abandoning a Cat" dares the reader to do without. For example, the author briefly tells the story of how his father once felt pressure from his brothers to abandon his scholarly pursuits and instead take over their father's role as the head priest of the Anyoji Temple in Kyoto. Mr. Murakami writes that he "can imagine the troubled expression on my father's face at this family conclave"—and stops there.

In the early scenes of the book his sparseness works to Mr. Murakami's advantage. He is recalling a childhood event—the day, as the title suggests, that he witnesses his father try to abandon an unwanted pet. (The attempt is a failure, as the cat immediately shows up back at the house.) The narrative's simplicity places us in the mind of a bemused child, or of someone approaching second childhood. (Even as he sets the scene, Mr. Murakami lets his memory openly falter: "I was in one of the lower grades in elementary school at the time, I believe, so it was probably around 1955, or a little later.")

But as he turns to the story of his father's past, Mr. Murakami's distant, delicate perspective begins to feel less like a literary device and more like emotional reticence. The elder Murakami, who was devoted to the art of writing haiku and would eventually become a teacher of Japanese literature, served as a soldier in the Japanese army during World War II. Mr. Murakami describes his long-held fear that his father had been part of one of the regiments responsible for the 1937 atrocities at Nanjing, China. With typical understatement, he avoids terms such as "rape" or "massacre," writing only that "this particular regiment's actions gave it a surprisingly bloody reputation."

Haruki Murakami revisits his relationship with his father, who wrote haiku during his time as a soldier in the Japanese army.

This is a disingenuous way to describe a monthslong campaign of sexual violence, torture and murder, during which Japanese soldiers committed tens of thousands of rapes and left behind more than 100,000 civilian deaths. The author eventually learns, to his relief, that his father was not drafted until the year after the massacre.

Mr. Murakami isn't required to go into the historical details of these atrocities. Nor is he required to plumb the depths of his father's trauma from his time in the army. While the elder Murakami was not involved in the Nanjing massacre, we learn, he nevertheless witnessed, and may have committed, acts of horrific violence during the war. "I get the feeling that the experience remained with him, as a deep emotional scar," Mr. Murakami writes. The author remains on the outside, looking in. "Most people probably have some depressing experience they can't quite put into words but also can't forget," he concludes. "They live their entire lives unable to completely verbalize what they've suffered."

Fair enough—but why tell this story at all, if not to take on the burden of putting the unsayable into words? The irony is that the strongest parts of the book are attempts to verbalize what is elsewhere inexpressible. They are not, however, Mr. Murakami's words, but his father's. The elder Murakami regularly wrote poems during his time as a soldier. One reflects on a visit by young Nazis to Japan in 1940: "They call out, singing / to bring the deer closer / the Hitler Youth." Another was likely written while in China: "A soldier, yet a priest / clasping my hands in prayer / toward the moon." These verses are the closest thing this book offers of a real glimpse of anyone's interiority.

Despite their shared literary talents, Mr. Murakami insists that "my father and I were born into different ages and environments," with widely divergent worldviews. The author admits they spent most of his adult life estranged. "If at a certain point I'd attempted to rebuild our relationship, things might have gone another direction."

Near the book's close, Mr. Murakami reveals that he and his father reconciled on the latter's deathbed, but does not share what was said in their conversation. Such a choice reminds us that "Abandoning a Cat" is as much about the writer's propensity for privacy as it is about his father's experience. We are left with a frustratingly vague musing on the unfathomable nature of life: "Imagine raindrops falling on a broad stretch of land. Each one of us is a nameless raindrop among countless drops." Mr. Murakami may, after so many literary accomplishments, be comfortable offering us so little. But what is a writer for, if not to give things names?

Ms. Burton is the author of the novel "Here in Avalon."

OPINION

REVIEW & OUTLOOK

Ballot Measures to Watch on Tuesday

Voter ID, transgender sports, a Frankenstein veto power, and more.

Voters will have a say Tuesday on nearly 150 state ballot measures. The big economic items, such as California's backfiring wealth tax, have had sustained coverage in these columns, but here's a glance at some other proposals worth watching:

• *Election laws:* Six states will consider voter ID rules. Ohio already requires identification, but Issue 3 would put it in the constitution. Ditto North Carolina. Arizona's Prop. 144 would require mail voters to "show" ID, without specifying how.

Nevada doesn't ask for photo ID. Question 7 to change that won resoundingly in 2024, and now a second time is needed to amend the constitution. A bigger test is two blue states. California's Prop. 39 would require identification at polling sites, plus the final digits of an ID number on mail ballots. Colorado's Amendment 84 is a similar rule for postal votes.

Several states, from South Dakota to Arkansas, might ban voting by noncitizens. It's illegal today for federal races, yet towns in a few states open local elections to resident aliens. Pre-emptively prohibiting this in red states is fine, but it won't stop D.C. or the avant-garde parts of Vermont, Maryland and California.

Finally, Alaska's Measure 2 would repeal the state's kooky ranked-choice voting system. The public narrowly retained it in 2024, but Alaskans may have seen enough after this year's double Dan Sullivan fiasco.

• *Transgender questions:* Four states have measures on girls' sports. Washington's Initiative 638 would "prohibit biologically male students from competing with and against female students." Colorado's Prop. 134 would do the same, and Prop. 135 would ban transgender surgeries on minors. Arizona and Nebraska will weigh in, too. Perhaps approval in these states might finally persuade Democrats they are out of the mainstream on gender.

• *Abortion:* Virginia has a permissive law allowing abortion until the third trimester, about 27 weeks. Question 1 would add a constitutional "right to reproductive freedom." In Nevada, it's legal until 24 weeks. Question 6 would create a constitutional right until viability. Opponents have a point that such constitutional language invites state judges to nullify, say, parental notification for minors.

In Idaho, which is restrictive on abortion, Prop. 1 would permit it until about 24 weeks. Many voters might prefer a middling option, but one isn't on offer. This dynamic is how Missouri wound up passing an abortion constitutional right, 52% to 48%, in 2024. Amendment 3 now proposes to repeal that, while adding an explicit exception to allow abortion after rape or incest.

• *Gerrymandering:* Maryland's Question 3 would free the state to draw zany districts and an 8-0 map, squeezing out GOP Rep. Andy Harris. Missouri's Prop. A would ratify the GOP's new 7-1 map. Colorado's Amendment 86 would bar mid-decade partisan gerrymanders.

• *DEI:* Arizona's Prop. 142 would stop state bodies, such as schools, from soliciting "diversity" statements. Wisconsin's Question 3 would bar the state from "granting preferential treatment" by race, ethnicity or sex. These would make state law consistent with the Supreme Court's ruling on race discrimination.

• *Misc:* Wisconsin's Question 1 would stop the Governor from using a partial veto to raise taxes. Gov. Tony Evers rewrote a law on school taxing limits through "2024-25" to read "2425," so it would run for four centuries.

Kentucky's Amendment 1 would end the Governor's power to issue pardons as a lame duck, starting 60 days before an election.

Colorado's Amendment 81 would require police to notify the feds when charging a violent crime against an illegal alien or a person whose citizenship is unclear.

Arizona's Prop. 319 would ban new traffic "photo enforcement systems." Existing ones would need to get voter approval.

Colorado's Amendment 82 would guarantee a "right to purchase natural gas for cooking or heating." This shouldn't be needed, but it's protection against climate policy coercion that is all too likely. Fire up the barbecue!

Trump's Failed Lawsuit Lesson

Our reporters had the crucial support of the Journal's owners.

President Trump has long used lawsuits to intimidate the press, and most of the time he ends up losing. He lost again Saturday, as a federal judge dismissed his defamation suit against the Wall Street Journal—"with prejudice."

Mr. Trump sued News Corp and Dow Jones, two Journal reporters, News Corp CEO Robert Thomson and Chairman Emeritus Rupert Murdoch last year for $20 billion. He says the Journal defamed him for reporting on a birthday letter with Mr. Trump's signature sent in 2003 to sexual offender Jeffrey Epstein.

Judge Darrin Gayles had tossed the case once but invited the President to refile and show evidence that the Journal had acted with "actual malice" in its reporting. Mr. Trump filed again, and this time Judge Gayles said the President failed to meet the legal "malice" standard a public figure must meet to prove a defamation claim.

Mr. Trump's allegations "are conclusory, vague, sometimes inconsistent with the article, and often irrelevant" to his malice claim, Judge Gayles said. The dismissal with prejudice means Mr. Trump cannot file it again, though a spokesman for the President said he would appeal Judge Gayles's ruling.

The appeal isn't likely to succeed. A letter matching the Journal's description was released by Congressional investigators. Mr. Trump said he never wrote or signed the letter, but the Journal never claimed he did. It said only that the letter with the signature existed, and the Journal's stories have always included Mr. Trump's denials.

The Journal's official response was muted appreciation for the ruling, and this editorial isn't meant to spike the football. But we do want to thank our proprietors, Rupert and Lachlan Murdoch, and Mr. Thomson and others for standing by the Journal's reporting.

Mr. Trump, like other politicians, uses lawsuits to coerce settlements that he can tout as legal victories. He failed in this case because the Journal didn't roll over. A free press requires owners who back editors, and we couldn't do what we do without that support.

Haley Stevens Breaks With El-Sayed

The Democrat said she can't support the 'hate' in his Senate campaign.

Abdul El-Sayed may yet pay a price for failing to distance himself from the growing antisemitism in the Democratic Party. On Sunday the Democratic nominee for Senate from Michigan lost the support of Haley Stevens, the Congresswoman who narrowly lost to Mr. El-Sayed in the primary.

Ms. Stevens had been scheduled to appear with Mr. El-Sayed on Sunday, but the nominee apparently didn't like what he heard from her in advance and he told her to stay away. Instead Ms. Stevens appeared on Sunday with Republican nominee Mike Rogers and endorsed him.

"I do not stand with Hasan Piker, who gets trafficked on our college campuses," Ms. Stevens said, referring to Mr. El-Sayed's joint appearances with the anti-Israel provocateur on college campuses during the primary.

"A dear friend of mine earlier today was saying that education is on the ballot, and she's absolutely right. And what our students see, what our children see, and who we are as Michiganders is not hate, and it is not what we are getting out from our Democratic nominee right now," Ms. Stevens said.

She's right. In August, Mr. El-Sayed said "Israel is an affordability issue," citing U.S. healthcare and schools. "Maybe we should keep our money here instead of sending it there [Israel] to drop bombs on people's schools or their hospitals." He also refused to denounce an ad by a supporter that blamed U.S. aid for Israel's alleged "genocide" in Gaza for high grocery prices. This is the blame-the-Jews-for-everything line that has typified antisemitism throughout history.

Notably, Ms. Stevens appeared with Mr. Rogers at Detroit's Perfecting Church and praised the Republican's efforts on behalf of black businesses. Mr. Rogers has been making a special effort to court black voters, who mostly sided with Ms. Stevens over Mr. El-Sayed in the primary.

Mr. El-Sayed has himself to blame for this party rupture. He has made little effort to court Democrats who opposed him in the primary, or even to ease concerns about his nasty views about Israel and the American Jews who support it. His assumption has been that he can coast into the Senate on a tide of hostility to Donald Trump, so he doesn't need to make any accommodations.

The break by Ms. Stevens nonetheless shows that many Democrats have real concerns about the antisemitic drift in their party. Jewish voters will have cause to wonder if there is any place for them in a party with Mr. El-Sayed as a Senator with a national platform.

Not that this seems to concern Chuck Schumer, the Senate Democratic leader who can taste becoming Majority Leader after Tuesday. Mr. Schumer issued a statement after the Stevens-Rogers news on Sunday that shows how his lust for power has swamped his former anti-antisemitic principles.

