Beyond gullibility

Bank measures can only limit damage from 'digital arrest' scams

Chief Justice of India Surya Kant's exasperation, during the Supreme Court's hearing on October 29 on the "digital arrest" scams, that people still fall for such scams despite abundant warnings and orders from the Court is understandable. About ₹800 crore has been lost to these scams this year even after recoveries, a hefty sum from the savings of individual victims. But this is not merely about gullibility. Scammers posing as CBI or police officers succeed because their victims, older citizens in particular, defer to or fear law enforcement. When Indian police are widely seen as high-handed towards ordinary citizens and as serving only the powerful, the threat of an "arrest" over a video call cannot be that implausible for many. That said, the Court's pressing of the Reserve Bank of India to finalise its KYC Amendment Directions, 2026, which require banks to flag suspected mule accounts and put temporary debit holds on them, is welcome. CBI investigations have shown that mule accounts are central to scammers laundering their proceeds after duping victims and that bank staff have, in some cases, helped open them. With the availability of complete transaction histories and AI tools, banks can now spot anomalous transactions faster. The Attorney-General's assurance that the directions will be in force by December 31 is also welcome. The Court's insistence that banks compensate victims addresses an issue with the RBI's zero-liability provisions. Its 2017 circular covers only unauthorised transactions, leaving victims who were coerced into making transfers without any recourse.

Yet, full compensation for the victims whenever banks are found wanting in due diligence must be implemented with care as this might force banks to flag far more than the actual mule accounts. Already the RBI directions cast a wide net. Any transaction of ₹1,000 or more that is 'unusual' for an account holder's declared profile, or linked to a reported account, can be held for up to 60 days, and longer if directed by the police. In cases where small traders and Jan Dhan account holders have unknowingly received transfers from mule accounts, freezing their accounts for two months or more is a disproportionate penalty. Also, the Court's suggestion that unusual transactions must be automatically reported to the police and physically verified raises privacy concerns. These measures must ensure that genuine account holders are not penalised for bank failures. Many of these scams are run from compounds using trafficked Indians in conflict-ridden parts of Myanmar and in Cambodia and Laos where they have thrived due to some degree of official patronage. India must use its clout to pressure these regimes.

Suboptimal outcomes

Social security concerns of unorganised sector workers remain

One year after the implementation of the Code on Social Security, the Union Labour Ministry has constituted the National Social Security Boards for Unorganised Workers and Gig and Platform Workers. The constitution of the boards, though delayed, is a welcome step. However, the highly centralised nature of this mechanism may hinder its optimal outcomes. By design, the Union Government controls both the Boards: they will be chaired by Union Minister for Labour Mansukh Mandaviya. The Board for Unorganised Sector Workers will have 40 members, nominated by the Union Government. They include seven members representing unorganised sector workers and seven members representing employers of the unorganised sector. Similarly, the Board for the welfare of gig and platform workers will have 22 members with five representatives each from the aggregators and the workers. But they have no significant representation of Central Trade Unions from the Opposition side or from the State Governments ruled by the Opposition. Labour is in the Concurrent List of the Constitution and both the States and the Union must work together to improve the living standards of workers.

The International Labour Organization defines social security as the 'protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a breadwinner'. The Union Government claims that the country's social security coverage has increased from 19% in 2015 to 64.3% in 2025, which is around 94 crore citizens. However, it is apparent that the unorganised and gig and platform workers, who make up more than 92% of the country's total workforce, are far from enjoying any social security under this definition. Almost two decades ago, the National Commission for Enterprises in the Unorganised Sector, headed by economist Arjun Sengupta, recommended a slew of measures to improve the social security of workers in the informal sector. The issues raised by the panel still remain unaddressed. A report prepared by Justice V. Gopala Gowda for the Keralam Government in March this year flagged certain anti-federal and anti-worker characteristics in the Social Security Code and suggested amendments. The Union Government should take the trade unions and the State Governments on board while creating new systems and mechanisms to address the social security concerns of the vast majority of workers.

Can India and China coexist peacefully?



M.K. Narayanan

Former Director, Intelligence Bureau, a former National Security Adviser, and a former Governor of West Bengal

The state of relations between China and India today can best be described as managed coexistence. The moot question is whether they can, or cannot, exist peacefully in the coming decades. This issue arises because every 'patrolling deviation' is regarded as a 'face-off', endangering peace and tranquillity and in the process, Sino-Indian relations. Consequently, though not at war, even managed coexistence is proving problematic. No obvious reasons exist for the two ancient civilisations to be in conflict, notwithstanding certain border disagreements.

The 1962 Sino-Indian conflict, it might be argued, was an outcome of Mao's 'hubris' in the wake of his disastrous 'Great Leap Forward', though historians also adduce several other reasons for it. Ever since the conflict, the border in the Ladakh region has remained a serious bone of contention between the two countries. For India, Mao's perfidy after years of '*Hindi-Chini Bhai Bhai*' meant that China could not be trusted, and the loss of territory in both Ladakh and Arunachal Pradesh became a permanent sore. However, it still does not wholly explain why feelings remain so embittered to this day.

Commentators today are prone to highlight the impact of the 2020 Galwan Valley clash between Chinese and Indian patrols (which resulted in the loss of 20 Indian soldiers) for the continuing tensions between the two countries. But the distance that exists between the two civilisations cannot be quite explained by this singular event. The time has, perhaps, come to demystify the reasons for this so that India and China can take their appointed place in the comity of nations.

An ancient divide?

Ladakh's improperly delineated terrain is often brought up as one major reason that is preventing a solution between the two nations. Similar reasons are attributed by so-called experts to explain tensions in the Arunachal Pradesh sector, where the true villain, perhaps, is as much the McMahon Line, as are the Chinese, for leaving behind an improperly demarcated border.

Recent history is replete with the many steps taken by the two countries during periods of thaw. However, nothing quite approximates to the one initiated by Prime Minister Rajiv Gandhi who, in 1988, took the initiative to visit China and meet up with leaders such as Deng Xiaoping, achieving a new watershed in relations between India and China. This has, unfortunately, been subsequently frittered away by leaders on both sides, but remains a beacon of light to this day, on how to offset tensions and improve state-to-state relations. The spin-off from the discussions enabled the border question to be discussed separately, often sidestepping bureaucratic hurdles and so-called military confidence building measures.

> While India and China need to sort out many issues, it would be a mistake for India to look upon China as a threat to its very existence

Ever since there have been many 'way stations' in the conflict between the two countries. Many of the current initiatives are, however, beginning to look like a 'zero sum game'. No doubt, extraneous aspects such as the U.S.-sponsored QUAD (Quadrilateral Security Dialogue) initiative have also contributed to the perseverance of the stalemate. Moreover, Chinese strategists, who often tend to be obtuse in their thinking, believe that India's involvement in U.S. plans are a ploy to contain China. As a result, they see no reason to take steps to improve relations with India.

The moot question, though, is whether India has reasons to fear China. Notwithstanding the much touted remarks of Canadian Prime Minister, Mark Carney, "that the old rules-based order is dead and that new coalitions of the willing need to be constituted to protect the interests of many countries", it would be egregious to think that this applies to India-China relations. While India and China need to sort out many issues, it would be a mistake for India to look upon China as a threat to its very existence, even though China might well visualise India, in course of time, as a challenge to its pre-eminence in certain fields. Instead of pursuing a negative trajectory, it would seem the phrase recently popularised following discussions between Chinese President Xi Jinping and U.S. President Donald Trump that 'building a constructive relationship of strategic stability' applies as much to Sino-Indian relations as to Sino-U.S. relations. Nevertheless, India would do well to contend with the reality – as the *Economist* mentioned – that "even as China produces more research about India, it seems to understand it less".

Another aspect is, how well does India – or for that matter the rest of the world – understand the true extent of China's military strength, and its ability to win wars of the present and those of the future. India is by no means an ally of China, but it is far-fetched to believe that India is its real opponent, one with whom a conflict is inevitable or imminent. Any conflict with India would set China back several years, and derail its 2049 target of becoming *numero uno* in the world. India, for its part, also has no inclination to embark on a conflict with China. This, therefore, should clearly rule out direct conflict as a means to settle disputes between them. Messages would, however, have to go out to the military and border guards of both countries to ensure that instances such as the one that took place in the Galwan Valley in 2020 do not recur. In any event, neither country enjoys an edge in the disputed areas in the high Himalayas, and avoidance of inadvertent action is, hence, essential.

Understanding China is essential

It is also essential to dispel the myth of China's military edge which is often flagged by political entities and military experts. The People's Liberation Army (PLA) and the People's Liberation Army Navy (PLAN), more so the latter, have made major advances to fight future wars, but are not yet world-class. The very fact that China has refrained from embarking on a war to reclaim Taiwan also indicates the degree of realism that pervades the Chinese military. China's accretion of long range missiles and submarines, and related surveillance systems, as also its impressive amphibious ability notwithstanding, India is more than a match for China's capabilities in the high Himalayas. It is a myth perpetuated by interest groups that the threat posed by China to India is a grave one.

One does need to read China right, and avoid anything that might bring forth a response that India had not intended. It is important, hence, to better understand China's intentions. It would also be a gross mistake to regard China as ready to test India's strength to degrade its position in the world. China knows when to bend, as was seen when under President Hu Jintao in 2005, China signed an Agreement with India to foster a long-term constructive and cooperative partnership. Article I of this Agreement stated that neither side shall use or threaten to use force against the other, and Article VII observed that in reaching a boundary settlement, the two sides shall "safeguard the due interests of their settled populations in the border areas".

It needs to be kept in mind that China's national identity is not as cohesive as one is led to think. Understanding the frailties of the 'Qing Dynasty' and the elasticity of the Dynasty's boundaries are a key primer for all nations that have to deal with China; all the more so for India. Misreading China would cost India dearly, for there is nothing in the history of the two that suggests that they have to be permanently at war. India can, today, coexist peacefully with China, and China with India.

How AI is transforming U.S. military industrial complex



Shashank Ranjan

Indian Army veteran (Colonel), currently teaching at O.P. Jindal Global University, Sonipat, Haryana

The core of the U.S. Military Industrial Complex (MIC) is shifting from traditional hardware manufacturers to algorithm and AI companies which will lead to an obvious fallout across the global defence industrial base. Three interlocking attributes to this shift are the inversion of war economics, the restructuring of procurement and capital logic, and the "software-defined" transformation of the military technology stack. This shift was formally sanctified on September 29, 2026, when U.S. President Donald Trump convened the CEOs of the world's most powerful AI companies to sign the White House Accord on Super Intelligence – a voluntary framework that symbolically integrated AI firms into the national security architecture.

The military implications of this Accord are unmissable. Moreover, substantive developments had already occurred months earlier in the military domain. In May 2026, the U.S. Department of War announced agreements with eight AI companies – SpaceX, OpenAI, Google, Nvidia, Reflection, Microsoft, Amazon Web Services, and Oracle – to deploy their capabilities on classified networks at impact levels 6 and 7; the highest classification tiers for sensitive military operations.

Drivers of the shift

The traditional MIC has operated on a 'few but exquisite' logic', which is that multi-billion dollar platforms will ensure deterrence from other parties as they would be technologically overpowered. This logic has, however, been exposed as economically unsustainable and fragile. In recent conflicts, the U.S. and allied defences were compelled to expend expensive interceptors against cheap drones.

The Pentagon's response has been a dramatic funding shift. The Defence Autonomous Warfare Group (DAWG), which absorbed the stalled Biden-era Replicator Initiative (rapidly fielding thousands of low-cost, uncrewed autonomous systems across multiple domains) saw its budget projections jump from $225.9 million in FY26 to $54.6 billion in the upcoming FY27.

> The core of the MIC has shifted from the factory to the server due to the arithmetic of cost-imposition, the venture-velocity logic of capital, and the architectural revolution of software-defined warfare

If war economics created demand, capital markets provided the supply-side solution. The traditional MIC relied on "cost-plus" contracts, incentivising risk aversion and prolonged timelines. The new players or the neo-primes, which are software companies such as Palantir, SpaceX, Anduril etc., employ fixed-price contracts, absorbing upfront costs and trading on-time delivery for higher margins. The combined enterprise value of the neo-primes exceeds the value of the 'Big Three' companies (Lockheed Martin, RTX, and Northrop Grumman) by three times, despite revenues nearly eight times smaller.

The explanation lies in procurement reform. In March 2026, the Army awarded Anduril a 10-year, $20 billion enterprise contract that consolidated more than 120 separate procurement actions into one acquisition component. The U.S. Army has signed 14 such enterprise contracts in eight months, replacing 118 individual contracts – an 88% reduction in contract volume. Programs that took seven years to award now move in months. Palantir's Maven Smart System was formally designated an 'official program' with locked in long-term funding, which was the first time a Silicon Valley company has been directly embedded into the defence budgetary skeleton.

The May 2026 agreements by Pentagon with AI companies laid out the functional layers of the algorithmic military stack. The algorithm and the layered-model constitute the brain which include OpenAI (multilingual intelligence analysis), Google (satellite imagery target recognition), and Reflection AI (autonomous combat agents). The compute layer is provided by Nvidia's military-grade GPU clusters. The cloud services layer is built by Microsoft, Amazon, and Oracle. The communications layer is by SpaceX's Starlink and Starshield while Palantir and Anduril serve as strategic hubs and frontline execution terminals (edge AI, drone swarms, counter-drone systems). The core thesis of "software-defined warfare" is that codes and not platforms have become the decisive differentiator. A warship's systems can become smarter overnight through a single download, and drones can switch from reconnaissance to electronic attack by loading a different software.

Traditional contractors however, have not disappeared. Lockheed, RTX, and Northrop still receive the vast majority of defence budget dollars and spend far more on lobbying. However, the symbolic indicators have reversed: capital market valuations now reflect investors' judgment about the future shape of the MIC.

Concern about vulnerabilities

In breaking with traditional contractors, the Pentagon may create new dependencies – Palantir's battlefield systems and SpaceX's launch capabilities could become the new single points of failure. More fundamentally, the speed of commercial AI iteration creates a verification gap. As AI companies deploy at commercial velocity, the Pentagon's test and evaluation system, designed around static hardware, may not be enough. Certain programmes are still difficult to be validated. The vulnerability can be serious in the eventuality of unvalidated software-defined weapons failing due to a cyberattack.

The core of the MIC has shifted from the factory to the server due to the arithmetic of cost-imposition, the venture-velocity logic of capital, and the architectural revolution of software-defined warfare. Victory in future wars may now depend on algorithms, data, and code.