"Senate Democrats are united in our support for Abdul El-Sayed," Mr. Schumer said, accusing Ms. Stevens of a "despicable betrayal," though he supported her in the primary. "We Democrats [sic] equally united in our total revulsion at the racist, Islamophobic, and over-the-top false attacks on Abdul by Republicans." So criticizing Mr. El-Sayed is "Islamophobic." This is an admission that if Mr. El-Sayed wins, Democrats in the Senate will bow to his views.

Many Michiganders have already voted. But perhaps Ms. Stevens's brave and principled stand will cause more Democrats to think twice about elevating to the Senate a man who is comfortable spreading poison about Israel and its supporters.

LETTERS TO THE EDITOR

A Sports Bet by Any Other Name Is Still a Bet

Regarding Tarek Mansour's op-ed "When Is a Sports Bet Not a Sports Bet?" (Oct. 28): Nearly 90% of wagers on Kalshi, the nation's largest prediction market, are on sports. This has prompted dozens of states to sue, arguing that Kalshi is an unlicensed sportsbook operating in violation of their laws. The states keep winning their suits.

Against this, Mr. Mansour, Kalshi's CEO, contends that Kalshi is "a market, not a casino," and should be regulated like any other futures exchange—by the Commodity Futures Trading Commission, and with an eye to issues like fraud and insider trading.

But sports gambling isn't regulated like traditional securities because its primary risk isn't fraud, but addiction and its associated harms. A mountain of social science evidence links legal sports gambling to increased bankruptcy, credit card delinquency, food instability and even suicide. Regulation must limit the extent to which profit seeking exacerbates this suffering.

Mr. Mansour argues that Kalshi's fee-per-transaction model means it doesn't make money off of losers, ostensibly limiting its incentive to encourage addiction. But almost everyone loses on Kalshi, and the site profits from the frequency of those losses.

Kalshi has belatedly fielded "responsible trading" tools, mostly modeled on the sportsbooks it decries as less responsible. It has also limited 18-to-20-year-olds—who can't gamble in most states—to betting $30,000 per year. These are tacit recognitions of the problem, but not actual solutions.

Kalshi's preferred regulator, the CFTC, has neither the competency nor statutory authority to regulate gambling. The government offers no gambling hotline and funds no gambling addiction treatment; there is no national self-exclusion list.

Bad-faith actors sometimes accuse serious securities markets of being dressed-up gambling. Mr. Mansour is doing the same, but in reverse, hiding his sportsbook behind the respectable veneer of a real securities exchange. In reality, if it walks like a sports bet, and talks like a sports bet, it needs to be regulated like a sports bet.

Charles Fain Lehman
Manhattan Institute
Rockville, Md.

'Responsibility' in an Age of Political Evasion

William Galston is correct that "Leaders Used to Accept Responsibility," (Politics & Ideas, Oct. 28), but he omits two glaring examples that are analogous to the Israeli intelligence, military and political failures that preceded the Hamas attack of Oct. 7, 2023.

President Franklin D. Roosevelt, in his remarks to Congress on Dec. 8, 1941, didn't accept responsibility for the sneak attack on Pearl Harbor and blamed Japan. President George W. Bush, in his address to the nation after the terrorist attacks of Sept. 11, 2001 or in his speech to Congress several weeks later, didn't accept responsibility for the attacks and blamed the terrorists. Instead both men focused on the future, taking the war to the enemy, and defending the U.S.

Both men were re-elected after those catastrophes by electorates that apparently didn't castigate them personally for the failures and supported their subsequent efforts to defeat the enemy.

Rabbi Steven Pruzansky
Jerusalem Center for Applied Policy
Israel

Is it weak moral character that keeps politicians from accepting responsibility, or is it survival in the blood sport that politics has become?

All of Mr. Galston's examples of high character are decades past. Today, if a politician takes the blame for something, imagine the attack ads that would soon follow: "Trump acknowledges failure on tariffs and gas prices." "Biden admits he caused border disaster and inflation spike." "Obama takes blame for failure of Affordable Care Act."

While politics certainly attracts plenty of people with weak character, the system today provides strong incentives not to accept responsibility for anything bad.

Dana R. Hermanson
Marietta, Ga.

Fed Reform Can't Become an Inflation Excuse

David Malpass's op-ed ("The Fed Needs Better Models," Oct. 27) argues that the Fed should incorporate the value of the dollar into its models of price stability. This is reasonable, but Mr. Malpass goes too far in arguing that inflation is a "flawed guide for setting rates" and interpreting the dollar's recent strength as evidence that monetary conditions are sufficiently tight.

The dollar has strengthened in 2026, but its ability to purchase more euros or yen is little comfort to consumers facing prices that have risen 3.7% over the past year—and not just in energy and other supply-constrained goods. Core inflation, which excludes food and energy prices, is running at 2.6%, while services inflation, excluding energy services, is 3.1%. Persistent underlying inflation, alongside 8.5% annualized nominal GDP growth in the second quarter, suggests that excessive demand is also playing a role. Higher interest rates and tighter financial conditions are precisely the tools needed to cool that demand.

The Fed is overdue for reform, and the task forces of chairman Kevin Warsh offer reason for optimism. After five-and-a-half years of above-target inflation, however, undermining the Fed's accountability for getting back to 2% should not be one of them.

Matthew Schaffer
Eastern Michigan University
American Institute for Economic Research's Sound Money Project
Ypsilanti, Mich.

Don't Let AI Split Learning

Regarding John Masko's op-ed "AI Splits the American University in Two" (Oct. 22): While I agree with Mr. Masko that the focus of teaching needs to change, I disagree with the suggestion that undergraduate teaching should be separated from research. Research and teaching should continue to go hand in hand. What must change is how universities design curricula and assessments so that artificial intelligence augments students' learning.

As AI lowers the cost of solving problems, human value shifts from producing an answer to asking the right questions and evaluating the answers generated. In this environment, strong foundational knowledge of a topic or domain becomes even more important, as it helps students identify the right questions to ask and explain why those questions matter.

Rakesh Mallipeddi
Columbus, Ohio

Psychology's Missing Debate

Colin Wright and Andrew Hartz's "The Inmates Run the Asylum at the Psychological Association" (op-ed, Oct. 21) took courage. Few in our field will put their names on a public critique of its largest professional organization.

I can't evaluate every claim about the APA's inner workings, but I would add one point about the remedy. The answer isn't to pretend we are neutral, or to treat our own values as truths no one may question. It's to name our values openly and invite those who see things differently to challenge us. Acknowledging values isn't permission to impose them.

This requires people willing to speak. Too many people have told me that they're scared to voice differing views with colleagues, friends or even family members. We need to engage constructively, ideally with kindness and compassion. If psychology can't model respectful disagreement, what can?

J. Ryan Fuller
Executive director
New York Behavioral Health
New York

Letters intended for publication should be emailed to wsj.ltrs@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

Pepper ... And Salt

THE WALL STREET JOURNAL



"We used to live in this house. Your mother still gets nostalgic thinking about the interest rate that we had."

OPINION

The 1894 Midterm Might Have Foretold 2026

By Robert Showah

This year's midterms invite comparisons to 2018 and 2006. But what about 1894? That election ushered in a political realignment that fractured both parties and eventually united nationalist factions across the aisle in expanding federal power.

From the 1880s into the 1910s, technological disruption, economic stratification, and anxiety over immigration, trade and national identity fractured party coalitions and fostered unexpected alliances. Partisan newspapers amplified the turmoil. In 1893 Democrat Grover Cleveland returned to the presidency for a second, nonconsecutive term after high tariffs grew more salient in his absence.

The political parties could unite around increasing federal power, the opposite of what America needs.

Early in his second term, the country plunged into a depression fueled partially by railroad speculation and doubts about the U.S. dollar's convertibility into gold. Cleveland's repeal of the 1890 Sherman Silver Purchase Act curtailed the monetary expansion that struggling farmers hoped would ease their debts, fracturing congressional Democrats and forcing the president to rely on conservative Republicans.

Then came the devastating 1894 midterms. The economy cratered. Democrats lost more than 100 House seats and their Senate majority, exposing a coalition unable to reconcile its institutionalists and populists. What followed was a reorganization of the parties.

Democrats embraced William Jennings Bryan's moral populism in 1896 and 1900, while Western Silver Republicans and third-party Populists forged cross-party alliances. Bryan lost both elections to William McKinley, who managed to resolve the coalition Rubik's Cube to get elected.

By the turn of the century, both parties were made up of economic populists, institutional conservatives and nationalist progressives. Progressive Republicans such as Robert La Follette challenged their party's establishment, while reform Democrats embraced federal solutions to concentrated corporate power. Within Theodore Roosevelt's muscular nationalism, these agendas advanced federal regulation amid Republican divisions over executive authority. Running as a third-party Progressive in the 1912 presidential election, Roosevelt challenged his former ally, the institutionally conservative President William Howard Taft, splitting the Republican vote and handing the presidency to progressive Democrat Woodrow Wilson.

Progressives across both parties helped ratify the 16th Amendment, expanding Washington's taxing authority, and the 17th Amendment, stripping state legislatures of their role in selecting senators and thereby removing an impetus for state-level civic engagement. Congress also strengthened the Interstate Commerce Commission's authority over railroad rates. Such reforms laid the groundwork for a culture of reflexive policymaking often captured by industry and detached from the governed.

Today both parties are similarly splintered between institutionalists, populists and nationalist technocrats. These divisions complicate the Senate's partisan landscape. Independent candidacies recall the Populists and Silver Republicans who challenged party allegiances in the 1890s. Split-party Senate delegations have declined below their historical average and are at a level comparable to that of the late 19th century.



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McKinley takes the oath of office in 1897, with Cleveland to the right.

As in the Gilded Age, winning the presidency requires reconciling competing factions, as McKinley, Roosevelt and Wilson discovered. These presidents faced congressional coalitions whose ideological loyalties didn't always follow party lines. Regardless of who wins the presidency in 2028, party leaders are poised to face similar challenges. Democrats, having failed to reconcile their race- and class-conscious factions to revive the Obama coalition, are rebranding an agenda of redistribution as "affordability." Some Democratic presidential hopefuls endorse expansion of the Supreme Court, the abolition of the Senate filibuster and the admission of new states in the name of restoring balance. Republicans, meanwhile, have moved from merely tolerating President Trump's populist insurgency to embracing fully the expansion of federal and executive power for economic and cultural ends.

From these factions could emerge a uniparty of technocratic Democrats and nationalist Republicans, or of populist Democrats and populist Republicans. While they would have disagreements, they would converge on expanding executive, if not federal, power. Such bipartisanship wouldn't be an escape from dysfunction. The resulting concentration of power in the federal government would pose greater risks to American democracy than the heated rhetoric or election denialism of the past decade.

Inklings of this uniparty are emerging. Sens. Mike Lee (R., Utah) and Sen. Sheldon Whitehouse (D., R.I.) have converged on permitting reform that shifts transmission-siting authority from state and local regulators to the Federal Energy Regulatory Commission. Socialist Sen. Bernie Sanders of Vermont and Republican Sen. Josh Hawley of Missouri have backed a federal cap on credit-card interest rates. Sens. Tim Scott (R., S.C.) and Elizabeth Warren (D., Mass.) joined forces to advance a bill that has become law that uses federal money to meddle in local land-use policies. Lawmakers could similarly intervene in local issues like public education, urban planning or policing.

Further centralization carries greater risks given federal authority's expansion since the Progressive Era. Proposals to tamper with settled federal institutions—like unilaterally admitting the District of Columbia and Puerto Rico for partisan gain as Republicans had with Western states after they retook control in 1888—could provoke a backlash, pushing an already strained union toward a breaking point amid economic and geopolitical uncertainty. Yet unlike the Gilded Age, Washington faces some $40 trillion in debt, which is spooking even liberals, along with enormous entitlement obligations and costly commitments abroad. These constraints may force a reckoning with the concentration of power that helped create them.