LETTERS TO THE EDITOR

Banks not liable

This is with reference to the article titled 'SC seeks compensation for digital arrest scam victims' (October 30). Time and again, the RBI and the State and Central governments have been continuously debunking 'digital arrests' which is non-existent in the legal system. The scammers who carry out these heists generally concentrate on trapping senior citizens who can be expected to panic on receiving calls from those masquerading as police inspectors or even the CBI. Banks or other institutions can hardly be saddled with the responsibility of compensating those who have been cheated as online payments are directly paid by the victims and the banks have no role in effecting these payments

C.V. Aravind
Bengaluru

Right step

The proposal by the Supreme Court to make banks liable to compensate victims of digital arrest, as financial institutions failed to exercise due diligence to prevent fraudulent transactions, is a step in the right direction. This cyber fraud is among the biggest financial frauds affecting the Indian economy involving thousands of crores of rupees. The Supreme Court needs to be lauded for taking *suo motu* cognisance of the matter and seeking compensation for the victims.

Thomas Palocaren
Vellore

Privacy no excuse

I refer to the Editorial titled "Open to probe" published on October 30. The weaponisation of privacy to thwart transparency by a state that has no qualms about surveilling is ironic. Far too often, powerful interests have dragged media houses or individual journalists to court in frivolous cases that fall apart eventually, but drain the time and the resources of the defendants. It is not difficult to see how politicians and big business houses could similarly abuse the DPDP (Digital Personal Data Protection) Act to target or threaten journalists and their organisations over investigative reporting. Journalism in India and around the world is already under deep economic and structural pressures.

S.S.Paul
West Bengal

Gross oversight

By clearly pointing out fault lines in the process of conducting the SIR of electoral rolls, the Supreme Court has taken the bull by its horns and lambasted the Election Commission for its gross lack of oversight and concern for the plight of the voters deprived of their voting rights for no fault of theirs (referring to Editorial titled 'Deemed ineligible' on October 30). This should assuage the grievance of the Opposition against the ECI and its CEC Gyanesh Kumar in particular.

Ravi Mathur
Noida

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.



Seventeen remand prisoners fled from Theni district jail and were apprehended in 42 hours. KARTHIKEYAN G.

The great escape from Theni jail

On October 26, a group of 17 remand prisoners hatched a plan to escape from the Theni district jail under the cover of darkness. All of them were apprehended within 42 hours in a massive search operation involving various Tamil Nadu police teams and drones. But the jailbreak has raised larger questions about prison overcrowding, staff shortages, security, and the need for reform, reports **L. Srikrishna**

On the afternoon of October 26, Prasanth alias Linga Prasanth, a 25-year-old differently abled remand prisoner in the Theni district jail of Tamil Nadu, was frustrated. Though he had obtained bail, he had not been able to get a surety bond.

To comfort him, his friends began plotting an escape. Investigators said Silambarasan, another remand prisoner, suggested feigning an epileptic seizure as part of the plan. After hours of discussion, all the 17 inmates of Prasanth's cell agreed to stage the drama. At around 10.30 p.m., a few of them raised the alarm, claiming that one of them was having an epileptic seizure.

This immediately alerted the jail personnel. When the jail warden, Madan Mohan, stepped into the crowded cell, the 17 inmates overpowered and assaulted him. Severely injured, Mohan could do little to stop them from escaping.

The 17 inmates were all remand prisoners – that is, held in custody by a court order while waiting for their trial, court appearance, or sentencing. Most of them were accused of offences such as theft, possession of ganja, and property-related crimes. Most of them were between the ages of 20 and 25. They hailed from different districts of Tamil Nadu, including Theni, Madurai, Salem, Kanniyakumari, and Dindigul.



Fleeing the cell, they reached the main gate of the district jail. A constable, Thangapandi, saw them running out. Investigators said that he had sensed that he would be in trouble if he fought them, as the prisoners had picked up some objects from the kitchen to attack anyone along the way. Thangapandi simply handed over the keys of the main gate to them. Unlocking the gates, the group fled under the cover of darkness, perhaps unaware that they were part of Tamil Nadu's largest jailbreak in decades.

The hunt

The moment Theni Superintendent of Police Pradeep Gowtham was informed about the jail break, he alerted his senior officers, he said. The officers formed teams. Inspectors, Sub-Inspectors, and Special Sub-Inspectors were assigned various tasks, including alerting village heads in the surrounding areas.

Inspector General of Police (South Zone) Vijayendra Bidari said the police launched systematic combing operations, given the heavily forested and mountainous terrain surrounding the jail. They did not know which direction the escapees had gone, so they decided to seal the border districts between Thekkampatti, where the jail is located in Theni district, and Varusanadu, a hillock adjacent to the jail.

"We alerted the Keralam police, and their check posts too came under intensified surveillance," Bidari said. For additional boots on ground, they also roped in a team from neighbouring Dindigul district, which was led by its SP S. Jeyakumar, Bidari adds.

> The drone footage helped us scan large swathes of the forest and pinpoint the escapees' locations
>
> **VIJAYENDRA BIDARI**
> Inspector General of Police (South Zone)

The police shared the photos and details of all the escaped prisoners with one another over WhatsApp and also made them public. They covered all the railway tracks and stations and also placed airports on alert. They began conducting checks in Madurai airport – the closest and the largest major airport located near Theni – from the early hours of October 27.

A few young SIs and policemen, chosen for their communication skills and familiarity with the terrain, were deployed in the forest. As part of the combing operation, the police also placed the houses of some escapees who had friends in Theni district under surveillance.

On October 27, convinced that the escapees were hiding in the forest, the police decided to deploy three high-definition drones to track them down. Five Special Task Force teams, trained in jungle combing operations, were pressed into service. Four teams from the Tamil Nadu Special Police were positioned at vantage locations. "The drone footage helped us scan large swathes of the forest and pinpoint the escapees' locations," said Bidari.

Their efforts and strategy soon paid off. The breakthrough came when eight of the escapees were spotted and apprehended before sunset. When 13 of the 17 escapees were apprehended by the end of the day, their confessions revealed that all but three of them had taken refuge in the forest and were planning to emerge during the day, investigators say. The remaining four were apprehended the next day at two different locations. "The entire operation lasted 42 hours," Bidari said.

Beyond security

The district jail, situated on the foothills of a vast mountainous terrain along the Thekkampatti village in Andipatti block of Theni district, was inaugurated in 2019. It can house about 200 inmates. However, on the night of October 26, it had 334 inmates, according to the jail staff. The staff added that of the sanctioned strength of 33, there were only six of them on duty at the time of the incident.



The police searching for the 17 prisoners who escaped from the district jail. KARTHIKEYAN G.

Mohan, who was attacked by the prisoners and is undergoing treatment at the Theni Government Medical College and Hospital, said he rushed into the cell when he heard a cry for help at around 9.45 p.m. "My first thought was: no one should die in custody. But the situation turned out to be different," he said.

He recalled how the inmates covered his face with a bedsheet. "They locked me inside and escaped. They had assaulted me, so I had blood all over my clothes. Still, I blew the whistle to alert the guard at the main gate." The alarm was out of order and the lighting in the premises poor, which enabled the prisoners to flee easily, investigators said.

According to investigators, one of the escapees said that as the 17 inmates were fleeing, they spotted a police vehicle approaching the jail. Thinking that the police had come to catch them, they panicked. However, the vehicle was only bringing another accused to be lodged in the district jail.

The police in the vehicle also said they were stumped seeing inmates coming out of jail. Before they or the escapees could fully grasp what was happening, the prisoners had run away.

Silambarasan, who has a physical disability, allegedly told the police he could not get far from the prison. While fleeing, he stepped on thorny bushes and was unable to run any further. He remained there for several hours before being caught by the search team.

Bidari said the police were surprised when the drone pinpointed the location of eight escapees hiding deep inside the forest using GPS coordinates. The escapees, who police said were well hidden and beyond the police's reach, were shocked to see police personnel waiting outside their hideout, he said. "Technology made this possible," Bidari added.

During interrogation, many of the escapees told the police that they had not eaten anything for the last 35 hours or so. A senior officer in Uthamapalayam sub-division in Theni district said that except two escapees – Thirupathi and Meenakshi Sundaram, who were brothers – the rest did not even drink water.

Thirupathi and Sundaram had somehow managed to access a mobile phone and inform their family members about their escape. The police also alleged that a video, purportedly recorded by Thirupathi and Sundaram's mother, had gone viral on social media. In it, they said she had alleged that the police were planning to stage an encounter and kill her two sons. She appealed to the Tamil Nadu government to save them, adding that her daughter-in-law was due to deliver a baby by the following month and that the family was in deep distress.

Need for prison reform

Speaking of the shortage of manpower in the Theni jail, a senior officer at the Tamil Nadu Prisons Department in Chennai said, "This is a problem not only in district jails, but also in Central prisons." He admitted that prisons were housing 80-100% more inmates than their sanctioned capacity, leading to severe overcrowding.

Dr. C. Ramasubramanian, a senior psychiatrist from Madurai, is associated with Magizhchi (meaning 'happiness'), a psycho-social support and mental well-being programme conducted for police personnel. He said the government's responsibility went beyond strengthening prison security and deploying adequate staff, including superintendents, assistant superintendents, jail wardens, and cooks. "A majority of the prisons act as punishment centres rather than correction centres. What motivated the 17 inmates to escape? That should be thoroughly examined. Whether the escape was driven by psychological factors or other reasons, it should serve as an eye-opener for the government and prison authorities, prompting them to examine the issue more closely," he said.

Though prisons had psychologists, the question was whether they were adequately trained to deal with offenders, he said. Dr. Ramasubramanian said the State government should introduce training programmes for prison officials along the lines of Magizhchi.

He said prison authorities should also maintain dossiers on inmates. Occasional offenders and habitual offenders should never be housed in the same cell, he said, warning that mixing the two could have dangerous consequences.

Prisoners should be monitored closely and continuously, both physically and psychologically, he said. "When a person walks out of prison, he should feel transformed and be able to reintegrate into society, rather than turn aggressive."

The Director-General of Police (Head of Police Force), Mahesh Kumar Aggarwal, said, "With all 17 escapees swiftly apprehended, the next step is to strengthen prison infrastructure and increase staff strength. We will also enhance security systems."

Even though the combing operation ended on a successful note, the Tamil Nadu government shifted the Director General of Police (Prisons) Sandeep Rai Rathore and posted senior Indian Police Service officer K. Shankar in his place on October 29.

Former DGP S.R. Jangid said that it was good news that the police teams had apprehended all the 17 accused who had escaped. "The government should devise a plan in such a way that not only is security strengthened in prisons, but the number of security personnel too is enhanced," he said. "Jails should not be overcrowded. It may lead to other complications. There is plenty of technology available and the government should aid such sensitive departments to make use of it in larger public interest," Jangid added.

Deputy Superintendent of Police Vishnu Priya told the media on October 29 that all the 17 accused would be sent to different prisons in Tamil Nadu, including Salem, Palayamkottai, Cuddalore, and Madurai.

A political row

Reacting to the incident, Dravida Munnetra Kazhagam president and former Chief Minister M.K. Stalin said that the Tamilaga Vettri Kazhagam government's performance had been "exposed" through the incident.

"Following Breaking Bad, Prison Break has now begun in Tamil Nadu too!" he said in a post on X, asking how such a large number of inmates could escape despite improved security arrangements and surveillance systems. He said the escape of the 17 inmates evoked memories of one of the biggest jailbreaks in Tamil Nadu in 1995 (when 43 militants of the Liberation Tigers of Tamil Eelam escaped from a special camp in the Vellore Fort after digging a 153-foot-long tunnel). Stalin also said the Theni incident came soon after the escape of two prisoners from Puzhal prison, raising questions over prison security.

The All India Anna Dravida Munnetra Kazhagam (AIADMK), the other major Opposition party, also criticised the government. Its leader, Edappadi K. Palaniswami, said murders, attempted murders, and cases registered under the POCSO Act had become routine in the State. "This shows that the common person is not safe in Tamil Nadu," he said.

Tamil Nadu Chief Minister C. Joseph Vijay did not issue a statement addressing the incident.

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WEB EXCLUSIVE
What happens when the state kills in the name of protection? — *Jhuma Sen*
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WORDLY WISE
In our age there is no such thing as 'keeping out of politics'.
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In Israel, a deadlock & the difficulties of change

YET AGAIN, the outcome of an election reflects the fragmented political landscape in Israel. Neither of the blocs, led by Prime Minister Benjamin Netanyahu and his principal challenger Gadi Eisenkot, have secured the 61 seats needed for a majority in the 120-member Knesset. Coalition negotiations could take weeks, but at least two things are already clear. One, Netanyahu has not been decisively rejected by Israel's deeply divided electorate in the first election held since Hamas's horrific terror attack, which the opposition had sought to turn into a referendum on security failures on his watch. His Likud party has won 27 seats, while his bloc, which includes several far-right parties, has secured 53. At the same time, it would be difficult to interpret this as a mandate for him. The bigger story, perhaps, is the 19 seats won by the Arab parties — the Joint List and the United Arab List (Ra'am) — an all-time high and almost double their current tally of 10. This makes the Arab community, which makes up one-fifth of Israel's population, and which seems to have largely voted for political partnership with the Jewish community, pivotal to any attempt at government formation.

Netanyahu's hostility towards the Arab parties is well known, and Eisenkot, during his campaign, ruled out partnering with them, citing deep differences over issues such as national security and Gaza. An alliance between Netanyahu and Eisenkot to form a national unity government also appears highly unlikely. All possibilities remain irresolute on the table, including another election, with Netanyahu continuing as caretaker PM in the interim. This election, therefore, has revealed both the persistence of frozen political faultlines and the difficult possibilities of new alignments. Beyond the immediate jostling for power, too, the openings for change are hemmed in by challenges.

Domestically, the record representation of Arab parties could mark a turning point in the political participation of the Palestinian citizens of Israel. A change in government, and perhaps the beginning of a process of national reconciliation, could arguably create room for recalibrating Israel's ties with its Arab neighbours. But there are limits to such a shift. Eisenkot has opposed Palestinian statehood and advocated maintaining Israeli security presence in Gaza — positions that will hinder normalisation with Saudi Arabia and expansion of the Abraham Accords. The relationship with the US, which has been strained over the past year, is unlikely to be transformed by a change of PM, either. The immediate test will lie in the aftermath of next week's midterms. Given that an Eisenkot government will not lead to any major change in Israel's foreign policy, the country will, in all likelihood, continue to find itself isolated internationally.