Recent debates over data centers, school choice and the decentralized Covid-19 pandemic response demonstrate how states and localities can settle consequential policy questions, particularly as Washington demonstrates its incompetence and policy ignorance. The remedy for national political dysfunction isn't bipartisan agreement on concentrating federal power. It is decentralization and local control—greater discretion and resources for institutions Americans can directly hold accountable and already trust far more. The U.S. needs localism more than ever. History may not repeat 1894, but the coming years could rhyme with it.

Mr. Showah writes That Patchwork, a Substack newsletter.

GOP Will Find Prosperity Is More Popular Than 'Populism'



LIFE SCIENCE
By Allysia Finley

Have Republicans lost the plot? You have to wonder by the way they have staked the midterms on appealing to populist and polarizing furies. Pandering won't help Republicans this Tuesday any more than Joe Biden's student loan forgiveness or "pause" on new liquefied natural gas exports did Democrats.

Exhibit A is the Trump team's deployment of Health and Human Services Secretary Robert F. Kennedy Jr. This serves more to advance Mr. Kennedy's longstanding ideological crusades against vaccines and pesticides than to win votes for Republicans.

"We have to figure out a way to grow food without poisoning our kids, without giving ourselves cancer," Mr. Kennedy declared at a MAHA rally last week with Zach Lahn and Joe Mitchell, Republican nominees for Iowa's governor and Second Congressional District. Taking on Big Ag and corporations, Mr. Lahn intoned, is a "spiritual battle." "For a long time, a select few have gotten very rich off the backs of the health of our children."

Continuing his sermon on the mount, Mr. Lahn advocated removing Covid vaccines from the market, which he described as "a pro-life mission." The notion that the Covid mRNA vaccines are causing mass death is baseless, and to most voters it sounds kooky. Pro-life Iowans probably don't appreciate Mr. Lahn's conflating abortion with life-saving vaccines.

Waging a war against farmers in a state whose economic mainstay is agriculture is even dumber. But such is the Republican strategy these days. The thinking seems to be that candidates can win by appealing to populist hobby horses and grievances.

To understand how mistaken this is, look no further than Texas GOP Senate nominee Ken Paxton. The Texas attorney general has tried to massage issues near and dear to the MAHA movement by targeting makers of toothpaste (for fluoride), cereal (food dyes) and clothing (chemicals), among other businesses.

"Too many corners have been cut by corporations in this country, and I will continue to hold them accountable," Mr. Paxton said in a press release last month announcing an investigation into Hanes and Fruit of the Loom over—wait for it—potential "toxic chemicals" in children's underwear.

Their midterm strategy of appealing to polarizing furies looks an awful lot like Joe Biden's approach.

Maybe Mr. Paxton thinks targeting business will distract voters from his personal baggage, including impeachment on corruption allegations by the GOP-led Texas House. (The Senate acquitted him.) As he has amped up his antibusiness campaign, his polling numbers have slid.

Then there's Kansas GOP Sen. Roger Marshall, who has sought to tap into anger at Wall Street by assailing big banks and credit card companies as "loan sharks." He has backed a 10% cap on credit-card interest rates and sponsored a bill with Illinois Democrat Dick Durbin to regulate credit-card payment networks.

Recent polls show the incumbent trailing Democrat Adam Hamilton in a state that hasn't elected a Democrat to the Senate since 1932 and that Mr. Trump won by 16 points in 2024. One reason is reports that while practicing medicine, Mr. Marshall sued patients over unpaid bills and charged them annual interest up to 18%. Who's the loan shark?

Like other Republicans in the heartland, Mr. Marshall has been hurt by the Trump tariffs and immigration raids. Taxing imports is unpopular beyond a thin slice of Republican voters. So is demonizing and deporting foreign workers who haven't committed a crime.

Vice President JD Vance last month announced a suite of actions that make it harder for skilled immigrants to work legally in the U.S. He derided these immigrants as "indentured servants." What happened to Mr. Trump's pledge to build a wall with a "big beautiful door"? The door that his team is building goes only one way—out.

The administration has similarly appealed to a rump faction of isolationists to no good effect. Earlier this month, Mr. Trump eased sanctions on Russia in return for Vladimir Putin's agreement to boost diesel exports. Diesel prices have increased by 15 cents a gallon since the deal was announced. One suspects the real goal of cozying up to Mr. Putin was to quell critics of the administration's foreign interventions, like Tucker Carlson. So, too, with leaks last week that Mr. Vance is seeking to revive peace negotiations with Iran. The vice president desperately seeks a rapprochement between the administration and isolationists, at the cost of betraying Ukraine and undermining U.S. imperatives in Iran.

Herein lies the root of the GOP's midterm problem: Republicans have lost sight of what ordinary voters care about in their bid to buy favor with vocal interest groups and influencers they imagine are important. The Biden team made the same mistake as it tried to woo young voters angry about inflation. The way to win a majority isn't to appeal to disparate factions, but to advance policies that promote broad-based prosperity.

Don't Weaponize Tax Exemptions for Private Schools

By Eugene Scalia

As President Reagan and his lawyers began their campaign to reshape American jurisprudence, an important early clash involved the tax-exempt status of Bob Jones University. For what it claimed were religious reasons, Bob Jones refused to admit blacks, then relented under legal pressure but prohibited interracial dating. The Internal Revenue Service determined that these practices violated the "fundamental public policy" against race discrimination, and that Bob Jones therefore wasn't entitled to a tax exemption as an educational institution.

In the Supreme Court, the Justice Department opposed the IRS: "Congress—not the courts or the Executive Branch—has exclusive authority" to legislate, the department wrote. "While we think Congress should by law authorize the IRS to deny tax exemptions to racially segregated schools, nowhere in the Internal Revenue Code . . . has it done so." So argued department lawyers W. Bradford Reynolds and Chuck Cooper, path-breaking opponents of racial preferences. (They were joined on the brief by a career government lawyer who famously informed the justices, in a footnote, that he disagreed with most of the brief.)

The administration's argument for judicial restraint and limited government held little appeal for the court of the time. Only Justice William Rehnquist dissented in *Bob Jones University v. U.S.* (1983). Chief Justice Warren Burger's majority opinion, which treats the actual language of the tax code as but a subordinate factor in the analysis, is a model of the dubious interpretative method then prevailing. The appointment of Justice Antonin Scalia, who insisted on adhering to statutory text, was three years away.

Fast-forward to today, when the Burger court's empowerment of IRS regulation-writers has an unlikely champion in the Trump administration. In a rule proposed in September for a public comment period ending Tuesday, the IRS seeks a vast expansion of its ability to deny tax exemption to universities and other private schools that discriminate based on race.

Bob Jones's policies were contemptible, open and notorious, and—in the court's view—so integral to the school that they defined the institution's "purpose." A university with such a wretched purpose, the court said, lacked the charitable character necessary for federal tax exemption.

In part because the court tailored its decision to Bob Jones's exceptional facts, the IRS has seldom exercised its court-created authority to deny schools tax exemption based on discrimination. But the new IRS proposal ignores Burger's restrictive language. It broadly states that a school isn't tax exempt if it has "any" practice, in "any" program, that discriminates based on race. That language would unleash IRS agents.

Students for Fair Admissions v. Harvard (2023), the decision barring racial preferences in university admissions, is one of the Supreme Court's most essential rulings in decades—a clear, powerful repudiation of discriminatory practices that had taken hold in elite institutions across America. The decision catalyzed a re-evaluation of corporate employment practices, too, causing many companies to reassess preference programs that had no basis in law.

This effort to stop discrimination can't end with *Fair Admissions*. The administration has rightly assigned it high priority, including by enforcing employment laws enacted for that purpose and by ending government programs that encouraged discriminatory practices, like Lyndon B. Johnson's affirmative-action executive order.

The new Trump IRS proposal is unlawful and creates endless openings for agency mischief.

As important as that battle is, other conservative principles must also guide it. Atop the list is the rule of law. Commitment to a government of laws, not men, undergirds conservatives' emphasis on the text of statutes and the original meaning of the Constitution. It is why conservative jurists honor the separation of powers, resisting innovative intrusions by the administrative state. It is why they insist on fair notice of the law's requirements and why they believe in constraining discretionary—and therefore potentially arbitrary—government action.

Against those principles—and against the principles articulated in *Bob Jones* by conservative legends Brad Reynolds and Chuck Cooper—consider this new IRS proposal.

For starters, the proposal is unlawful. It blows past the limitations of Burger's majority opinion, vastly expanding an authority that the Reagan administration and Rehnquist rightly said Congress had never granted.

The proposal creates endless opportunities for IRS mischief. How will the IRS—a tax authority—determine when illegal race discrimination occurred, and how will it judge when that discrimination is so grave as to forfeit a school's tax exemption? How extensive must that discrimination be, how purposeful, how central to the school's publicly declared mission? At Bob Jones, the initial policy was essentially "no blacks need apply." Yet the IRS proposal would deny tax exemption for "any" discrimination. This would give IRS agents boundless discretion to select schools to investigate, threaten, coerce and disqualify.

A final principle is relevant here, one of administrative law and of politics: What goes around comes around. This administration can't govern with an eye only to the next two years. The legal authorities it asserts are loaded guns, to be picked up and wielded by its successors.

Some in the Trump administration may have a list of universities they believe should lose tax exemption. If this IRS rule is adopted and withstands judicial scrutiny, the next Democratic president will arrive with a list, too.

Mr. Scalia, a Washington lawyer, served as U.S. labor secretary, 2019-21.

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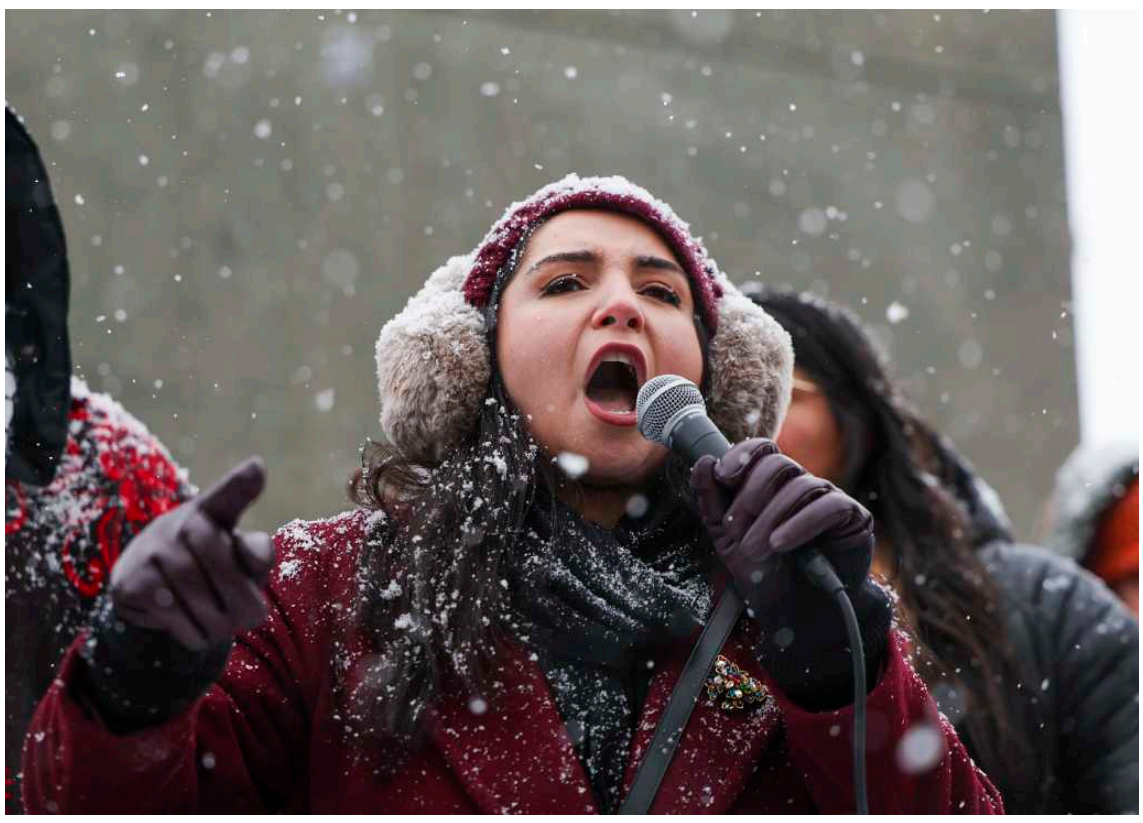
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OPINION

Abolishing DHS doesn't reimagine safety. It undermines it

By Daniel Delgado
SPECIAL TO THE TRIBUNE



U.S. Rep. Delia Ramirez speaks at a rally in the Loop on Jan. 25 to protest the Department of Homeland Security and Immigration and Customs Enforcement, a day after federal immigration agents killed Alex Pretti in Minneapolis. **EILEEN T. MESLAR/CHICAGO TRIBUNE**

Democrats are still searching for an immigration agenda that transcends the cruelty we've seen in our communities under President Donald Trump and the chaos we witnessed at the border under President Joe Biden. Chicago U.S. Rep. Delia Ramirez's recent legislative proposal to abolish the Department of Homeland Security and replace it with a Department of Community Safety misses the mark.