A step forward in Jamia, a long road ahead

THE JAMIA Millia Islamia administration's decision to restore student union elections after nearly two decades is a resonant victory for its students. It brings to an end a bitter standoff, during which repressive disciplinary action and restrictions on essential services illustrated and deepened a breakdown of trust. That it should have taken an 18-day hunger strike by students to arrive at a resolution is a travesty.

Spectres of vicious politicisation have been invoked to justify the suspension of student elections across universities in the country. The Lyngdoh Committee, constituted in 2005, recognised the dangers of money, muscle power and excessive external political influence in campus elections. Its recommendations, which sought to make student politics more transparent and accountable, have been used by universities to do away with elections altogether. This has removed the process through which decision-making on campus can be opened up to student participation, and their concerns and grievances can be addressed. It has also contributed to a steady infantilisation of young adults. Inspired in part by the mobilisation at Aligarh Muslim University (AMU) for the revival of its student union, the Jamia protest spoke to a larger demand for a more equal campus. Like AMU, Jamia has a distinctive history of nurturing intellectual and political consciousness — student life has rarely been immune to larger questions of representation and citizenship. For too many, the campus is also a place where the costs of dissent have been experienced first-hand — for instance, during the police crackdown in December 2019 on protests against a discriminatory law that made religion a criterion for citizenship.

The Jamia impasse came as demands for accountability by the young find renewed expression through the Gen Z protests. Karnataka has green lit student polls, MP has seen judicial intervention in favour of elections, and Maharashtra has appointed a committee to frame a mechanism for their return. In Odisha, too, talks are on with stakeholders. At Jamia, the administration has committed to a time-frame. It has also ordered the withdrawal of disciplinary proceedings and campus bans linked to the protest. This is a significant moment. It must signal the beginning of a more open relationship between the university and its students.

Being like Jean-Luc Picard

ON FEBRUARY 13, 1989, when AI was still science fiction, and the future a possible utopia rather than its evil twin, Captain Jean-Luc Picard taught viewers what it means to be human, and why decency and rights matter more than the utilitarian calculations of CEOs. In "The Measure of a Man", the ninth episode in the second season of *Star Trek: The Next Generation* (TNG), Patrick Stewart, who died this week at 86, elevated, as he would do throughout his screen career, a mainstream character on a "massy" show (or film, à la *X-Men*), to literary and artistic greatness. For all the characters he played, from King Lear with the Royal Shakespeare Company to Professor Charles Xavier, it is Picard that defined him.

In the episode, Picard, the captain of the starship *Enterprise*, must defend Commander Data, in a trial to establish whether the latter is "property" or a person. Data is an android, and a scientist wants to reverse-engineer an army of workers like him for the "benefit of humanity". Stewart's fight for his friend and colleague is an intellectual and moral one, unlike all-male icons who trade in blustering ego and loud proclamations. His is a passionate defence, grounded in empathy and reason.

There is, if commentaries are to be believed, a crisis of masculinity today — too much entitlement and insecurity, making aggression and anger a virtue. At such a time, Stewart's performance matters, not least for those who strut as inventors of a changing world by "breaking things". Picard, more than any MMA star or rude podcaster, can teach people what a good man looks like.

The worldwide outbursts of the powerless pose new political questions



JOHN KEANE

REBELLIONS EVERYWHERE. Huge crowds of angry citizens on the streets and towns of France. Organised Jantar Mantar-style public protests not only in India but in countries otherwise as different as Chile, Belgium, Tunisia, Spain, Portugal, Serbia, Albania, Indonesia and Italy. Witty placards. Online satire. Loud voices and spirited chants. Street fighting. Shattered glass. Tear gas, water cannon, flash bang grenades, gunshots, truncheons. Talk of the end of an era. Speculation about new beginnings. Everywhere, a sense that enough is enough, that things are ruinously out of joint, and that to avoid future catastrophes big political changes must urgently happen.

Making sense of these simultaneous uprisings of disaffected citizens is an urgent task, but things aren't helped by the bitter categorisation struggles and confused answers given by commentators to the key questions: Do these protests share qualities in common and what do they tell us about the turbulent times through which our world is passing?

Some breaking news journalists, hunting for followers, short-circuit discussion by underscoring the frenzy, hooliganism, arson and wanton damage to property. There's some lawless violence, it's true, but anarchic disorder isn't the main feature of these protests. If anything, the opposite holds: What's impressive is the savvy self-restraint of the protests in the face of brutal military-style policing.

Other observers, meanwhile, employ the buzz phrase "Gen Z" to say these are uprisings of the young, revolts triggered by the anxieties of an emerging generation that lives in dread of the future. Young people are often at the forefront of these uprisings, but everywhere their social support base runs much wider. That's why still other interpreters categorise the protests as revolts against the greed and corruption of neoliberalism. What these protests have in common, it is said, is working-class opposition to rising inflation, unaffordable housing, and cuts to education and healthcare that favour a tax-dodging ruling class that doesn't care a fig about democracy or the wellbeing and dignity of citizens.

There are grains of truth in each interpretation, but what they fail to see is that these social outbursts (*estallidos sociales* is the phrase used by Chileans) are everywhere revolts of the powerless. We're living in an age of powerlessness in which many millions of people living in many countries, democracies included, feel that they have zero control over the key institutions and policies that shape their lives. In a world troubled by cascading fears of unending wars, genocide, climate catastrophes, demagoguery, corrupt government, worsening social inequality, and big-tech surveillance, surveys tell us that they are convinced that power is concentrated in the hands of the few and that powerlessness is the lot of the many.

Powerlessness, of course, comes in a variety of graded forms marked by different disabling effects. But it's always an awful curse on people's lives. When individuals and groups experience powerlessness, they feel the heavy weight of an ungenerous world bearing down on them. They have stories to tell, they do their best to resist in various ways, but they feel shut out. They suffer. Things fall apart. Powerlessness destroys people's very sense of belonging in a world they find remote, hostile and merciless.

> We can't know the future of these stop-start, tortoise-and-hare refusals of top-down, arbitrary power. Just one thing seems certain: Thanks to these rebellions of the powerless, our world has been reminded that the downtrodden can spring surprises on the powerful

What's remarkable is the way these rebellions display the flipside of powerlessness. People sense the potential power of the powerless. Aided by social media networking, organising skills and street-level energy, there's the conviction that power shouldn't be thought of as "up there" and impenetrable, that Davids can turn tables on Goliaths, that weakness can be turned into strength. In suffering, the powerless can find comfort, in hardship resilience, in silence words of resistance, in despair hopes for a better life.

In this way, the rebels with a cause expose the scandalous secret of powerlessness. They show that the powerful always depend on the downtrodden. So long as rulers want to rule, even when in extreme circumstances they try to exterminate the powerless, the powerful require the cooperation of their victims, their willingness, however blind, to follow instructions, to believe they're fated to be the victims of the superior. The sweet secret is revealed when the powerless refuse to cooperate with the powerful. At that moment, the power of the powerful comes to be seen for what it is: Contingent, refutable and defeatable. Convinced that the personal is political, the powerless get off bended knees and straighten their spines. Refusing to play the power games of the powerful, they prove that power, the capacity to get others to do what otherwise they would not do, is not the exclusive monopoly of the powerful.

These worldwide outbursts of the powerless pose new political questions. Are they mere examples of what the Belgian thinker Anton Jäger has sarcastically called "hyperpolitics", sporadic viral outrages that leave everything unchanged? Perhaps, instead, political miracles are coming our way when elected governments will be forced to side with these rebellions by crafting radically new policies that solve difficult structural problems, such as housing unaffordability, climate change, systemic corruption, unregulated big-tech giants and ugly mal-distributions of wealth?

Or perhaps we're witnessing the opening stages of yet more old-fashioned revolutions — those lightning-speed irruptions that gripped France (1789), Mexico (1910), Russia (1917) and Iran (1979), when the powerless rose violently in unison to crush the masters of their injustice but destroyed power-sharing democracy? Much more likely is that these rebellions are symptoms of another, less familiar type of revolution with a different rhythm: Slow-motion, long-term democratic revolutions, in which periods of calm are punctuated by angry outbursts of indignant citizens reaching for the emergency brake because they are fed up with their powerlessness.

We can't know the future of these stop-start, tortoise-and-hare refusals of top-down, arbitrary power. Just one thing seems certain: Thanks to these rebellions of the powerless, our world has been reminded that the downtrodden can spring surprises on the powerful, catch them with their pants down, and bring more democratic honesty, decency and love of justice into the lives of people disgusted by their exclusion from the unfinished democratic revolution.

John Keane is professor of Politics at the University of Sydney. His latest book is Demagogues and Despots: Democracies on the Brink *(2026)*

For energy security, E100 alone is not the answer



SHYAMASIS DAS

INDIA IS not only gung-ho about the prospect of ethanol-blended petrol; it is moving ahead at full throttle to support high blending rate to as much as entirely replacing oil in a vehicle. With the recent amendment of the Central Motor Vehicles Rules, 1989, the government has paved the way for motor vehicles to run on pure ethanol, branded as E100. Although it may possibly take time to see E100-fuelled vehicles on Indian roads and the associated impact, we have a prequel to this drastic change in front of us.

India has already made the transition to E20 petrol, containing 20 per cent ethanol, marking a significant milestone in its biofuel programme. The policy is intended to reduce crude oil imports, save forex, and strengthen energy security. Yet, as E20 becomes mainstream and the precursor to large-scale use of higher petrol blending levels, an important question deserves closer scrutiny: How much can ethanol blending actually reduce India's dependence on imported crude oil?

The question matters for an economy that imports over 80 per cent of its crude oil requirements, leaving the country exposed to volatile international prices and geopolitical disruptions. The impact of the ongoing West Asia conflict on the international oil trade holds a mirror up to us. While ethanol blending can displace a portion of petrol consumption (depending on the blending rate), its contribution to reducing crude oil imports must be assessed against the structure of petroleum demand and the technical constraints of refining. Petrol accounts for only 15-18 per cent of the petroleum products processed from a barrel of crude oil. Diesel, by contrast, accounts for approximately 44-45 per cent. This asymmetry is central to understanding the limits of an ethanol-led strategy.

The consumption gap is equally striking. Between FY 2020-21 and FY 2024-25, India consumed approximately 503 million tonnes of diesel, compared to 200 million tonnes of petrol. Diesel powers freight transport, agriculture and industrial logistics, making it integral to economic activity. Its demand is expected to remain substantial. Ethanol blending therefore addresses a relatively small component of India's overall petroleum demand. Its benefits are real, but the scale of those benefits should not be confused with an equivalent reduction in crude oil imports.

Modelling the impact of a 20 per cent blend, accounting for the lower energy content of ethanol and the resulting reduction in vehicle fuel economy, suggests that petrol consumption could decline by about 15.56 per cent. This is a meaningful reduction in petrol consumption. However, it does not imply that crude oil imports will fall by an equivalent proportion. Crude oil processing produces several products, including petrol, diesel, LPG, aviation turbine fuel, and naphtha. Refineries can alter product yields to some extent, but the flexibility is not unlimited. Increasing the yield of diesel is constrained. Consequently, lower petrol demand does not automatically translate into a commensurate reduction in crude oil throughput. Policymakers must therefore distinguish between petrol displaced by ethanol, expenditure avoided on petrol supply and the actual reduction in crude oil imports. These are related but different outcomes.

If reducing oil import dependence is a central objective, India's biofuel strategy must give greater attention to diesel. Biodiesel blending has lagged behind ethanol, despite an earlier target of 5 per cent. Past efforts to promote non-edible oil feedstocks and used cooking oil encountered several challenges. Increasing biodiesel blending will require sustained investment in research and development, improved feedstock collection systems, viable supply chains, and technologies that can support commercially sustainable production.

Coming back to E100. Like E20, it holds promise. However, India will benefit from a broader measure of energy security. The impact of the country's biofuel programme should be assessed based on actual reductions in crude oil demand and import expenditure, rather than relying solely on the volume of ethanol blended. Reducing import exposure will require India to look beyond the petrol pump and address the full spectrum of its petroleum consumption. The real test of India's biofuel strategy is not how much ethanol it blends, but how effectively it reduces the country's dependence on imported oil.

> If reducing oil import dependence is a central objective, India's biofuel strategy must give greater attention to diesel. Biodiesel blending has lagged behind ethanol, despite an earlier target of 5 per cent

The writer is a fellow in the Energy, Resources & Sustainability vertical, CSEP. Views are personal

The Communist Party of Xi Jinping



ANUSHKA SAXENA

EARLIER THIS week, the Communist Party of China (CPC) concluded the fifth plenary session of the 20th Central Committee with a communiqué that emphasises the session's theme, "rigorous self-governance of the Party". The key thing to watch, however, is what the personnel changes reveal about internal politics in the run-up to the 21st Party Congress. First, consider the attrition within the top leadership bodies, starting with the Central Committee. At this plenum, 162 full members and 117 alternate members attended, the lowest since the Mao era. The plenum confirmed the expulsion of 33 members and alternates and stripped former financial regulator Li Yunze of his Party posts. A year ago, the figure was 14. The Central Military Commission (CMC) lodged 16 removal cases, including former vice-chairman Zhang Youxia, former Western Theatre commander Wang Haijiang, and two successive directors of the CMC General Office, Zhong Shaojun and Fang Yongxiang. That office effectively serves as Xi's military secretariat; the purge has reached his innermost circle.

The second big takeaway is that Xi chose not to appoint any additional candidates to the CMC, which has been effectively hollowed out. It was for a long time a seven-member body, but today has just two members: Xi and Zhang Shengmin, the military's discipline chief. Even though this plenum was Xi's last real chance to rebuild the high command before October 2027, he can no longer assign seats without intense vetting. But if a new candidate were vetted for announcement now, they would have to undergo vetting again less than a year later for reassignment at the 21st Party Congress. So, Xi expressed disappointment with the state of affairs while elevating the importance of discipline and supervision through a two-pronged approach — not only by not appointing new members, but also by elevating Zhang to the Politburo mid-term. This has happened only once in CPC history.

A similar pattern appears in Central Committee promotions. Only 10 alternates were elevated to full membership, and five who ranked ahead of them in the 2022 vote order, including two lieutenant generals in the People's Armed Police, were passed over. The preference is for understaffed apparatuses rather than inefficient or corrupt ones. Finally, the communiqué introduced "Xi Jinping Thought on Party Building" as part of Xi's broader Thought and called for "breaking down unwritten rules" and regulating how "number ones" exercise power. The language around cleansing and discipline is more vehement than ever.

Two conclusions follow. First, when a two-member CMC commands the world's largest military and every cadre constantly watches their backs, errors rarely travel upward, and pressures build. Second, for India, the concern should be that the Western Theatre Command, the formation responsible for the LAC, has seen its former chief expelled. In such a climate, commanders tend to prove loyalty through assertiveness, not restraint. Even if one assumes arms exports will be impacted because defence-industry leaders are being expelled, domestic quality and production scale will likely be sustained. Any reassurance that such turmoil might offer should therefore be taken with a pinch of salt.