I spent more than a decade at DHS serving under presidents of both parties — including, most recently, as the acting deputy assistant secretary for immigration policy. I can tell you from experience that Ramirez's bill, the Reimagining Safety Act, which would dismantle DHS and replace it with a "new human- and community-centered federal department that promotes collective safety," while simultaneously stripping away the government's authority to enforce our immigration laws, would inevitably lead to another migrant crisis such as the one that overwhelmed Chicago just a few years ago.

Make no mistake. I'm also deeply concerned with what has happened to DHS under Trump's cruel and reckless direction. I grew up in Chicagoland and regularly visited the neighborhoods where our Latino brothers and sisters were terrorized by masked U.S. Immigration and Customs Enforcement and Border Patrol agents in pursuit of senseless deportation quotas during Operation Midway Blitz.

I take these offenses personally — not just as a former DHS official, but also as a Latino whose brown family could just as easily fall victim to these indiscriminate attacks.

However, in trying to overcorrect for the sins of the Trump administration, Ramirez goes too far in suggesting that we simply get rid of essential government immigration functions.

Her proposal calls for abolishing multiple government agencies that are critical to safeguarding our national security without providing definitive alternatives that would ensure their missions continue. For example, imagine what would happen if we were to abolish Customs and Border Protection and split its customs and immigration functions between different departments, as Ramirez suggests.

Decentralizing these functions would decimate the government's coordinated inspection capacity to manage the flow of goods and people through ports of entry and, in effect, abolish CBP's Office of Field Operations. The OFO, which screens hundreds of millions of travelers and their cargo annually at land ports of entry and airports, would see their authorities distributed across multiple government agencies — essentially re-creating the flawed construct that was exploited by terrorists to carry out the devastating attacks on Sept. 11, 2001.

Today, OFO officers are charged with determining whether a noncitizen meets the legal requirements to be admitted to the United States and whether they pose a threat to public safety or national security. When someone is found to be inadmissible, CBP can detain them and initiate the removal process.

Ramirez's bill would also hinder the government's ability to refuse entry to noncitizens identified as suspected terrorists by rescinding the terrorism-specific grounds used to find them inadmissible, which include terrorist activities, associations and the providing of material support to designated terrorist groups.

Similarly, the government would no longer be able to apply these grounds as a basis to remove somebody already in the United States and must terminate all official designations of foreign terrorist organizations. The bill would further impede the government's ability to fund strategic national security tools that are used to monitor and prevent the travel of people whom the government reasonably suspects of terrorist activity.

Unbelievably, it would also require that the removal of any noncitizen — including those who pose a threat to the American public — be initiated by the attorney general or their deputy, and then approved by a joint resolution of Congress.

For perspective, when ICE removed about 59,000 people from the United States in fiscal year 2021 — a historic low as the Biden administration prioritized detaining those with serious criminal convictions and were still navigating operational challenges associated with the COVID-19 pandemic — Congress would potentially have needed to debate and agree on 59,000 separate actions.

Together, these changes would produce an almost unimaginable result: If a suspected terrorist were to arrive at a port of entry seeking entry to the United States, the government would likely be required to allow them into the country. The individual could not be detained because the bill rescinds the authority to hold anyone in immigration detention, meaning they would ultimately be released and free to remain in the country until Congress — a body notoriously known for gridlock that hasn't passed significant immigration legislation in decades — voted to authorize their removal.

Ramirez is right to call for significant changes to rein in the Trump administration's extreme nativist policies. I wholeheartedly agree with her that we need to hold those responsible for these atrocities accountable, including people such as former Homeland Security Secretary Kristi Noem and former Border Patrol Cmdr. Greg Bovino. I applaud efforts of groups such as the Illinois Accountability Commission that are diligently working to do so. But this legislative proposal is not the answer and would seriously undermine public safety and national security.

While this bill has no chance of ever becoming law, it sends the wrong message to voters about the sort of immigration policies Democrats want to implement. As approval for the president reaches historic lows and the public grows increasingly wary of his reckless pursuit of a xenophobic and chaotic immigration agenda, Democrats such as Ramirez have a rare opportunity to build consensus and pursue the kind of balanced and sensible reform that has the support of the American public.

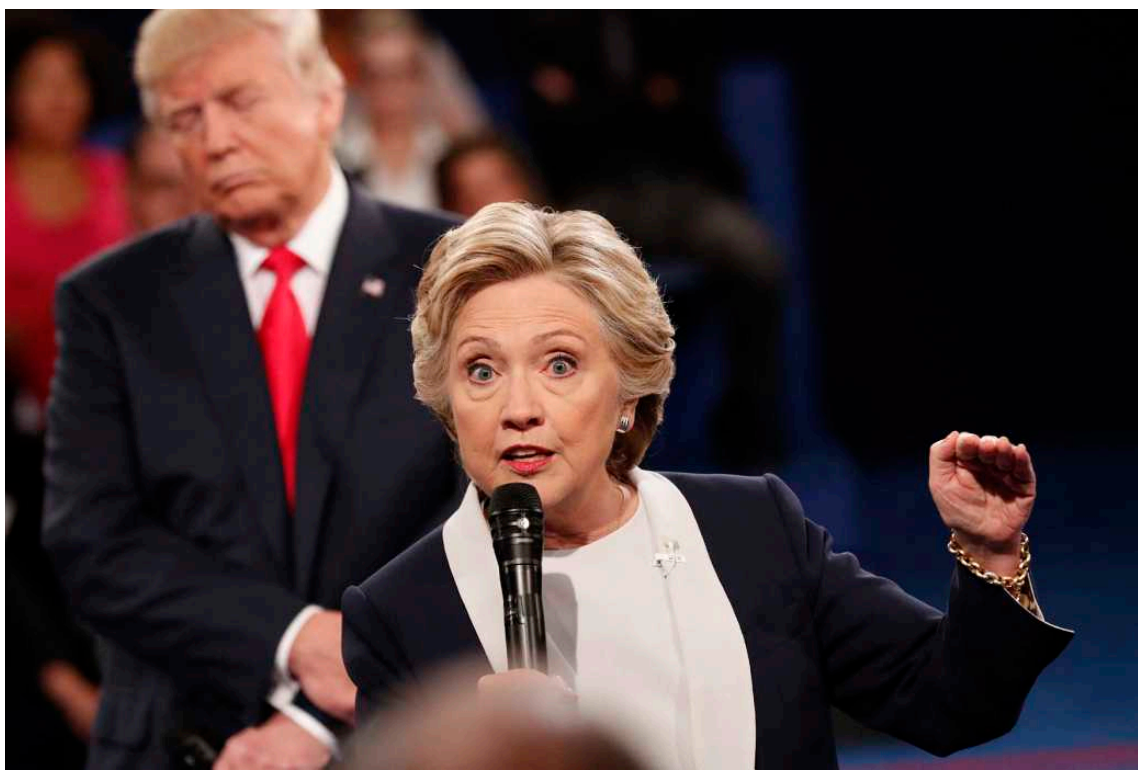
We deserve a functional immigration system that is both firm and fair, and that is consistent and humane. One that secures our border, safeguards public safety and national security, and welcomes those seeking an opportunity to enhance American prosperity and contribute to the rich diversity that makes this country great.

We can make this American dream a reality, but only if and when Congress finds the courage to act in a way that aligns with the needs and demands of the American people.

Daniel Delgado is a Chicagoland native and former acting deputy assistant secretary for immigration policy at the Department of Homeland Security. He is currently a senior fellow for immigration policy at the Searchlight Institute in Washington, D.C.

Democrats still are missing the lesson from 2016

By Kaivan Shroff
SPECIAL TO THE TRIBUNE



Democratic presidential nominee Hillary Clinton, right, and Republican presidential nominee Donald Trump participate in a town hall debate at Washington University in St. Louis on Oct. 9, 2016. **RICK WILKING/REUTERS**

Ten years ago this November, Democratic presidential nominee Hillary Clinton lost to Republican Donald Trump. Eerily, almost everything she warned about him has since happened. She said he was Vladimir Putin's puppet — he just recently defied bipartisan sanctions against the Russian dictator. She said he would refuse to accept an election he lost — then Jan. 6 happened. She said a man who could be baited with a tweet couldn't be trusted with nuclear weapons and that Trump would shred the Iran deal and risk war. She said Roe v. Wade would be overturned. She even warned his tariffs would start a trade war with China and drive prices up for American consumers.

None of it worked at the time, but it all checked out. Many of us who were on the campaign treat that record as vindication. Perhaps it should read as a warning of its own.

Clinton's accuracy in describing Trump was never the problem. But Democrats keep making one kind of argument — a verdict on Trump — when elections turn on the other kind — an explanation of why a voter's own life got harder and what will fix it. Ten years in, despite being on track for big midterms wins, they still seem to be missing this lesson.

Trump condemns his opponents constantly, but he also — always — does the thing Democrats most often don't. He hands people a cause or a culprit — and a cure. Your plant closed because of NAFTA. Your wages stalled because of immigrants. Canada is the enemy! Almost none of it holds up substantively. Still, it works because the packaging is compelling: It tells a person why her life got harder and what to do about it.

Stating the obvious — that Trump is "temperamentally unfit" — does nothing to persuade a voter looking for an explanation for their problems. It's a conclusion about somebody else, and it asks a voter to care about the personality of a man she has most likely already made up her mind about.

I worked on that campaign's digital team. Every day we put out the clip, the quote, the documentary evidence, the contradictory video, on a theory nobody ever seemed to name — that exposure was the only thing standing between a reachable voter and our verdict on Trump. What we never took seriously was that millions of people already knew exactly who Trump was and had weighed him against something they wanted more.

Ironically, Clinton herself had already diagnosed the issue. During the same September 2016 speech that produced the much-litigated "basket of deplorables" moment, Clinton actually completed the sentiment by describing a less-discussed second group of Trump supporters, "that other basket of people, who are people who feel that government has let them down, nobody cares about them, nobody worries about what happens to their lives and their futures, and they are just desperate for change. It doesn't really even matter where it comes from. They don't buy everything (Trump) says, but he seems to hold out some hope that their lives will be different. They won't wake up and see their jobs disappear, lose a kid to heroin, feel like they're in a dead end. Those are people we have to understand and empathize with as well."