> For India, the concern should be that the Western Theatre Command, the formation responsible for the LAC, has now seen its former chief expelled

The writer is associate fellow, Geostrategy Programme, The Takshashila Institution. Views are personal

40 YEARS AGO
October 31, 1986


SAREES
INDIAN EXPRESS
Terrorists gun down six in Punjab
Bank robbed of Rs 22 lakh
Yugoslavia offers $ 120 m credit

Terrorists kill 6 in Punjab

SIX PEOPLE were killed in Punjab — three shot dead by terrorists while robbing a bank of Rs 22 lakh in Hoshiarpur district — as security forces continued preventive arrests for the second day. Extremists shot dead two people and injured two in Jalandhar.

Sweets being short-weighed

SPECIAL RAIDS conducted by the Department of Weights and Measures on shops selling sweets and dry fruit in Delhi revealed many cases of short-weighing. Organised on the eve of Diwali, the raids have so far revealed that 60 of the 276 sweetmeat sellers and dry fruit vendors checked were cheating on weight. The five-day raid is expected to cover another 250 shops by November 1. While some shops had unverified weights or were deliberately shortweighing, most defaulters were weighing the sweets in cardboard boxes, which weigh 50-80 gms.

'Pak used US arms against India'

STEPHEN SOLARZ, chairman of the US House of Representatives subcommittee on Asian and Pacific affairs, which will soon consider new American military aid to Pakistan, has upheld India's contention that Islamabad had used US weapons in all its wars against India. "I do not want it to happen again," he affirmed in a letter to leading Indian Americans.

Boost to India-Yugoslavia ties

YUGOSLAVIA OFFERED India a new credit of $120 million, signalling an upward swing in trade relations between the two countries, which have seen a slump in the past decade.

WHAT THE OTHERS SAY

The ousting of Aleksandar Vučić is an inspiration to democrats and a warning to autocrats.
— Financial Times

READ. THINK. SHARE.
Scan the QR code to explore curated editorials and opinions from leading voices

Ashoke Sen's journey shows why science must make room for ideas yet to be tested



SUNIL MUKHI

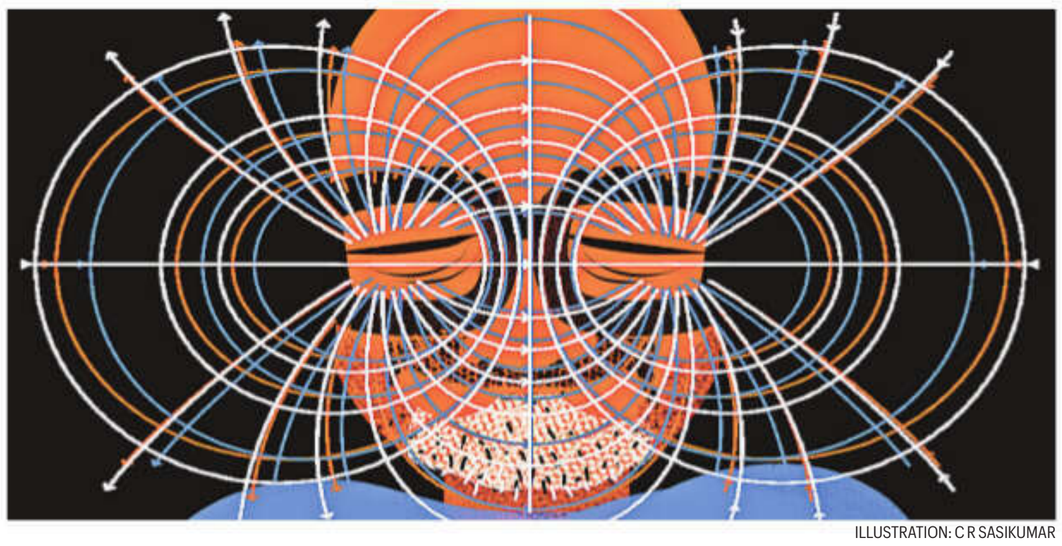


ILLUSTRATION: C R SASIKUMAR

THE SWEDISH theoretical physicist Oskar Klein is known for two important ideas, both of which appeared in the same 1926 paper. One was the Klein-Gordon equation, the earliest wave equation consistent with the laws of special relativity, which describes particles with no intrinsic angular momentum (spin). However, all the elementary particles discovered over the next eight decades were found to have a non-zero spin, so this equation appeared to be a theoretical abstraction unconnected to nature. Yet it was studied as a "toy model" in diverse contexts, and invariably taught to students of relativistic quantum theory because of its mathematical simplicity. Then, in 2012, a spinless elementary particle — the Higgs boson — was discovered, and everything fell into place: The Klein-Gordon equation is the correct framework for this particle.

This year, the centenary of Klein's paper, has seen one of the world's leading exponents of string theory — Professor Ashoke Sen — receiving the prestigious Oskar Klein Medal. He is the first Indian to feature among a stellar list of awardees that includes C N Yang, Hans Bethe and Stephen Hawking. Sen, who turned 70 this year, has had an illustrious career spanning over four decades during which he has made several influential contributions to theoretical particle physics. He also happens to be a close friend, colleague and collaborator who I have known since the late 1970s when we were both PhD students at Stony Brook University.

To appreciate the significance of Sen's research, it is useful to keep in mind the Klein-Gordon story. What started as an elegant construction consistent with the known symmetries of Physics found direct application to elementary particles almost a century later, but it did not languish in the interim — it was a rich source of theoretical possibilities, phenomena and effects, and was studied in thousands of papers. String theory is an inheritor of this tradition. The foundational idea was to formulate a relativistic quantum theory where the basic objects are extended strings rather than point particles. Somewhat surprisingly, this postulate led to a more tightly constrained formalism than standard quantum theory. String theory emerged as a consistent framework for a quantum theory of gravity coupled to interactions of electromagnetic and nuclear type, something that had resisted conventional approaches for decades.

Since its discovery, string theory has attracted intense theoretical interest, even as direct experimental application has remained out of reach. It remains to be seen whether and when it will be experimentally verified, but like the Klein-Gordon equation, it has featured in thousands of theoretical papers due to the rich possibilities and phenomena that it incorporates.

Early in his career, Sen asked himself the question: "Is there a consistency condition for relativistic strings propagating in a generic curved spacetime?" He came up with a simple but profound result — the condition is precisely the original Einstein equation, supplemented by calculable corrections. Many decades later, this discovery still looks truly remarkable.

While he was already recognised internationally as an outstanding young theoretical physicist, it was in 1994 that Sen's work on electric-magnetic duality propelled him to the next level of fame. I recall Ashoke coming up to me in the corridor of the Tata Institute, looking unusually excited, and saying: "I've found a self-dual harmonic two-form on monopole moduli space." In that moment, I understood each of the words separately, but not their impact. This mathematical result, on which he had laboured for months, provided striking evidence for electric-magnetic duality — a symmetry under which the roles of electricity and magnetism are exchanged. Many physicists had speculated about it within familiar quantum theories, but it had proved difficult to find a concrete example. Sen found substantial evidence for a specific example, and it lay within string theory. At a conference that I attended in Paris in 1994, American physicist Edward Witten described Sen's result as "the last straw that broke the camel's back" — the result that finally convinced him about duality.

> Since its discovery, string theory has attracted intense theoretical interest, even as direct experimental application has remained out of reach

The outcome of his discovery has been a unified picture of string theory as an interconnected web of possibilities for physical gravitating systems in space-time dimensions ranging from 2 to 11. While low-dimensional quantum systems are familiar, dimensions higher than our own have remained the stuff of science fiction. Interestingly, though, among the first to speculate on their existence was none other than Klein — and this is the second idea referred to at the beginning of this article. Kaluza-Klein theory, as it is known, is the beautiful observation that the equations of gravity in a hypothetical five-dimensional spacetime reduce in a suitable limit to the familiar equations of both gravity and electromagnetism in our world. Thus, two basic forces of nature can be explained in terms of a single one operating in a higher dimension. String theory realises this idea in a more precise form than its inventors could have envisioned, and Sen's work paved the way to understand how apparently different string theories are linked by a complex web of dualities, suggesting that the formalism is not just useful but also unique.

Sen's more than 300 published papers are marked by their clarity, simplicity, originality, and austere discipline. He typically starts with a small, deceptively simple premise and applies his penetrating intellect to convert it into a concrete result. Thanks to his work, today we understand more deeply the paradoxes regarding the entropy and information of black holes. He has repeatedly demonstrated that embedding outstanding physical problems into string theory gives us a better chance of understanding them, a testament to the range of possibilities inherent in this framework.

The history of Physics is replete with theoretical ideas that were confirmed long after being proposed. Yet, string theory has faced some negativity among the broader community of Indian physicists, stemming perhaps from a lack of comprehension of how frontier physics works. Fortunately, Sen worked at the Tata Institute of Fundamental Research, the Harish-Chandra Research Institute and the International Centre for Theoretical Sciences, all autonomous institutes of the Department of Atomic Energy (DAE), in an atmosphere that was largely supportive of this sort of theoretical research. Indeed, the founder of the DAE, Homi J Bhabha, would likely have recognised it as a logical continuation of his own research. He — and the leaders who succeeded him — created an environment with the freedom to think and an enabling and constructive ecosystem. Ashoke Sen's achievements are a powerful vindication of that vision.

The writer, a theoretical physicist, has worked at the Tata Institute of Fundamental Research, Mumbai and IISER, Pune

Opposition has only propaganda, not the people



RAM RAJYA

BY RAM MADHAV

THIS SUNDAY, the Opposition, led by Congress, plans a protest rally at Delhi's Ramlila Maidan demanding the resignation of Chief Election Commissioner (CEC) Gyanesh Kumar on the specious ground that the Election Commission deleted crores of eligible voters in the name of the Special Intensive Revision (SIR) of electoral rolls.

It is interesting how the Opposition keeps changing its goalposts regarding elections in India. It made a brouhaha over EVM tampering a few years ago, alleging that EVMs with a 99 per cent battery level gave victory to the Bharatiya Janata Party while those with a 60 or 70 per cent battery level went for Congress. The ECI took pains to respond to this ludicrous claim, stating that the battery of the control unit of the EVM has no correlation with the election outcome. The CEC explained that brand new, non-reusable alkaline batteries are inserted into the EVMs and sealed in the presence of the candidates' polling agents.

Then Rahul Gandhi and his party began chanting "vote *chori*" — vote theft — without providing any valid proof. At a recent press conference, a journalist asked him "when and how" he realised that "vote *chori*" was happening. Rahul Gandhi's answer was funny. "When I was seven years old in 1977, Indira*ji* was prime minister. Everybody, including her, knew that they were losing. Feeling comes," he claimed. That feeling can prove wrong once, he admitted, but insisted that "it can happen once. But not twice. At no cost the third and fourth time. There is something known as a feeling." He went on to argue that in the last two-three elections, "our technical experts were telling us this was not possible. This cannot be. How is this happening? Slowly, suspicion was building up." So, it was just a feeling and suspicion, born out of his sense of entitlement, because "our technical experts" said so.

With no evidence, the Opposition went knocking on the doors of the President of India. Being a decent person, she politely told Rahul Gandhi and his ilk that they had brought complaints without any evidence. Coming out of the meeting, the Congress scion made an odd claim: He was surprised that the President did not dismiss their concerns. Then he made the absurd argument that not he and his party but the ruling establishment should "prove to us that you have not cheated in the election".



ILLUSTRATION: VIKAS AGARWAL

Like the complaints about EVM tampering, this "vote *chori*" allegation, too, has no tangible evidence to support it. Nowhere in the country did ordinary voters complain about their votes being stolen — in no booths and no villages. Then came the insistence that ballot papers should be brought back. But when elections to the Silchar Municipal Corporation were conducted in early October using paper ballots, Congress was able to win in just two out of 42 wards. The BJP won 32 and its allies two. In the elections to 28 seats in legislative councils in four states — Uttar Pradesh, Bihar, Karnataka and Maharashtra — using ballot papers earlier this week, Congress managed to win just one seat while the BJP and its allies captured 16. In the Congress-ruled state of Karnataka, the NDA won all four MLC seats and the ruling party drew a blank. It is important to underscore that the voters in these elections were graduates and teachers, meaning that the educated and enlightened sections of our country are roundly rejecting Rahul Gandhi's propaganda about the SIR, EVMs, and "vote *chori*".

His campaign against the SIR, too, is a similar lie. There have been eight intensive revisions of the electoral rolls in the country since 1952; the current SIR is the ninth. Seven of those eight were conducted by Congress governments. The last time such a revision happened was in 2002-04. After two decades, the Election Commission is conducting that exercise again.

Congress is creating a ruckus over it for two reasons: One, it is unable to face the BJP juggernaut at the hustings directly, and hence an effort is being made for regime change through anarchy; and two, they want to project the hard-won victory of Narendra Modi and the BJP as election theft.

The Opposition has propaganda, but the people are with Modi. Congress may finally bring a few thousand people to Delhi, but the BJP will go to thousands of towns and villages to inform a billion Indians about the Opposition's lies and sins. It has the track record of protecting democracy from Indira Gandhi's dictatorship 50 years ago. It will protect it from Rahul Gandhi's anarchy now.

The writer is national vice-president, BJP and president, India Foundation

LETTERS TO THE EDITOR

Mutual trust needed

PRATAP BHANU Mehta's perceptive article ('Reforms 3.0 underline a credibility gap. First, reform the reformer', *IE*, October 30) reminds us that meaningful and enduring reform must be founded on mutual trust between the state and its citizens. Reforms 3.0 must ensure citizens are treated as honest stakeholders through self-declaration, deemed approvals and statutory timelines for routine permissions, with accountability for avoidable delays. Enforcement should be guided by clearly defined risk parameters, reasoned notices and a fair opportunity of hearing before coercive action. Citizens must also have access to independent and time-bound grievance redress mechanisms, supported by publicly accessible performance dashboards.

Bablu Kumar Gupta, Lucknow

Phones away

WHAT AND where we eat ultimately matters far less than with whom we eat ('Put your phone away and tuck in', *IE*, October 30). The Sardinian restaurant initiative cleverly turns device-free dining into a modern Ulysses Pact: Patrons voluntarily bind themselves against digital temptation to reclaim uninterrupted conversation. In an era where parallel scrolling masks deep psychological absence, choosing a living person across the table over a glowing screen is an essential conscious shift. Such policies offer a smart business model that safeguards our fraying ritual of commensality.