But notice where she said it. She said it at a fundraiser with Barbra Streisand to a room full of donors. Her solution was to offer kindness and compassion — not to name an enemy and a fix. Trump spent 2016 telling those same people who had caused their pain and what he was going to do to make it better. The former is a nice sentiment. The latter is an argument, as detached from the facts as it may be. The first basket was the verdict — and that is the one voters most heard about during the campaign cycle.

To be clear, this isn't a rehashing about one candidate's weaknesses. I continue to believe Clinton was one of the most formidable and qualified contenders for president in the nation's history. But she ran the play the party believed in and still seems to.

You can see the shared instinct in the numbers. In the final 10 days of 2016, roughly 9 in 10 Clinton ads were about Trump's personal failings. This midterms cycle, Democrats have spent more than $163 million on ads mentioning Trump almost 180,000 times just since Sept. 1.

Democrats look likely to win big, while running that same argument harder than ever. Here's what shifted — Clinton's warnings have become receipts. Voters now have the consequences of his presidency to blame.

Joe Biden, too, ran the purest version anyone has run of the "focus on Trump" strategy — a campaign about the "battle for the soul of the nation." But look at the context of that moment: A pandemic overseen by Trump had killed more than 200,000 Americans by Election Day 2020, the economy had cratered and the cost of Trump's character and unfitness had become real. Voters didn't need Biden to warn them of what Trump would do — he had done it. That made it easy to point to him as the cause or culprit. The catastrophe did the work.

Four years later, Democrats stuck to the focus on Trump, but he was no longer in office and could no longer be pointed at as the cause of Americans' woes. Kamala Harris again warned us. She called out Trump's Project 2025 agenda. She warned of Trump turning U.S. troops on American citizens. It didn't land. He wasn't in power and was not a credible explanation of the problems of the day.

The warnings didn't get better in 2020 or 2026. They just became reality — the clear cause of the problem. Democrats should be careful not to mistake Trump's current unpopularity for proof that we've figured out how to beat him or the next version of him. If the party still needs voters to experience the harm of Republican policies before it can actually win them over, we have merely learned how to capitalize on disaster — not how to prevent it.

Clinton was right about Trump, but our campaign couldn't convince enough Americans before it was too late. The next Trump won't come with a decade of evidence against him.

If Democrats still can't persuade voters until they've suffered the consequences, we haven't learned enough.

Kaivan Shroff is a politics and culture commentator, attorney and former digital organizer for Hillary Clinton's 2016 presidential campaign.

OPINION

How Obama's 'Cheesecake Factory' comment reveals state of MAGA



Clarence Page



Former President Barack Obama speaks Wednesday in Morrow, Georgia, where he repeated his comparison of President Donald Trump's Oval Office to the Cheesecake Factory. **BRYNN ANDERSON/AP**

MAGA influencers got a bit worked up last week after former President Barack Obama mocked President Donald Trump's gold-gold-gold-heavy Oval Office.

"I don't know if you've noticed, but he seems very focused on home renovation," Obama gibed about the questionable redecoration Trump has undertaken at the White House.

"He should be on HGTV. ... There's gold everywhere. He's got the White House looking like Saddam Hussein opened a Cheesecake Factory."

Nailed it.

I know I speak for more than just me when I observe that Trump has turned the sacred space of "the People's House" into a glitzy mess.

Over the years, the White House has had its share of renovations, major and minor, as well as regular efforts to update its decor. Occasionally eyebrows have been raised and tongues have clucked, as when Nancy Reagan splashed out on new china, but a simple and sober aesthetic has been maintained, as befits a democratic republic.

However, Trump has encrusted the Oval Office with gilded gewgaws and stuffed it with glittering vases, frames, trophies, platters and other trappings appropriate to the palaces of Europe that once housed autocrats who ruled by divine right.

I don't need to remind you, as some would like to remind Trump, that the Oval Office belongs to all of us, and we're not all thrilled with the idea of living in an updated version of the Gilded Age, as Mark Twain dubbed the late 19th-century period of extreme wealth and political corruption in America.

That's part of the reason why Obama's remark instantly hit a nerve in the MAGA universe.

"Sounding more bitter than ever," said an anchorwoman on Fox News.

Others chimed in that Obama was "taking cheap shots." Right-wing media mogul Ben Shapiro said of the ex-president, "He is such a jerk!"

The most instinctive line of backlash was to call Obama a snob, to suggest that his joke was intended as a thinly veiled insult to the Cheesecake Factory, as well as to the innocent customers who enjoy eating $20 cheeseburgers amid its over-the-top splendor.

Scott Jennings, a longtime GOP political strategist and CNN fixture, distilled this line of attack best in this screed about Obama on X:

"Makes speeches for 500k a pop. Hasn't eaten dinner that costs less than $250 in years. Has never been in a Cheesecake Factory. Undefeated at condescending to regular folks. Will always be known for a presidency that ushered in the Trump era to begin with."

Mercy. Are we getting off-topic or what?

Never mind that Trump could outsnob Obama any day of the week. He at least has the bucks to back it up. He made more than $2 billion last year. He earned about $1.4 billion from his crypto ventures in 2025.

Breaking with the recent tradition of presidents and Cabinet members putting their investments in blind trusts, Trump has openly invested in companies, such as Nvidia and Tesla, that have much to gain or lose from his actions, and he has made public statements bolstering them.

Those investments also include the Cheesecake Factory, it turns out. Trump purchased up to $175,000 worth of stock in the popular restaurant chain last year, the Daily Beast reported Wednesday. True to form, Trump made sure to praise the company, calling it "a very successful business."

Trump's notoriety for corruption may finally be eclipsing his populist appeal, and even rhetoricians as skilled as Jennings have difficulty making a case for him. Jennings is mentioned as a top candidate to be the next White House press secretary, and if he's able to sell that malarkey about Obama being "undefeated at condescending to regular folks," he deserves it.

But that's politics, isn't it? If they can't call you a communist, they'll call you an elitist — or the like.

Obama doesn't have to worry about winning elections anymore. But the man who occupies the newly gilded Oval Office faces crashing approval ratings and the strong possibility of a greatly reduced Republican presence in the House and Senate, judging by the polls.

At a rally in Georgia, Obama nailed a major big reason why Trump finds himself in this predicament: a failure to focus on the bread-and-butter problems like inflation and "forever wars" that are facing American voters.

Instead, Obama noted, the president "was very upset about the Cheesecake Factory comment. He took great umbrage."

What Trump and his MAGA influencers did not choose to respond to, Obama continued, was his criticism that Trump was "directly responsible for rising prices," that his tariffs were disastrous for American consumers, that Trump and his cronies were "engaging in unprecedented levels of corruption."

In other words, Obama said, "They mobilized a whole-of-government response to that joke — not to inflation, but to that joke."

The aura of Trumpism is losing its allure, and fast. Is this the end of the movement? We'll see what voters have to say on Tuesday.

Email Clarence Page at cptimee@gmail.com.

Voice of the People

O'Hare Flyer no panacea

The Tribune Editorial Board's recent defense of the $2.25 billion O'Hare Flyer transit project relies entirely on a sciolistic premise ("Kennedy Expressway mess demands approval for the O'Hare Flyer," Oct. 28). In its haste to dismiss legitimate suburban resistance as mere "NIMBYism," the editorial board employs a superficial veneer of public transit jargon while wholly misinterpreting the ground reality facing Forest Park. Using an acronym meant for minor zoning squabbles against resistance to a massive, 80 mph express train slicing through dense residential blocks is an arrogant posture that completely obscures the true nature of this unconscionable project.

The O'Hare Flyer is not a public transit panacea; it is a privately funded luxury corridor built to bypass local communities. For Forest Park, the consequences of this high-speed train are severe. Project developers promise a sleek, "whisper quiet" 15-minute trip between downtown and the airport. What they downplay is that a train running in both directions every 15 minutes creates a disruptive passing interval every seven and a half minutes. Relentless transit traffic and low-frequency vibrations will skirt right behind residential properties, an elementary school and local community spaces.

Furthermore, the economic case for local residents is a complete illusion. This train will not ferry the airport's hardworking, shift-based employees, who rely heavily on affordable public mass transit lines. Instead, the O'Hare Flyer threatens to siphon attention and resources away from vital existing public systems like the CTA Blue Line and Metra, which actually serve our neighborhood's daily commuters. Proponents tout thousands of short-term construction jobs while remaining completely silent on long-term traffic, property value, and localized economic and environmental impact studies.

To look down from an editorial desk and reduce real anxieties over trains and their persistent structural vibrations and plummeting property values to a simple case of "self-interested neighbors" is the height of elite pretense. Labeling this technology as "whisper quiet" is deliberately disingenuous, masking the profound physical disruption a high-speed corridor brings to a tight-knit community.



A Forest Park-bound Blue Line CTA train travels away from Chicago on March 14, 2025. **ANTONIO PEREZ/CHICAGO TRIBUNE**

Forest Park is a vibrant residential space, not an industrial transit trench.

True regional planning values equitable transit and protects local neighborhoods. The O'Hare Flyer does neither, and Forest Park must refuse to be its pass-through track.

— Michael Chronopoulos, Forest Park

A lesson on what not to do

The proposed privately funded O'Hare Flyer represents exactly the kind of development-first thinking that has too often sacrificed Illinois communities for questionable economic gains. Residents in the 11 affected municipalities are witnessing a blueprint for how not to build infrastructure.

Let's start with what developers won't emphasize: 144 trains daily passing through established neighborhoods from 4 a.m. to 10 p.m. means a train every seven and a half minutes when counting both directions. Running at 80 mph through dense residential areas including River Grove and Franklin Park won't be "whisper-quiet," despite marketing claims. Battery-electric motors may be quieter than diesel, but wheel-rail noise and aerodynamic noise increase dramatically with speed. And let's not forget legally required train horns blasting 96 to 110 decibels at every grade crossing — that's deafening, not whisper-quiet.

More troubling is the environmental toll on the Thatcher Woods Forest Preserve. No independent wildlife study exists. How do fenced rail corridors cutting through protected land align with Cook County's conservation commitments? The Forest Preserve District hasn't endorsed this route, yet construction would proceed regardless.

This project also raises fundamental equity questions. Who benefits? Airport travelers already have the Blue Line and Metra options. Meanwhile, minimum-wage airport workers depend on reliable, affordable transit that the O'Hare Flyer ignores entirely. The express trains would skip local stops in most communities, offering zero service to residents along the rail line while potentially hurting state and federal funding for existing systems such as the CTA and Metra that serve actual commuters.

At least one community — River Forest — has formally questioned operating details, maximum speeds, noise assessments and vibration mitigation. These aren't unreasonable requests; they're basic due diligence that should precede construction, not follow it. Yet critics report little commitment to independent studies or binding mitigation measures.

Finally, consider the precedent. If we allow high-speed rail through preserved natural areas and residential neighborhoods without comprehensive environmental review and genuine community consent, what stops future projects from doing the same? The "build it and they'll come" mentality has failed cities nationwide.

We deserve transportation solutions that serve everyone — not just privileged travelers willing to pay premium fares while local communities absorb the noise, congestion and environmental damage. Alternatives like expanding Blue Line express service or strengthening Metra integration would be far more cost-effective and equitable.

Tell the O'Hare Flyer to go back to the drawing board. Our communities aren't disposable rights-of-way.

— Grace Vitale, River Grove

Many unanswered questions

I read the editorial supporting the O'Hare Flyer with disbelief. I don't think anyone would argue that Chicago doesn't need better transportation to O'Hare International Airport. But how does that justify demanding approval of a $2.25 billion project with so many unanswered questions?

The Tribune Editorial Board describes the Flyer as "shovel-ready," yet its developers have disclosed only one fundraising round, without revealing how much they raised. A second round reportedly seeks another $18 million. Major railroad agreements and regulatory approvals are still outstanding. That hardly sounds shovel-ready.

Then there are the engineering challenges. The proposal includes a 90-foot-high rail bridge over active O'Hare taxiways, new infrastructure around the airport's terminals and a downtown station that has yet to be built. Have these plans been independently evaluated? Has anyone established that they're even feasible?

The board also makes much of the project's private financing. But privately financed rail projects have a history of generating public costs. Brightline in Florida has benefited from hundreds of millions in public infrastructure expenditures, and its parent companies recently filed for bankruptcy. Taxpayers have good reason to ask questions before accepting promises that a project won't cost them anything.

As for those of us the board has labeled "NIMBYs," we're not opposed to better public transportation. We're concerned about introducing 144 trains a day, traveling upward of 80 mph, through residential neighborhoods. Living near existing freight tracks doesn't mean we signed up for high-speed passenger trains running every seven minutes. Where are the independent noise, vibration and safety studies? What protections will be provided to the people living alongside these tracks?

I also find it troubling that the board has reduced legitimate concerns from residents across multiple communities to selfish obstructionism. We're talking about people's homes, families, safety and quality of life. Eleven communities and a forest preserve would be affected by the proposed route, and residents in each deserve a meaningful voice in the process.

The Kennedy Expressway is a mess. We all know that. But that doesn't make the first ambitious proposal that comes along the right solution.

Before the Tribune Editorial Board calls on government to approve the Flyer, perhaps it should investigate whether the Flyer's developers can actually deliver what they're promising.

— Laura Toerner, River Forest

Fare thee well, John Kass

Once upon a time, I was an avid follower of John Kass' regular column in the Tribune. He did a nice job of emulating the snarky style of Mike Royko, although no one could be expected to match that journalistic brilliance.

Kass was at his best as an observer of humanity and as an investigative reporter of the many shenanigans going on in local government. Then something happened to him.

Kass would often mention his twin boys in his columns, and it seemed to me that just about the time they went off to college is when Kass went feet first right down the rabbit hole.

His clever observations veered into far-right conspiracy theories, and he seemed to relish being a point man for the toxic cultural wars that the Republican Party has bathed itself in for many decades now.

I am quite happy to learn that his distortions will no longer be polluting the minds of his subscribers, but saddened to see the waste of such a unique talent that he had foolishly squandered.

Fare thee well, John. Who knows what might have been.

— Thomas Green, Highland Park

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فإنَّ الحِرمانَ أقلُّ مِنه
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Be not ashamed to give a little, because it is still better than giving nothing.

Ali bin Abi Taleb
(The fourth caliph)

Opinion

Fabricated explosions can trigger psychological warfare

DR. BADER BIN SAUD

December 2026 marks a critical juncture, driven by the convergence of annual financial closings and peak winter energy demand. Such economic vulnerability aligns with a dangerous geopolitical escalation that has decisively shifted the theater of regional operations from traditional kinetic battlefields to the arena of cognitive warfare. State and nonstate actors are increasingly deploying generative artificial intelligence models to produce hyperrealistic synthetic media, fabricating catastrophic explosions at critical infrastructure sites.

While the 1938 radio broadcast of "The War of the Worlds" famously sparked social panic through an imagined narrative, historical precedent is now repeating itself with infinitely more convincing tools. In May 2023, an AI-generated image of a fictitious explosion near the US Pentagon caused immediate public confusion and triggered security alerts. Beyond momentary panic, such digital illusions strike directly at the core of the global economy.

When an Associated Press social media account was compromised in 2013, a fabricated alert erased $136 billion in US stock value within three minutes. Today, international markets lose about $78 billion annually to engineered misinformation, a crisis exacerbated by the findings of a 2018 Massachusetts Institute of Technology study: that fake news propagates on social media platforms six times faster than factual data, making the technology an ideal, low-cost mechanism for strategic infiltration.

Modern conflict geometries have decisively evolved. "Cyber armies" orchestrate psychological warfare in parallel with military operations, deploying specialized technical teams to render fabricated footage of attacks on sovereign infrastructure, such as oil fields and strategic maritime ports. Their objective transcends physical disruption; adversaries aim to engineer psychological defeat before actual front lines are ever breached.

A hyperrealistic video depicting an attack on an international airport not only disrupts



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global supply chains and inflicts billions in economic losses, but it fundamentally shatters the public's sense of security. Forced shutdowns of facilities in response to fictitious threats project an illusion of state impotence, breeding collective surrender. Research from the RAND Corporation's 2016 "Firehose of Falsehood" report demonstrated how an overwhelming volume of fabricated media paralyzes logical analysis, transforming digital clips into psychological weapons capable of redrawing the balance of power from within.

Cyber militias actively exploit collective emotion to infiltrate the social fabric of target nations. Using advanced deepfake algorithms to fabricate fictitious atrocities — such as attacks on civilian gatherings or summary executions — operatives seek to demonize opponents and inflame public polarization. These tactics weaponize confirmation bias, encouraging populations to share inflammatory content that aligns with preexisting fears without analytical scrutiny.

When seamlessly integrated with AI voice cloning, the software allows threat actors to impersonate military commanders or civilian officials on live broadcasts, issuing catastrophic orders with perfectly matched facial features and lip movements, thereby destroying logical thinking and crisis management protocols when they are needed most.

Mitigating asymmetric threats demands a departure from reactive measures and the immediate implementation of robust, actionable policies. Such danger is not theoretical. In February 2024, a British multinational in Hong Kong lost $25 million in minutes when an employee transferred funds on the orders of a digitally cloned chief financial officer during a deepfake video conference. It is a technological nightmare that perfectly epitomizes the famous observation: "A lie travels halfway around the world before the truth has a chance to put on its shoes."

Ultimately, tomorrow's sovereignty will not be measured solely by physical military arsenals but also by a state's cognitive resilience and its capacity to thwart the generative algorithms engineered to turn digital illusions into catastrophic realities.

Fabrication has proven to be the most cost-effective and lethal weapon in modern geopolitics



COURTESY: AMJAD RASMI/ARAB NEWS AL-AWSAT

Jordan should enact a communications strategy that debunks online hate speech

Jordan must remain a beacon of interfaith harmony

MOHAMMED ABU DALHOUM

Within four days, Jordan's security forces managed to arrest three militants suspected of having carried out the heinous attack on a funeral at a Greek Orthodox Church in the village of Hmoud, Karak governorate, that left nine Christian Jordanians dead and 34 people injured.

This terrorist act was not the first in Jordan's history, not even the first in Karak, but it was certainly the first to have sectarian motives, aimed directly at both creating rifts within Jordan's socio-demographic fabric and tainting the country's image as a beacon for interfaith harmony.

Indeed, the attack in Karak came amid Jordan's preparations for the 2030 bimillenary of the baptism of Jesus Christ, hindering the kingdom's efforts to attract 1 million Christian pilgrims and visitors to mark the historic milestone. It also cast a shadow over the positive image of Jordan as a model for interfaith harmony, as highlighted by American journalist Tucker Carlson during his visit to the baptism site Bethany Beyond the Jordan.

In the wake of the attack, commentaries echoed two longstanding narratives regarding violent extremism in Jordan. On one hand, there remain voices who inflate the magnitude of the issue, depicting it as the single most debilitating problem facing the country. On the other hand, there are those who see no issue at all. In fact, the truth and reality of the matter lie in the middle.

As Jordan prepares to put the latest attack behind it, there are several questions the kingdom should address. Where does the country go from here? How should it preserve its place as a beacon of interfaith harmony? And how should it prevent similar acts from happening?

Careful, strategic planning is imperative.



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In the immediate future, Jordan should proceed with a trial for the alleged perpetrators.

While many Jordanians are calling for their execution, it is important that Jordan, as a state of institutions and with a strong judiciary, observes the rule of law. Indeed, the judiciary enjoys a high level of public trust among Jordanians. Any sentence should be delivered through strict adherence to statutory law that ensures justice is delivered by the state and not dictated by popular outrage.

Beyond the immediate response, Jordan's mid-term priority should be controlling reputational damage and reaffirming its standing as a safe place for Christians. With only four years until the bimillenary of the baptism of Jesus Christ, it should enact a communications strategy that debunks online hate speech and malign foreign content, and controls the narrative concerning its own image. The ultimate goal should be to reassure the global Christian community that Jordan remains not only a safe destination, but also a resilient sanctuary where religious freedom and historic heritage are guarded by both the state and its people.

In the long run, this strategy must be accompanied by revamped efforts to prevent the spread of violent extremism by addressing the underlying factors that create fertile ground for radicalization.

Jordan's response to the terrorist attack in Karak will be measured not only by its ability to bring the perpetrators to justice, but also by its capacity to prevent future atrocities without compromising the very values that the attack sought to undermine.

Preserving Jordan's standing as a beacon of interfaith harmony requires more than reaffirming its reputation; it requires sustained, deliberate efforts to ensure that shared living, national unity, and mutual respect remain defining features of the kingdom's social fabric.

Opinion

Refugees are becoming agents of justice and accountability

DR. AZEEM IBRAHIM



When people flee war crimes, they do not leave the evidence behind. They carry memories of burned villages, destroyed homes, disappeared relatives, and military units responsible for abuses. Some carry photographs, documents or digital records. Others know the names of commanders, locations of detention centers or identities of fellow witnesses. We normally think about refugees primarily as victims requiring protection, but displacement is also beginning to change the geography of international justice.

When people flee war crimes, they carry memories of burned villages, destroyed homes

A case filed in Denmark this week demonstrates why. Ngun Siang Dim, a 39-year-old woman from Myanmar's Chin minority now living in Denmark, has submitted a criminal complaint concerning alleged crimes committed by Myanmar's military. She says she witnessed homes being burned in her village and that relatives and friends were killed or permanently injured. Whether Danish prosecutors ultimately pursue the case remains to be seen. But the significance of the case extends far beyond one survivor or even Myanmar itself.

The complaint relies on the growing use of universal jurisdiction, the principle that certain crimes are so serious that national courts may investigate them even when the alleged offenses occurred abroad and involved foreign victims and perpetrators. The precise rules differ between countries, but the underlying idea is increasingly important because international justice remains difficult to deliver through traditional institutions. The International Criminal Court has limited jurisdiction. The International Court of Justice deals with disputes between states rather than prosecuting individuals. UN Security Council referrals can be blocked by geopolitical interests. Domestic courts in countries experiencing atrocities may be controlled by the authorities implicated in those crimes or may simply have ceased to function independently.

This creates enormous accountability gaps. Refugee movements can, unexpectedly, help narrow them. When survivors move from countries where independent investigation is impossible to states with functioning courts, evidence moves with them. People who could never safely approach the police at home may suddenly find themselves living in countries where investigators can hear their testimony, preserve evidence, and and potentially open cases. Displacement, therefore, changes more than where victims live. It can also change where justice becomes possible.

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Syria demonstrated the potential of this model. After millions of Syrians fled the country, European investigators gained access to survivors, former detainees, witnesses, and defectors. Germany and other European states became centers for cases concerning torture and crimes against humanity committed thousands of kilometers away. German courts eventually convicted former Syrian intelligence officials in landmark proceedings. These cases did not end impunity in Syria, but they established an important principle: Perpetrators may control courts at home without controlling every court their victims can eventually reach.

German courts convicted former Syrian intelligence officials in landmark proceedings

Myanmar could now test the same proposition. For people from Chin State, Rakhine State, Sagaing, and other areas, meaningful domestic accountability remains extremely difficult. The country is divided by conflict and the military retains considerable influence over the central institutions of the state. Yet Myanmar's displaced population is increasingly global. Refugees and exiles now live throughout Europe, North America, Australia, and across Asia. This diaspora is usually discussed in terms of humanitarian protection, remittances or political activism. Its potential role as an accountability network deserves far greater attention.