Harsh Pawaria, Rohtak

A PHONE at dinner does more than interrupt conversation; it teaches children that every notification deserves attention ('Put your phone away and tuck in', *IE*, October 30). Families should agree on device-free periods, especially during meals and before bedtime. Schools can reinforce digital balance without treating technology as the enemy. The aim is to restore attention, conversation and healthy routines.

PS Harishmitha, Tirupur

Counting months and bribes to a death certificate



USHA RAI

LOSING AN 80 odd-year-old sibling living with you is heartbreaking enough, but getting her death certificate was even more traumatic. Though married twice, she had no husband or children, so getting her death certificate fell on her octogenarian sibling. After informing family and friends and completing the rituals, her priority was to get the death certificate. Her bank accounts had to be closed, and the government informed her because she had spent many years working as a paediatrician in one of Delhi's better-known hospitals.

If a person dies in a hospital, the death certificate is given by the hospital, but if a person dies at home, the death certificate is given by the Municipal Corporation. Since the siblings were in Gurugram, the death certificate had to be given by the department of births and deaths certification under the Health Department of the Municipal Corporation of Gurugram (MCG). A relative, who had got the death certificate for his brother who died at the height of the COVID pandemic, offered to get it. After a week or so, he called to say that the neighbour who had got the death certificate for his brother was unable to get it because his contact in the MCG had been transferred. He then decided to get it himself since he had got his mother's death certificate from the MCG in 2015.

> She approached a person who had contact in the Common Services Centre, and he assured her he would get it, but Rs 4,000 would have to be paid to get it from the MCG. With no choice, the amount was paid, and finally it was received

He went to the MCG office and found the department had shifted to another building in Gurugram. The man sitting at the counter said that since two months had lapsed since her death, it would cost him Rs 25,000. It seemed too much money to pay for a death certificate, the mandatory right of the deceased's relative. So he sought the assistance of a lawyer who said it would be done on payment of Rs 5,000. Half the amount was paid as an advance. After a month, the lawyer expressed his inability to get it. So, three months after her death, the responsibility was back on the shoulders of the octogenarian. A member of the RWA of her locality offered to help out since he had got his father's death certificate recently. He even checked with the Common Services Centre in Gurugram and was told that because of the delayed application, it would cost Rs 12,000.

The octogenarian then approached the area's municipal councillor, and he put her in touch with his assistant, who said he would do the needful and gave forms to fill up. After two or three follow-ups, the old lady was too embarrassed to call back. Quite by chance, she shared her ordeal with a driver whom she often hired, and he said he knew the man who dealt with death certificates and would get it for her. However, that man had left the government, but he put the driver in touch with his replacement. The relevant papers, like the doctor's death certificate, the certificate from the crematorium, and the Aadhaar card, were deposited along with the application. He demanded Rs 12,000. Realising that to get the certificate she could not escape the bribe, she paid Rs 6,000 as an advance and agreed to pay the rest on getting the death certificate.

Mid-July, seven months after the death, there was an acknowledgement from the MCG that it was being processed. The website showed payment of Rs 30 for processing it and indicated the due date for getting it as August 31. But it still did not reach, and the man who had taken Rs 6,000 as an advance said he was busy with the SIR and the lady had to be patient. Then she approached a person who had contact in the Common Services Centre, and he assured her he would get it, but Rs 4,000 would have to be paid to get it from the MCG. With no choice, the amount was paid, and finally it was received in the latter half of September, nine months after her death.

Yes, there is a triple-engine sarkar in Gurugram. It came to power with a promise of "*na khaunga na khane doonga*".

The writer is a senior journalist

The uncomfortable honesty of 'Prahaar'



ANAS ARIF

TOWARDS THE latter half of Avinash Arun's *Prahaar: The Untold Story of Ujjwal Nikam*, Abbas Kazmi (Sikandar Kher), the Muslim lawyer defending Ajmal Kasab (Lalit Prabhakar), the lone surviving gunman of the 26/11 attacks, looks Ujjwal Nikam (Rajkummar Rao) in the eye and confronts him with the Islamophobia that underpins Nikam's worldview and finds expression in the society around him. Kazmi speaks of the humiliation and hostility he faces, both from within his own community and from the larger world, for doing nothing more than defending Kasab in court. He is branded a "terrorist lawyer", his professional duty reduced to a moral transgression because of whom he represents. In the eyes of the world, he might be committing a grave sin; in his own eyes, and in the eyes of the law, he is simply doing his job, no more, no less.

It is here that Arun's legal drama briefly slips the leash of hagiography, allowing a perspective to emerge that complicates the moral certainties of its protagonist. To watch *Prahaar* is to witness these competing truths collide, even as the film refuses them the time and space to fully reckon with each other. It does not quite have the courage to follow its contradictions to their logical ends, but neither is it callous enough to look away. This is what makes *Prahaar* such a complicated beast. A biopic celebrating its subject in 2026, a mainstream entertainer finding yet another villain in Pakistan, is hardly novel. If anything, it is the most expedient form of storytelling. But, in flashes, *Prahaar* sheds its skin to reveal something more incisive. It may have little interest in pursuing the answers, but at least, for a moment, it has the spine to ask the questions.

Consider the question at the heart of *Prahaar*, one that seared itself into the national conscience in the aftermath of 26/11: Why must a man who had unleashed an unprovoked attack on innocents be afforded a trial at all? Why should the law extend its protection to a man who had so flagrantly defied it? It is in this uneasy terrain that the film moves beyond the trappings of a nationalist entertainer, placing its bets in the sanctity of due process. It makes a case for the distinction between justice and vengeance, insisting that the rule of law must hold, even when public anger demands otherwise. The moral test of a trial lies not in establishing the innocence of the accused, but in upholding the principles of justice when doing so is most difficult.

> In an age when mob violence has become routine, and rage and retribution have become increasingly seductive answers to injustice, 'Prahaar' reaffirms its faith in democracy

In that sense, the fact that *Prahaar* is a biopic of a public prosecutor who has long occupied the public imagination becomes almost incidental. Its subtext (screenplay by Sumit Roy) asks questions that feel more urgent today than they did nearly two decades ago. In an age when mob violence has become routine, and rage and retribution have become increasingly seductive answers to injustice, *Prahaar* reaffirms its faith in democracy. After all, the true test of a democracy lies not in how it treats those it loves, but in how it protects those it despises. And perhaps the true test of cinema in such times lies in how courageously it dares to ask the questions whose answers we may no longer be willing to hear.

Arif is a Mumbai-based screenwriter and researcher

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• CYBERSECURITY

$6.3 bn stolen in 20 min: Inside the mega Binance hack

Akash Mandal
Mumbai, October 30

BINANCE, THE world's largest cryptocurrency exchange, was hit by a massive security breach late Thursday in which cyberattackers stole around $6.3 billion. The hack, considered to be the biggest-ever hack to date, led the exchange to freeze assets worth $3 billion and caused panic in the crypto market, leading to sharp falls in the prices of several cryptocurrencies.

The breach

"Binance's initial investigation suggests that the security incident may involve a compromised DevOps engineer's laptop, which allowed an attacker to gain access to a service container and submit unauthorised withdrawal transactions," the company posted on X. It later said that it had "uncovered additional points of breach".

Reuters reported that the bulk of the incident unfolded in around 20 minutes beginning late on Thursday and bore similarities to previous large attacks blamed on North Korea, citing US blockchain analysis firms TRM Labs and Chainalysis. TRM said the attackers were able to order wallets that Binance uses to empty into hacker-controlled wallets.

"The attackers gained access to the pathway through which transactions and information flow. The wallet was unaffected. However, with this access, the attackers could instruct the wallet to execute transactions," an industry executive said on the condition of anonymity.

"However, once you gain access to the DevOps system, you can identify other access points too. So, it is important to see how quickly you can contain the breach."

Impact of the hack

Bitcoin, the world's largest cryptocurrency, plunged 4.5% Thursday, hitting its lowest level since September. Ethereum slumped 5%. Other major cryptocurrencies also saw similar sell-offs, though many of them recovered slightly on Friday. "When a player as big as Binance is hit, it affects sentiment across the industry," another industry executive said.

Binance, however, assured users that the company would cover losses from its own funds. The company said it had revoked the authorisation of the network responsible for the breach and had informed law enforcement agencies and blockchain intelligence platforms.

It had initially suspended deposits and withdrawals. However, it subsequently clarified that deposits would remain unaffected, while withdrawals could resume within 45 hours. The $3 billion in blocked funds represents assets frozen by the exchange and other entities, including blockchain-enabled platforms Tether and Circle, which the attackers could have accessed.

Impact on India

The impact on crypto investors in India could be significant. "India currently has around 100 million users, out of which 80-90% have direct or indirect exposure to Binance. It provides the vast majority of the liquidity in the Indian crypto market. Even Indian exchanges like CoinDCX have exposure to the exchange," one of the industry executives mentioned above said.

PAST BREACHES

- In 2019, bitcoins worth about $40 million were stolen from Binance after attackers used a combination of viruses and phishing techniques, which the exchange couldn't recover.
- North Korea's state-backed Lazarus Group stole around $1.5 billion from Bybit last year through spoofing. Only a small portion was recovered.



• POLITY

The intricate system to elect MLCs

A general election is simple: one vote for one candidate. But MLC polls are much more complex, involving preferential voting by MLAs, local bodies, graduates and teachers, besides nominations by the Governor

•Legislative Council seats: The break-up

Six states in India have Legislative Councils. Here's how their seats are distributed among different electorates and the Governor's nominees.

STATE	TOTAL MLC SEATS	ELECTED BY				NOMINATED BY GOVERNOR
		Local authorities	Graduates	Teachers	MLAs	
Andhra Pradesh	58	20	5	5	20	8
Bihar	75	24	6	6	27	12
Maharashtra	78	22	7	7	30	12
Karnataka	75	25	7	7	25	11
Telangana	40	14	3	3	14	6
Uttar Pradesh	100	36	8	8	38	10
Madhya Pradesh*	90	31	8	8	31	12
Tamil Nadu*	78	26	7	7	26	12

*NOT OPERATIONAL; SOURCE: REPRESENTATION OF THE PEOPLE ACT, 1950



EXPERTS EXPLAIN

CHAKSHU ROY & YASHIKA KEDIA
THE WRITERS WORK AT PRS LEGISLATIVE RESEARCH

THE BJP-LED NDA has won 16 out of the 28 Legislative Council seats for which elections were held in four states.

The ruling alliance won all four seats in Karnataka, six out of 11 in Uttar Pradesh, four out of eight in Bihar, and two of five in Maharashtra. Unlike elections for Members of the Legislative Assembly (MLAs), not every adult citizen is eligible to vote for Members of the Legislative Councils (MLCs). Not all states have Legislative Councils, either.

A second chamber for states

India's legislatures are divided into two categories — unicameral (single House) or bicameral (two Houses). The Constitution mandates a bicameral legislature (Lok Sabha and Rajya Sabha) at the national level and gives states the option of having a second chamber called the Legislative Council.

During the framing of the Constitution, there was disagreement in the Constituent Assembly on having a second chamber in states. The arguments in support of a second chamber were that it would bring different viewpoints, be the voice of reason and check hasty action by the popularly elected House.

The opposing viewpoint was that having a second chamber would be costly, delay government action and leaders would use its membership to dispense favours.

Our Constitution framers resolved these differences by giving states the power to decide whether they wanted a second chamber, capped the size of the House and put limits on its powers. And in doing so, they created a unique legislative institution.

Six states — Andhra Pradesh, Bihar, Maharashtra, Karnataka, Uttar Pradesh and Telangana — have a Legislative Council.

Article 171 specifies that a Legislative Council will have a minimum of 40 members, and pegs the maximum number to a third of the size of the Assembly.

The Constitution also specifies the membership structure of the state Legislative Councils. MLAs elect one-third of the Council's members, local body members elect another third, graduates elect one-twelveth, teachers elect another one-twelveth, and the Governor nominates the remaining MLCs. The Representation of People Act, 1950 provides the membership breakup of every Legislative Council in the country.

The voting process

MLCs have a six-year term and a third of a Council's members retire every two years. To contest an MLC election, an individual should be at least 30 years old and be an elector in the state. Governors can nominate individuals from the fields of literature, science, art, co-operative movement and social service who are residents of the state.

Elections for MLC seats in which MLAs are the voters are straightforward. Only those who are current members of the Assembly get to vote in the election.

But the other three categories of MLCs — local body, graduate and teacher — are all territorial constituencies. So local body members, graduates and teachers of those areas in the state get to vote in the election.

For local body MLC constituencies, only current members of those bodies can vote.

The electoral roll for graduate and teacher constituencies has different requirements. These rolls are prepared fresh before every election and even existing voters have to apply again to get on the roll. They also have to fulfil the specified criterion from the qualifying date, which is November 1 every year.

In the case of graduate constituencies, the voter should be a citizen, ordinarily a resident in the constituency and for three years holding a graduate degree from anywhere in India. In case of teacher constituencies, the voter should, in the last six years, have been a teacher in an educational institution (not lower than a secondary school) for at least three years.

Graduates and teachers

Here, a question arises. What's the rationale for an electorate representing specific sections of society (like graduates and teachers)?

The practice of lawmakers representing specific sections of society began in pre-independent India. The Government of India Act of 1935 provided for representation based on religious, economic and social grounds.

Constituent Assembly Member Shibban Lal Saxena suggested that the Council should represent the intelligentsia of a province. He suggested that some members should be elected by different subsets of the entire electorate. A subset could be graduates, members of trade unions, local body members, learned professionals, and more. This idea was then incorporated into the Constitution.

Preferential choice

Voting in a general election is simple — a voter casts their vote for one candidate. The simplicity of this process allows the use of an electronic voting machine. But voting in an MLC election is done through a single, transferable vote. This method requires a voter to rank the candidates by indicating their preference, just like in a Rajya Sabha election. *(See story and box alongside).*

A ballot paper contains the names of the candidates (besides NOTA). The voter is required to indicate their preference by writing 1,2 or 3 in front of the candidate's name. At the time of counting of votes, candidates get eliminated if they don't get the required number of votes meeting the threshold.

In Rajya Sabha polls, MLAs have to show their votes to their party's election agent. They don't have to do so in MLC polls.

How Councils differ from Rajya Sabha

Rajya Sabha is a continuous body. But Assemblies have the power to recommend the creation and abolition of a Legislative Council.

•

Councils don't have the Constitutional mandate to give shape to legislation passed by the Assembly.

•

In 2013, a Parliamentary panel examining the creation of a Council in Rajasthan flagged a need to evolve a national policy on the creation or abolition of Councils.

•

It said that a Council, once created, should not be abolished at the whim of a newly elected state govt.

Ballot papers in Indian elections: Where they are still used, and why



VIKAS PATHAK

PRIME MINISTER Narendra Modi took a swipe at the Congress after it won just one of the 28 Member of Legislative Council (MLC) seats that went to the polls across four states. This is because MLC elections use ballot papers rather than electronic voting machines (EVMs), which the Congress has in the past blamed for losses.

Since the PM's remarks have brought the spotlight back to the EVMs-vs-ballot-papers debate, it's instructive to see which sets of elections in India are conducted with ballot papers.

Elections using ballot papers

Most elections to gram panchayats, panchayat samitis, and zilla parishads are held through ballot papers. A 2023 study sponsored by the Ministry of Panchayati Raj and undertaken by the Indian Institute of Public Administration (IIPA) found that 53% of states conduct gram panchayat elections using ballot papers.

"Only three States/UTs (Kerala, Sikkim, and Dadra & Nagar Haveli and Daman & Diu) conduct gram panchayat elections through EVMs in all constituencies of the gram panchayat. However, other States are in a transitional phase wherein 22 percent of the States have adopted EVMs in some of the constituencies while in the rest of the constituencies, ballot papers are still followed," the report added. "However, in the higher levels of panchayat elections, i.e., intermediate and district panchayats, the share of EVMs used by States increases. For instance, in district/zilla panchayat elections, 17 percent of States use EVMs in all the constituencies."

The report also said: "States which are using ballot papers hinted that lack of funds and awareness about the usage of EVM is one of the major hindrances in conducting panchayat elections. But the same voters cast their vote using EVMs in the assembly and the parliamentary elections; so this argument of lack of awareness among the voters is lopsided." It added that counting of ballot papers was a cumbersome process requiring huge manpower, adding that it was also not environmentally friendly.

Former elected sarpanch from Chandrapur in Maharashtra Kalyan Kumar said that the tehsildars provide symbols to candidates days before the elections in rural local bodies. "They ask for three options and allot one of these. These are not the party symbols we know." According to him, how much in touch a candidate is with their electors and whether they help them get everyday work done is more crucial than ideology in these polls.

Describing the process of elections to rural local bodies, a Bihar official told *The Indian Express* that multiple elections at gram panchayat, panchayat samitis, etc., happen at around the same time, and this makes ballot papers more handy because using so many machines would be difficult. But he agreed that ballot papers make counting difficult.

Regarding how some states conduct panchayat elections with EVMs if the symbols are not the conventional party symbols, former Election Commissioner Ashok Lavasa told *The Indian Express* that there is a procedure called "symbol loading" that is used to load the required symbols onto the EVMs. Municipal corporation elections, Lavasa said, lie within the purview of the State Election Commissions, and they can decide to use EVMs or ballot papers. The Municipal Corporation of Delhi elections, for instance, are conducted via EVMs, but Punjab decided to shift to ballot papers in 2026. The Punjab and Haryana High Court said that the Punjab Municipal Election Rules, 1994, allowed both ballot papers and EVMs, legally permitting the SEC to choose either of them.

Student union elections are also held either using EVMs or ballot papers. The Delhi University Students' Union polls, for instance, use EVMs. "The EVMs display the names of the candidates in alphabetical order. Here, the name and the ballot number of the candidate is important," said Akhil Bharatiya Vidyarthi Parishad national media convener Harsh Attri. The Jawaharlal Nehru University Students' Union election uses ballot papers.

Single, transferable vote

Elections held via a single transferable vote, however, have to use ballot papers. As per Article 171 of the Indian Constitution, elections to the legislative councils are held through a single, transferable vote. In this procedure, the voters have to mark their first, second, etc., preferences on the ballot paper, so that the vote is transferable. This happens on a ballot paper rather than an EVM.

Rajya Sabha elections also happen by a single transferable vote, where preferences are marked by the elector on a ballot paper. A formula is used here to calculate the quota required for a candidate to win.

• THE FORMULA TO CALCULATE RAJYA SABHA VOTES

- **The total** number of MLAs voting in a state is divided by the number of seats heading to polls plus 1. Then, 1 is added to the resulting number to calculate the quota.
- **Say the** total number of MLAs voting in a state is 200 and elections are on for four seats. So, 200 will be divided by 4+1, or 5, which results in 40. The quota will thus be 40+1, or 41. Any candidate getting 41 votes is declared elected.
- **The system** followed, however, is of a single transferable vote. So, MLAs can mark their first, second, third, preferences.
- **In the above** example, every candidate getting 41 first preference votes will be declared elected. If this does not fill all the seats, the surplus votes of those already elected are transferred to the second preference candidates of MLAs whose first preferences have already won.
- **Say, 41 is** the winning quota: If a winning candidate secures 45 votes, this would mean this candidate has four surplus votes. These four surplus votes will be moved to the second preference candidates.
- **If more** than one victorious candidate has surplus votes, the largest surplus will be transferred first. If even this does not fill all vacancies, the candidate with the lowest number of first preference votes is eliminated, and the second preference votes in their ballot paper are transferred.
- **This process** goes on until all the seats are filled.

• ECONOMY

Under Trump administration, how the capitalist US became more 'socialist'



WEEKLY ECONOMIC AND POLICY INSIGHTS USING DATA

THE US is scheduled to hold its midterm elections on November 3. Voters will decide which of the two political parties controls the US Congress, which comprises two houses — the House of Representatives and the Senate.

Unlike India, the US political system observes stricter separation of powers among the three branches of government.

The Republican Party today controls both houses of the US Congress. This is an ideal scenario for the Republicans because they also have their candidate — Donald Trump — as President. In other words, the Republicans control both the legislative and executive branches. This accords the right-wing party the ability to get not just the legislative nod for its policy agenda, but also to have a President execute it fully.

The vote could alter that equation substantially, especially if the more left-wing Democratic Party wins both houses.

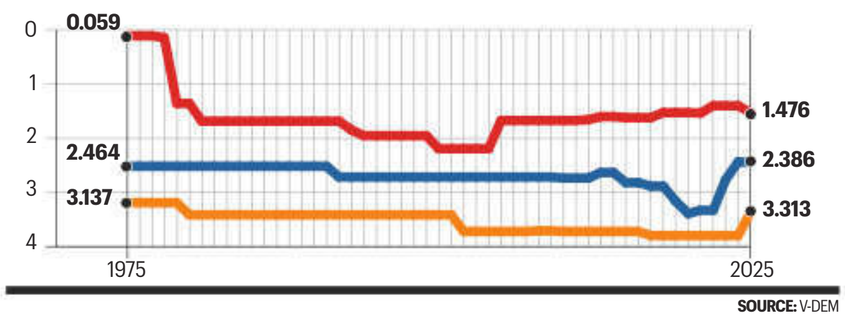
What's at stake?

Since the surprising victory of Zohran Mamdani as the New York Mayor in November last year, Trump has sharpened his attack on the Democrats, repeatedly warning voters against left-wing policies. "In state after state, the Democrat establishment has been overthrown and replaced by crazed lunatics and radicals. They call themselves Democrat socialists, but actually, they're communists," Trump said just a month ago.

Words like 'socialism' and 'communism' have long been slurs in the US, especially in the context of its Cold War with the erstwhile USSR. In contrast, the Democratic Party is moving towards more socialist policies, such as addressing inequality by taxing the rich and redistributing the proceeds among the poor. Former Vice President Kamala Harris openly called for price controls during her 2024 presidential campaign against Trump.

•STATE OWNERSHIP OF ECONOMY

Index value ranges from 0 to 4. lower the number, greater the control of govt



SOURCE: V-DEM

What about Trump's administration?

As Cullen S Hendrix, a senior fellow at the Peterson Institute for International Economics, pointed out recently, the US has moved towards socialism under Trump 2.0.

The defining feature of socialism is public or State ownership and/or control of productive resources — how far does the government own or directly control important sectors of the economy?

Sample the following decisions by the Trump Administration: In June 2025, the US government took a "golden share" in Japan's Nippon Steel when the latter took over US Steel. This gave the US government veto rights over US operations. Then in August 2025, the US government took a 10% stake in Intel, the American semiconductor manufacturing firm. The US government has also taken a stake in several other publicly traded companies, such as MP Materials, Lithium Americas, and Trilogy Metals.

Hendrix pointed to data from V-Dem (a global research project and independent institute that measures the quality, types, and health of democracies worldwide) on State ownership of the economy.

"The United States has consistently ranked among the countries with the least state control of the economy for nearly two decades according to the V-Dem index... Since 2010, the US had never ranked lower than 4th out of 179 covered countries, and often ranked 2nd, just behind Japan in 1st place (North Korea ranks 179th). In 2025, the first year of the second Trump administration, state control of the US economy grew, and 15 countries now have less state control than the US..." he wrote in a recent research report.

The chart alongside captures the V-Dem gauge. The closer to 0, the more State control over the economy, with 4 as the upper end suggesting an economy where very little valuable capital belongs to the State or is directly controlled by it. The US reading has shifted sharply towards greater State control under Trump, though it is still far less than some comparable economies, such as China.

The data also shows that India, too, has turned more 'socialist' under a right-wing prime minister since 2020.

LEGAL AMENDMENTS WERE TO TAKE EFFECT FROM APRIL 1

CBIC mandates immediate halt on GST arrests

Aanchal Magazine
New Delhi, October 30



The GST Council has recommended withdrawal of arrest powers under GST by omission of Section 69 of CGST Act, 2017. REUTERS

IN A significant move for trade facilitation, the Central Board of Indirect Taxes and Customs (CBIC) has issued instructions to its field formations to immediately stop carrying out any arrests and also implement the recommendations of the GST Council on rationalised conditions for e-way bill inspections and show-cause notices.

The missive to all Central Goods and Services Tax (CGST) field formations comes months before the proposed legislative amendments were to take effect from April 1, 2027.

All the measures — scrapping of arrest powers, change in procedures for e-way bill inspection and verification, and a minimum Rs 10,000 threshold for show-cause notices — require amendments to CGST Act, 2017 and corresponding provisions of the respective state GST laws.

This comes after legal experts had raised concerns that the recommendations made by the GST Council in its 57th meeting lacked legal backing without the legislative amendments and may result in arrests and issuance of notices till the amendments were brought in the upcoming Winter Session of Parliament.

The CBIC said these measures are "trade friendly and would help in ease of living and doing business for the taxpayers, by reducing hardships owing to arrests, random checks of conveyances in transit and issuance of show cause notices in cases involving small amounts, making the law more trust based and forward looking, as well as reducing the compliance cost arising out of low value litigations."

The GST Council had recommended in its October 8 meeting that the amended provisions may come into force with effect from April 1 next year. "However, as an interim measure of trade facilitation, it has been decided by the Central Government that till these amendments in the Act are brought into effect, the aforesaid reforms shall be implemented by the field formations of the CBIC," the directive said.

The GST Council has recommended withdrawal of arrest powers under GST by omission of Section 69 of CGST Act, 2017. "All CGST field formations are accordingly directed that no further arrests may be carried out under GST," the CBIC said. Section 69 of the CGST Act provides for the power to arrest after approval by the Commissioner.

The GST Council in its meeting earlier this month had approved sweeping process reforms, ranging from the removal of arrest powers from tax officers at the pre-prosecution stage to a minimum threshold of Rs 10,000 being put in place for issuance of show-cause notices effective retrospectively.

For e-way bill verification, the Council had recommended that vehicles carrying goods can only be stopped by tax officers from either the state of the supplier or the recipient, and only on the basis of "specific intelligence" and due authorisation. In the directive, the CBIC said a conveyance should only be intercepted based on "specific intelligence which is duly authorised by an officer not below the rank of Joint Commissioner, who must record, in writing, the reasons to believe that the goods being carried in the conveyance are being transported in contravention of the provisions of CGST Act, 2017 or the rules made thereunder".

FULL REPORT ON WWW.INDIANEXPRESS.COM

TATA SONS' BOARD MEETING SCHEDULED FOR NOVEMBER 26

Noel's push for restructuring & SP Group's Rs 25K-cr exit

George Mathew
Mumbai, October 30

A FRESH power struggle is brewing at the top of the Tata Group, with Chairman of Tata Trusts Noel Tata pushing the Tata Sons board to take up two contentious proposals — the Shapoorji Pallonji (SP) group's Rs 25,000-crore funding demand and a merger of two unlisted group companies with Tata Sons to preserve its unlisted status.

The crucial board meeting which is scheduled for November 26 is likely to witness dramatic scenes as other directors of the company had rejected the proposals of Noel Tata in the previous board meeting on September 17.

According to sources, Noel Tata, a director of Tata Sons, sent two letters to the Tata Sons board on Thursday, seeking discussion and decisions on these two issues in the November 26 board meeting. "Under Article 121B, a director of Tata Sons can make proposals for consideration in the board meeting. Noel Tata has done that," said a source. However, Tata Sons board has not responded to Noel Tata's letter dated October 26 so far. "This is surprising," said a source.

Noel Tata had on Monday demanded audio and video recordings of a crucial board meeting, questioned the filing of the N Chandrasekaran's reappointment resolution with the Ministry of Corporate Affairs, role of Director Venu Srinivasan and sought disclosures about reported commercial dealings between TVS Motor Company and a company associated with Chandrasekaran's immediate family.

On September 11, the RBI had declined the company's request to voluntarily surrender its Certificate of Registration (CoR) and advised it to comply with the rules applicable to NBFC-Upper Layer entities. Tata Trusts had proposed merging two wholly-owned subsidiaries, Tata Electronic Systems Solutions (TESS) and Tata Consulting Engineers (TCE), with Tata Sons.

It's unclear whether other directors will agree to the proposal of merger of two group companies with Tata Sons to remain unlisted.

The November 26 meeting also assumes significance against the backdrop of differences within the Tata Trusts and Tata Sons over whether Tata Sons should remain privately held or pursue a public listing. While Noel Tata has argued against listing, some trustees, including Venu Srinivasan and Vijay Singh, have supported it, citing transparency and accountability. The RBI's September 11 decision to reject Tata Sons' application for voluntary surrender of its registration has further intensified the debate.

FULL REPORT ON WWW.INDIANEXPRESS.COM

RIL's net profit rises 33.8%, consolidated revenue soars 27.8%



The company's revenue growth was supported by strong performances across its businesses. REUTERS

ENS Economic Bureau
Mumbai, October 30

RELIANCE INDUSTRIES Limited (RIL) reported a strong financial performance for the second quarter of FY27, with consolidated gross revenue surging 27.8% year-on-year (YoY) to a record Rs 3,62,268 crore for the quarter ended September 2026.