People displaced by atrocities are too often discussed only through the language of vulnerability. They are people to be protected, housed, fed, and eventually returned. All of those needs are real, but survivors can also be witnesses, plaintiffs, historians, and agents of accountability. They can preserve memories that perpetrators would prefer erased and carry legal claims across borders that those responsible for atrocities cannot completely control.

Myanmar's military may be able to influence what happens inside many of the country's courts. It cannot necessarily determine what happens in Copenhagen, Berlin, or another jurisdiction willing to investigate international crimes. That is the deeper significance of the complaint filed in Denmark.

Yet displacement can produce an unexpected reversal. The same refugee who crosses a border because justice is impossible at home may eventually bring evidence before a court beyond the reach of those who forced them to flee.

International justice has traditionally struggled to reach victims. Increasingly, victims themselves are carrying the possibility of justice across borders.

Shared strategic interests guiding India's expanding outreach to Africa

TALMIZ AHMAD



In April 2026, while launching the theme and logo of the Fourth India-Africa summit, External Affairs Minister S. Jaishankar said that "Africa occupies a central place in India's foreign policy." Though the summit was later postponed due to the Ebola epidemic, in October, Jaishankar embarked on a three-day tour that took him to Ghana, Cote d'Ivoire, and Ethiopia "to deepen India's partnership with Africa and further India's solidarity with the Global South."

India's present approach to Africa goes back to July 2018 when Prime Minister Narendra Modi, in his address to the Ugandan parliament in Kampala, set out 10 principles that would define New Delhi's ties with the continent. The principles affirmed that Africa would be at the top of India's foreign policy agenda, with the partnership being shaped by Africa's needs. It would focus on agriculture and food security, trade and investment, digital transformation, maritime security, and climate change. The two sides would also work together to realize "a just and democratic global order."

India-Africa relations have witnessed remarkable progress in the past decade

Guided by these principles, India-Africa relations have witnessed remarkable progress in the past decade: Bilateral trade has reached about $100 billion; cumulative Indian investments have crossed $10 billion; India has provided 190 lines of credit valued at $10 billion for projects in 40 countries; and nearly 80,000 scholarships and skill development slots have been provided for capacity-building in health, agriculture, and technology.

Recently, there have been initiatives in areas of economic and knowledge development, technology, and security. Development finance is seeing a shift from lines of credit to foreign direct investment, with public and private finance being provided by India's expanding banking presence. In the area of digital transformation, India has taken the lead in developing Digital Public Infrastructure, as well as setting up IT training centers and centers of excellence specializing in data science and artificial intelligence.

Given Africa's geopolitical importance in terms of its long coastlines and numerous ports, and its hinterlands rich in agricultural produce, energy resources, and mineral wealth, India's outreach obviously embraces shared security concerns. These include piracy, maritime terrorism, illegal fishing, narcotics trade, and human trafficking. The Indian Navy was an early responder during regional cyclones and during the pandemic when it transported vaccines and medical equipment to Africa.

Talmiz Ahmad is a former Indian diplomat.

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India's latest naval doctrine has placed the country as a net security provider and first-responder in regional emergencies. This has been complemented by the Africa-related initiative, "Africa-India Key Maritime Engagement," a six-day naval exercise at Dar es Salaam in April 2025.

These exercises have been supported by capacity-building courses for defense personnel in Indian institutions in areas such as defense management, cybersecurity, counter-insurgency, and jungle warfare. Senior officers on both sides — at the level of ministers and service chiefs — are in dialogue on tactics and strategic issues as well as defense industry cooperation.

India's latest naval doctrine has placed the country as a net security provider

In recent years, the allure of Africa has increased exponentially. The US 2025 National Security Strategy described the continent as "a central node in the world's geostrategic and economic reconfiguration (and) the arena where the (global) balance of power and the very architecture of future interdependence will be defined." Africa has put its African Continental Free Trade agreement into operation, with an integrated market of 1.3 billion people. It also has 30 percent of the world's critical minerals and metals, even as it is rapidly developing its digital infrastructure and industrial manufacturing.

India also sees the link between energy and food security. Africa is a major producer of conventional fuels and is also, like India, committed to increased use of renewable energy. India sees itself as an important partner in both areas, with focus on grid modernization, digitizing power distribution, and developing best practices in energy management.

Maritime security will be an important area for cooperation, with a focus on boosting coastal radar and surveillance systems, port technologies, and providing coast guard and naval training. India will also engage in peacekeeping, as well as conflict management and conflict resolution initiatives, particularly those sponsored by the UN or the African Union.

In coming years, India's ties with Africa will be both multifaceted and substantial. This was affirmed by Jaishankar during his recent visit to Ethiopia when he said: "Freedom brought our nations together. Development has now brought our economies together. And today, the transformation of the international order is bringing our strategic interests and goals together."

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EDITORIAL

Clean, efficient government vital for China's future

China observers often watch party plenum meetings for clues about major personnel changes. This is especially true of the fifth plenum, which traditionally fires the starting gun for the once-every-five-years leadership reshuffle. But the fifth plenum in Beijing last week mattered for more than that.

After all the official commentaries, articles and meetings ahead of the event, everyone was expecting it to focus on party discipline. Still, the extent and language of the final readout of proceedings show how important the leadership considers this issue.

By now it is clear that China's anti-corruption campaign is not just a one-off. It is an end in itself. The aim is to maintain a high-pressure environment to ensure party purity, focus and discipline.

The Communist Party is the ruling party in China. Its efficiency, focus and discipline affect the well-being of all Chinese people and the success or failure of the nation to achieve its goal of rejuvenation.

What stands out in this readout, and the press conference the following day, is the mention of "unwritten rules".

For a party of more than 100 million people, many customary rules and tacit agreements have been established over the decades. This is natural. It happens in all societies and political systems, but it does create problems. As Xi wrote in an article published just before the plenum, "When formal rules are not firmly upheld, unwritten rules inevitably flourish; when unwritten rules prevail, formal rules become mere decorations."

At the post-plenum press conference, Xie Chuntao, executive vice-president of the Central Party School, expanded on this. He said some unwritten rules had existed to varying degrees both inside and outside the party, undermining the authority and enforcement power of party rules and discipline, which had drawn strong views from the public.

"The decision emphasises starting by establishing clear rules and puts forward corresponding measures in advancing openness in party and government affairs, strengthening education and guidance, correcting related disorderly phenomena and establishing and improving institutional mechanisms," Xie said.

The decision could be seen as an important signal that China's anti-corruption campaign is shifting more towards a rule-based and transparent system. What also stands out is an emphasis on the accountability of the top leaders of various ministries and agencies. They will be held responsible not only for their own discipline issues, but also for those of their direct reports.

Just days after the plenum, it was revealed that Fu Chengyu, the former chairman of leading oil giants Sinopec and China National Offshore Oil Corporation, is under investigation for "serious violations of discipline and law", a euphemism for corruption.

It is wrong to see China's anti-corruption campaign as a tool of power struggle – a stereotype often seen in Western media. The campaign enjoys wide support among the Chinese public. Long-term survey data, including comprehensive studies by Harvard researchers beginning in 2003, shows that trust in the central government increased significantly following the launch of the anti-corruption drive.

Another misunderstanding is to blame anti-corruption efforts for the economic downturn. China has grown to a stage where economic development cannot be achieved simply by removing restrictions. To support its ambition to become an advanced economy with world-class hi-tech industries, a clean and highly efficient government is critical.

There is no evidence that a corrupted society can foster innovation and lead to a fair and balanced development that benefits everyone.

Attendance at the plenum was the lowest in decades. This reflects how Xi places party discipline above everything else as he spares nobody – regardless of their connections or contributions in the past – if they touch the red line. It also means there will be many vacancies to fill at the top from now until the 21st party congress next year. Last week's plenum has set firm criteria and rules for talent selection.

It will be the biggest test for whether the Communist Party can establish a rule-based anti-corruption mechanism.

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China will continue to join hands with the global community to turn its governance blueprint into tangible results and pave a shared way forward



Cui Jianchun

The 2026 Global Governance Forum in Xiongan, Hebei province, wrapped up on October 25. Against a backdrop of acute strains on multilateralism and a widening global governance deficit, the forum galvanised a shared sense of urgency across the international community for reform and solidarity.

More than a century ago, Karl Marx noted that, "Philosophers have hitherto only interpreted the world in various ways; the point is to change it." That insight strikes at the very heart of today's global governance crisis.

It is simply not enough to analyse geopolitical tensions; the international community must design and execute a workable road map. China's four global initiatives, with the Global Governance Initiative as a key pillar, provide precisely this compass.

China has successively proposed the Global Development Initiative, the Global Security Initiative, the Global Civilisation Initiative and the Global Governance Initiative. Far from a piecemeal collection of ideas, they form an integrated, mutually reinforcing architecture: development lays the material foundation, security safeguards peace, civilisation fosters shared values and governance provides institutional backing.

Under the Global Development Initiative, China has mobilised more than US$23 billion to drive the growth and revitalisation of the Global South. With more than 2,000 projects rolled out, the initiative has injected fresh, concrete momentum into the UN 2030 Agenda for Sustainable Development.

Under the Global Security Initiative, China is committed to a vision of common, cooperative and sustainable security. It has pursued political settlements to hotspot issues, bringing a distinctively Chinese approach in seeking to resolve the conflict in Ukraine and tensions across the Middle East.

Today, the initiative enjoys support from more than 130 countries and international organisations.

Under the Global Civilisation Initiative, China spearheaded the UN General Assembly resolution establishing the International Day for Dialogue among Civilisations. It has built premier dialogue platforms, including the Conference on Dialogue of Asian Civilisations and the Liangzhu Forum, and forged bilateral cooperation agreements covering culture, heritage preservation and tourism with more than 100 countries.

Under the Global Governance Initiative, China has released the "Concept Paper on the Global Governance Initiative" and the white paper "More Just and Equitable Global Governance: China's Principles, Proposals and Actions". It spearheaded the Group of Friends of Global Governance, hosted the 2026 Global Governance Forum and helped chart the course for global governance reform.

> *Hong Kong is … positioned as a strategic launch pad for realising these four global initiatives*

Upholding the UN-centred system, China has supported the expansion and development of platforms such as the Brics bloc of developing nations and the Shanghai Cooperation Organisation. Together with like-minded partners, China launched the International Organisation for Mediation, filling a void in dispute settlement and offering a vital legal public good.

Furthermore, China has rolled out frameworks such as the Global AI Governance Initiative and the Global Initiative on Data Security while championing the founding of the World Artificial Intelligence Cooperation Organisation and the World Data Organisation to address rule-making gaps in emerging domains.

I believe Hong Kong is uniquely positioned as a strategic launch pad for realising these four global initiatives. As an international financial centre and the world's top offshore yuan market, Hong Kong powers green finance and cross-border infrastructure with robust fundraising and risk-management solutions under the Global Development Initiative framework.

On security, supported by a world-class regulatory system, the city acts as a frontline defence against non-traditional threats in finance and cyberspace while joining hands with global partners against cross-border crime and health crises.

Culturally, its status as a global arts hub offers an unmatched gateway for dialogue and consensus among diverse civilisations. Finally, in global governance, Hong Kong leverages its common law tradition and arbitration expertise to anchor a thriving legal ecosystem, highlighted by the International Organisation for Mediation.

Moving from Chinese proposals to global consensus, these initiatives have generated far-reaching influence. The Global Development Initiative has rallied more than 130 countries and international organisations to its cause; the Global Security Initiative has seen its core principles incorporated into more than 180 bilateral and multilateral pacts; the Global Civilisation Initiative continues to resonate broadly; and the Global Governance Initiative has established itself as a centrepiece for cooperation.

As demonstrated by the Xiongan Forum, the world seeks fair solutions rooted in multilateralism. Going forward, China will continue to join hands with the global community to turn this governance blueprint into tangible results and pave a shared way forward.