The company's consolidated profit after tax (PAT), including the share of profit from associates and joint ventures, increased 33.8% YoY to Rs 29,550 crore, compared with Rs 22,092 crore in the corresponding quarter last year.

The company's revenue growth was supported by strong performances across its businesses, particularly Oil-to-Chemicals (O2C) and Digital Services. Consolidated revenue also increased sequentially from Rs 3,40,257 crore in the June 2026 quarter.

RIL's consolidated EBITDA rose 23.9% YoY to a record Rs 62,409 crore, against Rs 50,367 crore in Q2 FY26. However, the EBITDA margin moderated to 17.2% from 17.8% in the year-ago quarter. The standout contributor was the O2C business, which reported a 67.9% jump in EBITDA to Rs 25,203 crore, driven by stronger transportation fuel cracks and improved petrochemical margins. Digital Services EBITDA grew 17.7% to Rs 22,223 crore, supported by subscriber additions and higher average revenue per user. Reliance Retail reported gross revenue growth of 6.4% to Rs 91,716 crore, although its EBITDA declined 8.6% amid investments in digital commerce and cost pressures.

FULL REPORT ON WWW.INDIANEXPRESS.COM

Jio Platforms net profit rises 13.7%

Mumbai: Jio Platforms Ltd (JPL), the digital services arm of Reliance Industries, reported a 13.7% year-on-year increase in consolidated net profit at Rs 8,387 crore for the second quarter ended September 2026, compared with Rs 7,375 crore in the corresponding quarter last year.

Revenue from operations rose 11.4% to Rs 40,475 crore during the July-September quarter, against Rs 36,332 crore in the year-ago period, reflecting sustained growth in its connectivity business and expansion of digital services. The company's operating performance remained strong, with EBITDA increasing 16.6% to Rs 21,879 crore from Rs 18,757 crore a year ago. EBITDA margin expanded to 54.1% from 51.6%, an improvement of 250 basis points. ENS

Social Security Board for gig workers notified, RSS-linked unions dominate

Ravi Dutta Mishra
New Delhi, October 30

THE MINISTRY of Labour and Employment on Friday notified the constitution of the National Social Security Board (NSSB) for unorganised, gig and platform workers mandated under the Code on Social Security to design, monitor, and recommend targeted welfare schemes to bridge the social security gap for gig workers.

The 40-member board nominated by the government for three years was dominated by Rashtriya Swayamsevak Sangh (RSS) linked unions and organisations such as Bharatiya Mazdoor Sangh (BMS) and Laghu Udyog Bharati (LUB), which has as many as 6 members on the board.

The board includes seven union representatives and seven employer representatives, with the remaining members drawn from various government departments and the parliament. Among the unions, the RSS-linked BMS has three members, while Laghu Udyog Bharati, another RSS-linked organisation that works for MSME welfare, holds three of the seven employer seats.

However, there were no representatives from most of the 12 labour unions recognised by the government, such as Centre of Indian Trade Unions (CITU) and All India Trade Union Congress (AITUC). The board also had state representatives from BJP-ruled states, including Maharashtra, Andhra Pradesh, Gujarat and West Bengal only.

A query sought from the spokesperson of the Ministry of Labour & Employment remained unanswered till press time.

The Ministry of Labour and Employment said that the board will be presided over by the Union Minister for Labour & Employment and comprise representatives from Central and State Governments, prominent aggregator companies, employers, civil society organisations, workers' unions and gig & platform Associations.

FULL REPORT ON WWW.INDIANEXPRESS.COM

Panel formed to review banking sector, suggest reforms in 6 mths

Siddharth Upasani
New Delhi, October 30

THE GOVERNMENT on Friday announced the setting up of the High-Level Committee on Banking for Viksit Bharat.

Headed by Suresh N Patel, former Central Vigilance Commissioner, the committee will review the banking sector and have six months to submit its recommendations to the government, including roadmaps to create "globally competitive banks" and for AI and digital innovation in banking institutions, while providing safeguards against cyber risks.

Announced in FY27 Union Budget speech, the committee is to comprehensively review the sector and "align it with India's next phase of growth, while safeguarding financial stability, inclusion and consumer protection".

Its other members include RBI Deputy Governor Shirish Chandra Murmu, former Deputy Governor NS Vishwanathan, and former Indian Bank Managing Director and Chief Executive Officer Padmaja Chunduru. The Joint Secretary (Banking) from the finance ministry's Department of Financial Services will be the Member Secretary.

The government wants at least 1-2 banks in the world's top-20 by 2047. Chinese banks dominate the rankings, with State Bank of India (45) and HDFC Bank (76) the only Indian banks in the world's largest 100 by assets, as per S&P Global.

The committee's Terms of Reference include suggesting a strategy for talent acquisition and capacity building to ensure a future-ready workforce for the banking sector, suggesting reforms to bring in efficiency and enable ease of doing banking, assess long-term capital requirements, and recommend policy options to boost private investment for sustainable growth, among others.

FULL REPORT ON WWW.INDIANEXPRESS.COM

TRAI weighs board-level AI oversight for telcos

Ojasvi Gupta
New Delhi, October 30

The Telecom Regulatory Authority of India (TRAI) has proposed bringing the use of artificial intelligence (AI) in telecom networks under a formal accountability framework, making operators responsible for failures even when the technology is outsourced to third-party vendors.

Under draft guidelines released on Friday, operators will have to put in place board-approved AI policies, establish dedicated governance committees and introduce mechanisms to monitor and report AI-related incidents.

The proposals seek to bring greater accountability to the use of AI in a sector that forms a critical part of the country's digital infrastructure.

TRAI has cautioned that while integrating AI into telecom networks could significantly improve efficiency, it may also introduce new risks if due diligence is not exercised before deployment of AI systems. The regulator has flagged risks such as biases creeping into AI systems during training and usage, unintended model behaviour, including model drift, and adversarial attacks that could affect the resilience of telecom infrastructure, particularly its critical components. FE

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Phone: +91 79350 31200 | E-mail: jpl.investorrelations@jio.com
CIN: U72900GJ2019PLC110816

Extract of Unaudited Consolidated Financial Results for the Quarter / Half Year Ended 30th September, 2026

(₹ in crore, except per share data)

Particulars	Quarter Ended 30th September, 2026	Half Year Ended 30th September, 2026	Quarter Ended 30th September, 2025
Value of Sales & Services (Revenue)	47,485	93,446	42,652
Less: GST Recovered	7,010	13,798	6,320
Revenue from Operations	**40,475**	**79,648**	**36,332**
Profit Before Tax	11,259	21,686	9,937
Profit After Tax	**8,387**	**16,151**	**7,379**
Share of Profit / (Loss) of Associate and Joint Venture	0	0	(4)
Profit After Tax and Share of Profit / (Loss) of Associate and Joint Venture	**8,387**	**16,151**	**7,375**
Total Comprehensive Income (Net of Tax)*	8,509	16,326	7,428
Paid up Equity Share Capital, Equity Shares of ₹ 10/- each	8,939	8,939	8,939
Other Equity**	-	-	-
Earnings per Equity Share (in ₹) (Face value of ₹ 10/- each)			
Basic (in ₹)	9.38	18.07	8.25
Diluted (in ₹)	9.37	18.05	8.24

* Includes share of Non-Controlling Interest
** Other equity for the year ended as on 31st March, 2026 was ₹ 3,27,038 Crore.

Notes:

1. The Audit Committee has reviewed and the Board of Directors have approved the above results and its release at their respective meetings held on 30th October, 2026. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter and half year ended 30th September, 2026.
2. Additional information on Unaudited Standalone Financial Results is as follows:

(₹ in crore)

Particulars	Quarter Ended 30th September, 2026	Half Year Ended 30th September, 2026	Quarter Ended 30th September, 2025
Value of Sales & Services (Revenue)	5,760	11,361	4,651
Less: GST Recovered	879	1,733	710
Revenue from Operations	**4,881**	**9,628**	**3,941**
Profit Before Tax	562	1,098	404
Profit After Tax	**419**	**818**	**301**
Total Comprehensive Income (Net of Tax)	434	827	311

3. The above is an extract of the detailed format of the Unaudited Standalone and Consolidated Financial Results for the quarter / half year ended on 30th September, 2026, filed with the Stock Exchanges pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
The full format of the Unaudited Standalone and Consolidated Financial Results for the quarter / half year ended on 30th September, 2026, are available on the Stock Exchanges' websites (**www.bseindia.com** / **www.nseindia.com**), Company's web page **https://www.jio.com/about/investor-relations/financials/financials-results/** and can also be accessed by scanning the following Quick Response Code.

Date : 30th October, 2026

For **Jio Platforms Limited**
Sd/-
Akash M. Ambani
Managing Director

www.jio.com

• NOEL TATA TO STEP DOWN AS CHAIRMAN ON NOVEMBER 11

Bahram Vakil's journey: From top corporate lawyer to Trent's chair

George Mathew
Mumbai, October 30



Bahram N Vakil

BAHRAM N Vakil, one of the country's top lawyers in restructuring, infrastructure and project finance, is set to take over as the chairman of retail major Trent Ltd.

Trent is one of India's leading retail chains, with a market capitalisation of Rs 1.63 lakh crore. Vakil will take over the baton from Noel Tata, whose career has been closely associated with building and expanding the group's retail operations. The transition comes against the backdrop of ongoing corporate rift between the Tata Sons board and Tata Trusts, led by Noel.

Noel will step down from the chairmanship of Tata Group's most prominent consumer-facing businesses on November 11 after nearly three decades of association with the company. And Vakil will overtake on the next day.

Vakil joined the board of Tata Investment Corporation in March 2025 as vice-chairman and independent director. His name had also figured among the possible candidates for a position on the Tata Sons board during discussions on board vacancies.

A legal mind

Vakil is best known as the co-founder of AZB & Partners, one of India's leading law firms. International legal publications have consistently recognised him as a leading practitioner in restructuring and project finance.

The World's Leading Lawyers for Business describes Vakil as a gregarious and hard-headed lawyer, valued by clients for his "smart, reliable and practical advice". Chambers & Partners Global has highlighted his negotiating skills, stating that "he adds value in negotiations, ensuring both parties see the other's point of view".

Vakil holds an LLM from Columbia University and is a member of the New York State Bar. "We've been right at the forefront of restructuring the bankruptcy codes and the policy and legislative changes in the laws. The government and institutions like the RBI and SEBI turn to us often because of our reputation and the integrity of our lawyers, knowing that we will have an India focus, with no agenda for a particular client or industry," Vakil was quoted as saying by AZB & Partners.

"Bahram is very macro in his approach, which is of huge value to clients when they want to see the big picture. His understanding of global economies is insightful, and has always helped the firm navigate crises," a senior lawyer said about him.

FULL REPORT ON WWW.INDIANEXPRESS.COM

• BRIEFLY

Centre's fiscal deficit at 42.1% of full-year target

Mumbai: The central government's fiscal deficit in the first half of the current financial year accounted for 42.1% of the full-year target amidst weak revenue growth and higher expenditure on subsidies and capital investment, CGA data on Friday showed. In the same period a year ago, the Centre's fiscal deficit accounted for 36.5% of the relevant Budget target. In absolute terms, the fiscal deficit was Rs 7.14 lakh crore during April-September, up 25% year-on-year. FE

RBI tightens cyber checks on lenders

Mumbai: India's central bank has warned banks of rising cyberattacks on financial infrastructure, seeking proof of compliance with existing rules and details of their preparedness for AI-related risks, three people familiar with the matter said. The RBI's increased vigilance comes at a time when banks worldwide are being targeted by hackers using sophisticated AI tools, putting customer data and funds at risk. REUTERS

• MARKETS

Sensex	NIFTY	Gold ▼	US Dollar ▼
74,459.53	23,053.10	₹1,40,054	₹94.96
308.49	116.35	Silver ▼	Oil ▼
0.42%	0.51%	₹1,81,344	$114.6

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 29, 2026

the hindu businessline.
SATURDAY - OCTOBER 31, 2026

Capex turnaround

Uptick in private investment, a happy augury

The private sector has been criticised for going slow on its capital investments, despite large tax-breaks given in 2019 and the incentives rolled out in 2020. However, recent data from Reserve Bank of India show that a turnaround is underway. With the Centre constrained to raise capital expenditure in these times, this uptick can support growth.

Investment intentions recorded for 1,839 projects during FY26, amounting to ₹5.6 lakh crore, were sharply up from 1,581 projects in FY25 with investment intentions of ₹4.98 lakh crore. Three funding routes — banks, financial institutions, external commercial borrowings and initial public offerings — are at work here. In 2025-26, the aggregate cost of projects sanctioned by the banks and FIs was ₹4.4 lakh crore, against ₹3.7 lakh crore the previous year. Infrastructure, led by the power sector, has been dominant. Of these projects sanctioned in FY26, 34.5 per cent is planned to be invested in FY27 and 22.2 per cent in subsequent years (43.5 per cent in FY26). Capex could increase substantially to ₹3.2 lakh crore in 2026-27 as against ₹2.6 lakh crore in 2025-26. An uptick is certainly visible here. This turnaround is corroborated by the rise in gross fixed capital formation, which grew at a robust 11.9 per cent in the first quarter of FY27, much higher than the 5.8 per cent growth in the first quarter of FY26. Bank credit to industry accelerated to 18 per cent in August with loans to medium industries and large industries growing 32 and 15 per cent, respectively. RBI's survey shows that capacity utilisation in Indian companies has been at multi-year high around 76 per cent.

The only question is whether this investment is concentrated or broad based. The power sector has been accounting for a large part of private capex over the past decade; these projects accounted for 39 per cent of the total sanctioned projects in FY26. While share of new projects to construct roads and bridges has declined from the peak of around 25 per cent during the pandemic, it still accounts for around 9 per cent of loans sanctioned. Other sectors where private sector is adding capacity are real estate, chemical and pesticides, metals, cement and data centres. Of note is that share of electricals and electronics industry in loans sanctioned, has dropped from 4 per cent in FY24 and FY25 to 0.9 per cent in FY26, indicating that the momentum provided by the Performance-Linked Incentive scheme to this industry could be waning.

As for funding patterns, the share of banks in FY26 increased to 77 per cent, from 73 per cent in FY25. Given the increased volatility in the rupee since the last quarter of 2024, the reliance on external commercial borrowings is going down. With large banks currently flush with funds raised from the FCNR (B) deposits, they may not have too much difficulty in meeting further demand from the private sector to meet capacity expansion plans. The multiplier effects of capex are undoubted. But leakages should be checked.