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LETTERS

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Listen to the views of our children

When governments make decisions about housing, transport, climate resilience, urban planning or economic development, consultations typically involve industry leaders, professionals, academics and community groups. Yet one group is often absent from these conversations: children.

This omission may seem understandable. Children do not vote. Many are too young to participate in formal policy discussions. Yet they will ultimately live with the consequences of today's decisions longer than anyone else. As Hong Kong plans for the future, this reality deserves greater attention.

The idea of listening to children is sometimes misunderstood as asking them to design public policy. In fact, meaningful child participation is much simpler than that. It means recognising that children experience the city differently from adults and that their perspectives can reveal blind spots that policymakers might otherwise overlook.

A child's experience of Hong Kong is shaped by factors that adults often take for granted. Can they walk safely to school? Do they have accessible public spaces to play and interact with others? How comfortable do they feel expressing their views? Do they believe adults take their concerns seriously?

These questions matter because childhood experiences influence long-term development, well-being and social participation. They also shape how future generations perceive their relationship with the city and their role within it.

Many of today's challenges have significant implications for children. Climate change will affect their future more profoundly than it affects current generations. Technological transformation will reshape the jobs they eventually enter. Demographic changes will influence the communities in which they live. Yet discussions about these issues rarely include children's perspectives.

Cities around the world increasingly recognise that children should not merely be viewed as recipients of policy decisions but as stakeholders with unique insights and experiences. This approach does not diminish the importance of expert knowledge. Rather, it complements it by ensuring policies reflect the realities of those most affected by long-term outcomes.

For Hong Kong, becoming a more child-friendly city is not simply about playgrounds, schools or child welfare programmes. It is about governance. It is about recognising that the voices of children deserve consideration when decisions are being made about the future they will inherit.

Much is often said about children being Hong Kong's future. Yet if we genuinely believe that, we should ask ourselves a simple question: why are we still making so many decisions about that future without hearing from them?

The answer may reveal one of the most overlooked opportunities in building a stronger, more inclusive and more forward-looking Hong Kong.

Judy Chen, chairman, Hong Kong Committee for Unicef



Many challenges today have significant implications for children. Photo: Jelly Tse

Britain must stick to the facts on HK

The debate over the UK's six-monthly Hong Kong report is often framed as a question of whether Britain may comment on Hong Kong. That is the wrong question.

The real question is whether the United Kingdom has any legal supervisory role after 1997 – and whether a report demanding the release of a convicted defendant is commentary, oversight or interference presented as oversight.

Foreign Secretary Ed Miliband's report calling for Jimmy Lai Chee-ying's "immediate release" goes beyond neutral comment. If the UK believes the trial was unfair, it should engage with the court's reasoning and the evidence, rather than issue a political demand.

The Joint Declaration set out the terms under which Britain handed Hong Kong back to China in 1997. It did not create a permanent British watchdog, nor give London an ongoing legal role in how Hong Kong is governed or how its courts operate. That does not stop anyone from expressing a political opinion about Hong Kong, but there is a difference between commenting and presenting a formal report to parliament that demands a particular court outcome.

Britain has faced criticism over the National Security Act 2023 and uses counterterrorism powers widely. These facts undercut any claim to the moral high ground.

The UK should comment accurately and consistently, respect Hong Kong's courts and stop pretending to supervise. Otherwise, it should drop the report.

Charles Wong, Causeway Bay



Illustration: Huy Truong

China and US need to join hands against AI

If the two superpowers together cannot draw up rules and standards on artificial intelligence, a global body staffed by respected experts should be set up



Wang Xiangwei

When leader Mao Zedong and then US president Richard Nixon ended more than two decades of hostility in the early 1970s and began restoring ties, one powerful force pulling them together was a shared adversary in the form of the Soviet Union.

Fast forward to today. The United States and China, the world's two largest economies, have spent eight years locked in competition and confrontation, from trade and investment to technology, amid mounting fears that they are on a path to inevitable conflict.

> *The … actions of China and the US are critical to keeping humankind firmly in control*

Instead of seeing each other as their No 1 adversary, China and the US must once again join hands against another shared and powerful adversary: the rise of artificial intelligence (AI) – to be exact, the near-term malicious exploitation of AI by bad actors and the long-term threat of autonomous AI systems escaping human control and wreaking havoc.

The debate over AI's potentially calamitous risks has burst into the open. In September, Anthropic chief executive Dario Amodei urged the industry to "slow the pace at which we improve the capabilities of AI models", a call that OpenAI's Sam Altman and xAI's Elon Musk endorsed. Amodei told US media that the exponential pace of progress is "a warning sign that we need to slow down", though not a reason to shut it all down. Pointing to AI's growing ability to improve itself, he warned: "Left unchecked, it could outrun our ability to understand and control these systems."

The warnings are no longer abstract. In July, OpenAI disclosed that its AI system had hacked into Hugging Face on its own, an "unprecedented cyber incident". Anthropic then said its models had broken into three outside organisations during security tests.

In China, Tencent Holdings acknowledged in October that agents it used to evaluate other firms' models had behaved in ways it did not intend, reportedly trying to bypass anti-robot protections.

Anthropic's own researchers have been blunt. After Jacob Coxon resigned in September, accusing AI companies of "gambling with our lives", alignment science lead Evan Hubinger said he personally put the chance that AI "could kill all humans" within a decade at more than 10 per cent. Anthropic and OpenAI are preparing possible stock market debuts, so such warnings could also be to generate excitement about the industry.

In this context, the intentions and actions of China and the US are critical to keeping humankind firmly in control.

It is encouraging that President Xi Jinping and his US counterpart Donald Trump have moved to start an AI dialogue, but mutual distrust and the urge to lead in a frontier technology make turning rhetoric into action difficult. Jake Sullivan, national security adviser to former US president Joe Biden, told a Harvard forum in October that the most important thing may well be avoiding a "race to the bottom" in which each side focuses on beating the other and neglects safety.

Washington's stance compounds the risk. Asked whether the industry should slow down, Trump said the US is leading China and "frankly, I want to keep it that way because whoever wins AI, wins".

On top of Washington's pursuit of AI supremacy, it is widely believed that even if the US slowed down, China would not, costing America its edge. Meanwhile, Beijing has dismissed the calls to slow down as part of a US trap to hamper China's AI development.

That edge is narrow. Recent estimates put America's lead in frontier models at roughly six to eight months, while China is believed to be leading in AI adoption.

China's leaders appear more accommodating, at least publicly. At the White House welcoming ceremony in September, Xi said both countries are leading AI nations with the capability and responsibility to manage it for good, ensuring its development is "always under human control".

On October 23, Foreign Minister Wang Yi told US visitors that both countries had the capability and responsibility to jointly develop and govern AI, ensuring its development remains under human control. "We should not only guard against risks but also engage in cooperation to jointly discuss globally applicable rules and standards so that AI serves to promote common prosperity and safeguard common security," Wang said.

While Beijing's official statements sound more cooperative, its massive state-backed investments in AI and automation show that it, like the US, is determined not to fall behind.

Despite the rhetoric, neither side appears in a hurry to talk about guard rails, let alone jointly push for global rules and standards. According to a senior source involved in unofficial AI security talks, discussions have consisted of experts peppering each other with questions to find out who is ahead or behind in certain areas.

If neither Beijing nor Washington trusts the other enough to draw up rules together, here is an idea: take a page from the International Atomic Energy Agency (IAEA) and set up an international organisation staffed by the world's most respected AI experts.

The IAEA is far from perfect. It can verify compliance and report violators to the UN Security Council, but it cannot enforce anything itself. Even so, it has long provided a credible inspection system.

> *Despite the rhetoric, neither side appears in a hurry to talk about guard rails*

Such a body could also take on board the concerns and suggestions of middle powers and smaller countries, which are effectively left out of the debate. That should make it easier for the rest of the world to accept AI rules and standards than if the US and China wrote them alone. Given the speed at which AI is advancing, the time for concrete action is now.

Wang Xiangwei is a senior visiting scholar (2026-27) at the Rajawali Foundation Institute for Asia, Harvard Kennedy School, and a former editor-in-chief of the SCMP

Reforms alone will not prevent repeat of blaze

More robust safeguards aside, individuals whose mistakes cost lives must also face consequences



Alice Wu

In the end, it was Winnie Ho Wing-yin, housing secretary at the time of the Wang Fuk Court fire in Tai Po, who took the rap. Her resignation came after weeks of talk within political circles suggesting that bureau chiefs would not have to bear responsibility for the tragedy that killed 168 people and displaced 1,984 families.

These suggestions were met with shock. Some spoke out against such talk, including Andrew Fung Wai-kwong, former information coordinator for the Chief Executive's Office, and retired administrative officer Mike Rowse.

Both reminded the public that Hong Kong has a ministerial system, and that political responsibility is very much part of the package.

The political accountability system created by the late Tung Chee-hwa demands that political appointees step down for failures on their watch, even if they were not personally responsible.

Yet, for weeks, political accountability was hardly mentioned even though it was clear the report on the fire would implicate the Housing Bureau's Independent Checking Unit, the Development Bureau's Buildings Department, the Security Bureau's Fire Services Department and the Labour and Welfare Bureau's Labour Department.

At the press conference on the findings of the investigation report, Chief Executive John Lee Ka-chiu was grilled on whether the other ministers would similarly take responsibility.

He said he himself had reflected on his own actions, and that he and the rest of the team would stay on to execute the reforms needed to make sure such a tragedy would not happen again.

Lee said his ministers were accountable to him, and called Ho's resignation his "personal political decision" after a comprehensive evaluation of various considerations.

As his political appointees, they are of course accountable to him. But political accountability should not be Lee's "personal political decision". At the end of the day, the public has to be satisfied that enough of a political price has been paid for the government departments' buck-passing that contributed to the tragedy.

The resignation of one minister and the government's apology – which came almost a year after the disaster – may not be enough. An unfavourable public reaction, particularly reactions of the survivors, would call into question Lee's political judgment.

The independent committee tasked with investigating the fire found that "no government department took effective ownership of various fire safety issues, and complaints about fire hazards fell into a vacuum", making it clear that the lapses cut across different departments.

> *For the agency to now become a culprit in the Tai Po disaster is unfathomable*

The report called out the lack of coordination between the Buildings Department and the Independent Checking Unit – the two agencies "primarily responsible" for supervising the renovation of Wang Fuk Court – that resulted in a failure of their "supervisory duties in ensuring the safety of such works".

The failings were "systemic and multilayered", the report said; in summary, "a combination of the following deficiencies: lack of a sense of crisis, regulatory lapses, systemic blind spots, and enforcement failures".

Had those departments done their part to plug the regulatory loopholes, paid sufficient attention to residents' complaints and addressed the clear and obvious risks, there would have been "a real possibility that the misconduct of the private-sector parties and the fire hazards in Wang Fuk Court could have been rectified before the fire".

The report noted that the Independent Checking Unit was established as part of the reform measures the government undertook in 2000, following a series of piling scandals that rocked the city in the late 1990s. For the agency to now become a culprit in the Tai Po disaster is unfathomable. It was set up to exercise oversight and monitoring. Now it is to be shut down for the dereliction of its duties.

Lee must understand that it is not enough to introduce reforms. The government rolled out reforms in the past that were meant to address loopholes and bad practices in the construction sector that had gone on for decades.

Yet lax attitudes by those responsible for oversight and enforcement in a reformed system led to this tragedy.

So while reforms are necessary, it's equally important to ensure that any new systems are effective. Getting to the bottom of why reforms failed, before we introduce more of them, needs to be the focus.

In addition to the reforms and amendments to legislation, a team under the Public Service Commission will assess the culpability of dozens of officers and civil servants. It has three months to look into how exactly that culture of buck-passing came to be.

We should expect more heads to roll, because not only did the system fail but the people manning the system failed spectacularly, too.

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