Keralam needs a sustainable path

ECO AGENDA. Human development is good, but the State must move from an ecologically damaging extraction economy



MA OOMMEN

There is no need to retell the story of Keralam's remarkable achievements in human development or its strong performance on the Sustainable Development Goals (SDGs).

Even so, because the State is counted among the most fiscally distressed States, sustaining high standards in education, health, infrastructure, social security and so on requires fiscal strength, which in turn depends on prudent, strategic use of resources. The central argument of the article is that Keralam has failed to manage its substantial foreign remittances and rich natural capital in the long-term interests of its people.

Despite a population of only 2.6 per cent Keralam accounted for more than 19 per cent of India's foreign remittances. The magnitude becomes clearer when compared with State finances. In 2023–24, the State's total expenditure was ₹1.59 trillion and its own-source revenue ₹0.9 trillion. Remittances were more than 2.5 times the State's own-source revenue and accounted for over 23 per cent of Net State Domestic Product, up from 13.5 per cent in 2018. Although the number of emigrants declined, remittance flows continued to rise, partly because of the rupee's depreciation against the dollar.

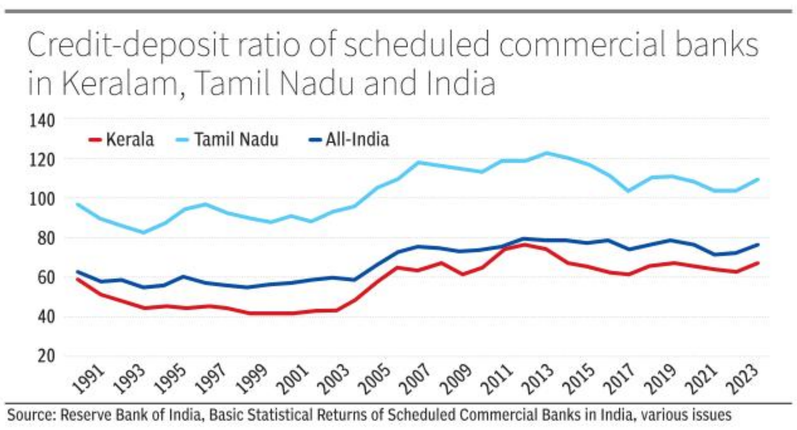
REMITTANCE USE

The central question is whether these resources have been used with the vision and prudence needed to secure lasting benefits for the community.

Keralam did experience a construction boom and rapid service-led growth. After near-stagnation before the mid-1970s, its economy gained momentum; using the 2011-12 base series, growth consistently exceeded the all-State average from 1995-96 onwards and slowed only after the Covid-19 pandemic.

Monthly per capita consumption expenditure (MPCE) data from 1972-73 to 2023-24 tell an even more striking story. From a low position in 1972-73, Keralam rose to the top ranks, behind Punjab and Haryana, by 1987-88. From 1993–94 to 2023–24, it generally recorded the country's highest rural MPCE, apart from small exceptions such as Goa and Sikkim. Over the past 35–40 years, it has become a major consumer-goods market, notably for costly liquor and harmful drugs.

In his paper Keralam Economy through the Lens of GST Data, Professor Sushil Khanna estimated that the State recorded nearly ₹4.3 trillion in intra-State and inter-State transactions in 2019-20. The year was affected by Covid-19 and was not an ideal benchmark, but the scale of economic activity is clear.



Source: Reserve Bank of India, Basic Statistical Returns of Scheduled Commercial Banks in India, various issues

Khanna's critical finding is that Keralam had a trade deficit of about ₹1 trillion: Keralam imported goods worth ₹1.5 trillion but exported only ₹0.55 trillion, which included products from the Cochin Refineries, a central government undertaking. Consumer demand in Keralam therefore generates significant multiplier effects in other States, particularly Tamil Nadu and Karnataka. No wonder, manufacturing has remained below 10 per cent of the State's GSDP, compared with over 20 per cent in Tamil Nadu and around 15 per cent in Karnataka.

This pattern raises concerns about the State's dependence on consumption and its limited productive capacity. The sustainability of an economy with an annual trade deficit of ₹1 trillion deserves closer scrutiny.

Figure 1 compares the credit-deposit (CD) ratios of scheduled commercial banks in Keralam, Tamil Nadu and India from 1991 to 2023, using Reserve Bank of India statistics. It reveals the persistent underutilisation of Keralam's bank deposits. From 1993 to 2004, the State's CD ratio remained between 41 and 47 per cent. By contrast, Tamil Nadu's ratio exceeded 100 per cent from 2005, reaching 122.1 per cent in 2013.

Tamil Nadu was evidently able to put deposits, including idle funds from Keralam, to more productive use. This is the context in which I once described Keralam as "a beggar sitting on a bench of gold."

Illegal quarries outnumbered legal ones. Quarrying, metal-crushing units were sanctioned, despite devastating floods, landslides

ECOLOGICAL OVERKILL

Keralam's exceptional natural capital has earned it the name "God's Own Country," yet construction and economic expansion are placing its ecological foundations under severe strain. Its 41 west-flowing rivers, backwaters — including Vembanad, India's longest lake — roughly 600-kilometre coastline, biodiversity-rich midlands and wetland paddy systems, and the unique Western Ghats are all under pressure. The scale of degradation points to an ecological overkill.

Paddy lands, which accounted for more than 35 per cent of cultivated land when the State was formed, have dwindled to less than 7 per cent, largely through conversion for construction. Their loss is not simply agricultural: paddy fields and wetlands retain water, mitigate floods, recharge groundwater and sustain biodiversity. Destroying them weakens the ecological resilience essential to Keralam's long-term development.

The dangers associated with quarrying, metal crushing and sand mining — often controlled by vested interests — are well known, but their political economy has received inadequate scrutiny. Environmental policy-making and implementation remain deeply unsatisfactory. Reports of the Legislative Environment Committees have often failed to confront quarrying directly.

A 2019 report noted that illegal quarries outnumbered legal ones 10 to one. Yet more quarrying and metal-crushing units were sanctioned even after the devastating floods and landslides of 2018 and 2019.

Given the State's ecological fragility, the Legislative Assembly's unanimous rejection of the Madhav Gadgil Committee Report (2013) is particularly troubling. Its recommendations sought to protect the Western Ghats and safeguard the region's ecological future. Rejection reflected the failure to reconcile short-term economic and political interests with long-term environmental security.

Keralam should not ignore Gadgil's response after the Pettimudi landslide, which killed 70 people on the night of August 6, 2020.

It remains uncertain whether the State has learned the right lessons from repeated floods and landslides. The issue is not only whether relief and rehabilitation were provided, but whether disasters have transformed environmental governance, land-use planning and natural-resource management.

The 2018 floods did lead to an institutional response. Under the Resilient Kerala initiative, Keralam mobilised $370 million from the World Bank. The programme aimed to strengthen resilience through policy and institutional reforms across key sectors. Its objectives included integrated river-basin management, sustainable sand management, climate-resilient agriculture, risk-informed land-use planning, multiyear capital planning and disaster-management plans at all levels.

The Second Biannual Implementation Progress Report of the Resilient Kerala Programme (P174778), covering March 1 to August 31, 2022, emphasised resilience-related policies and institutional reforms to support these objectives. But how much has changed in practice? Have reforms improved environmental regulation and land-use decisions or reduced ecological vulnerability? The persistence of damaging practices suggests a substantial gap between policy commitments and implementation.

Will the Post-Disaster Needs Assessment following the devastating Meppadi landslide of 2024 produce a different outcome, or will its recommendations also remain largely unimplemented? I have deliberately left aside the politically sensitive question of minerals and mineral-bearing sands, including ilmenite, rutile, monazite, thorium-bearing deposits and black sands. The underlying political economy deserves careful examination.

Keralam's future depends on moving beyond consumption-led expansion and ecologically damaging extraction towards a development model that combines human development with productive capacity, fiscal resilience and environmental sustainability. Without such a shift, the State risks undermining the very achievements of which it is justly proud.

The writer is Honorary Fellow, CDS, Thiruvananthapuram

Will mid-terms put a brake on Trump?

The results of the US mid-term elections will have a global impact on trade, finance and international diplomacy

Atanu Biswas

The US mid-term elections are specifically designed for the checks and balances of American politics and also for the power corridor in Washington, DC, every two years. Essentially it's a referendum on the President.

On November 3, Americans will elect all 435 members of the House of Representatives and about one-third of the Senators. Certainly, the election will determine how much power President Trump should exercise in his last two years in office.

From the 1930s, on average, the President's party lost roughly 26-28 seats in the House and 3-4 Senate seats. These might be due to the fact that two years is usually enough testing time for the promises from the presidential election campaigns. In fact, during a mid-term election, the cost of food, house rent due at the month-end, or tuition for children becomes a decisive factor. Some enthusiastic voters may become disappointed. Someone who didn't vote during the presidential election may now feel sufficiently frustrated to go to the polling booth and cast her vote.

Donald Trump faced another mid-term in 2018. That result was very intriguing. Although his Republican Party lost 40 seats in the House in 2018, it gained two seats in the Senate. Democrats were pleased about winning the House, while Republicans highlighted their added strength in the Senate. Thus, in a mid-term election, American voters can give an unclear report card for the President. Another unclear report card emerged in 2022 when Democrats lost nine House seats and gained one Senate seat.

HISTORY OF MID-TERMS

History, however, offers other patterns. In 1994, under President Bill Clinton, Republicans gained in both houses of Congress. In President Obama's regime, in 2010, Democrats lost 63 seats in the House. Obama himself called it "a shellacking." However, there are the opposite examples, too. In 1998, Democrats won seats in the House of Representatives amid Clinton's impeachment and, in 2002, after the September 11 attacks, under President George W. Bush, Republicans won seats in both the House and Senate.

Historically, the second-term mid-terms tend to be worse for the



TRUMP. Testing times REUTERS

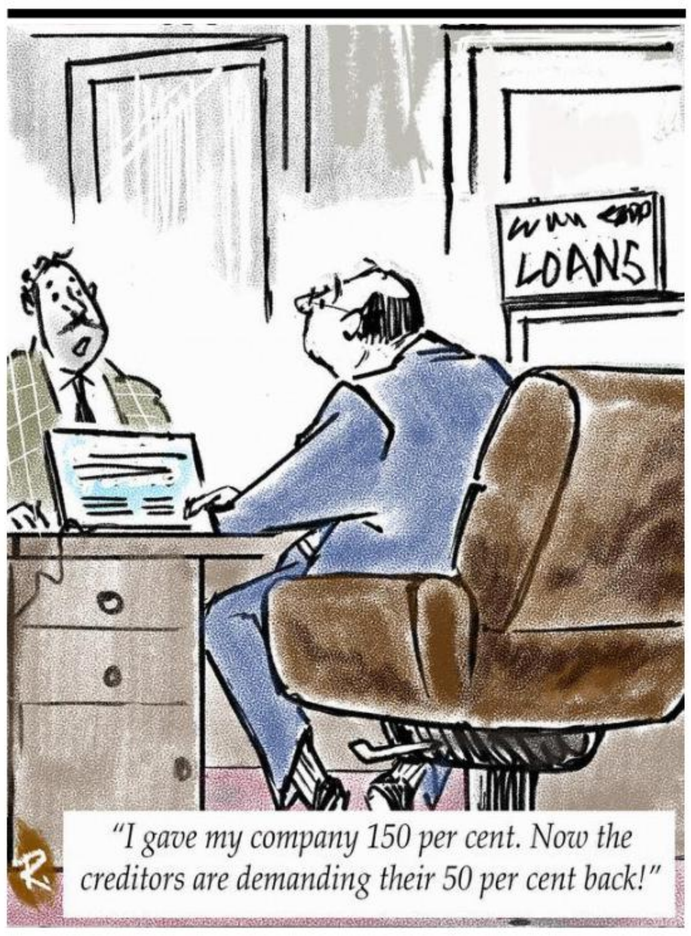
President's party. The 2026 mid-term is immensely important, as Republicans are presently enjoying a very small majority in Congress. Thus, a small shift in votes here and there might change the balance of power in Washington. If Republicans can retain both the House and Senate, Trump would enjoy greater authority in the last two years of his presidency.

On the other hand, if Democrats get control of the House, or both the House and the Senate, not only might Trump face obstacles in pursuing legislation, but it might also impact congressional investigations into the administration on issues such as antitrust enforcement and also confirmation of presidential appointments. These could restrict Trump from exercising his power considerably. And political analysts think that, for Democrats, this mid-term is a testing ground for the chance for a more left-leaning presidential nominee in 2028, such as Alexandria Ocasio-Cortez. And, for Republicans, the mid-term results will help determine whether the party should continue with Trump's approach or exercise a different direction. A mid-term election depends on lots of issues, such as affordability, job security, healthcare costs, immigration, taxes, energy prices, and America's involvement in conflicts abroad. However, the bill at the checkout in a supermarket queue might become the most decisive factor for an ordinary voter.

Also the result of the mid-term essentially impacts world trade, world finance, military alliances, and international diplomacy. Thus, the result is important for the rest of the world, including India, too. On November 3, Americans will exercise their power to give a message in either direction. For the next two years, Washington — and much of the world — will live with the consequences.

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

POCKET RAVIKANTH



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.

Cover for gig workers

This refers to 'Operationalise life cover for delivery workers' (October 30). Most formal-sector workers have all-cause life cover through Provident Fund accounts or employee group insurance.

Yet gig and ride-hailing workers — an expanding, visible community exposed to greater occupational hazards—lack this security.

What is the point of road transport and labour ministry regulations if they are not enforced to ensure adequate life cover?

For long-term sustainability, platforms could charge customers a nominal, negligible fee to build a dedicated corpus for workers' life cover, since they also benefit from cheap, fast delivery.

Kamal Laddha
Bengaluru

Mutual funds' direct plans

With reference to 'SEBI makes direct plans default for MF,....' (October 30), is aimed at reducing costs for mutual fund investors.

However, regulators must keep in mind that distributors/agents play a big role in advising investors. LIC is a very visible example of such role of its dedicated agents. SEBI must strengthen the MF distributor network and encourage them to provide advice and guidance to investors. AMCs cannot reach out to small investors so effectively. In any case, the expense ratios of funds, both regular and direct, are published in many newspapers and on the websites of AMCs. Let's encourage distributors and their network to support and guide investors.

V Vijaykumar
Pune

Compensation, social security

Apropos "Layoffs are now routine" (October 31). Layoffs have become routine in the global technology sector, even as companies report strong profits.

Driven by AI adoption, cost-cutting and workforce restructuring, job losses threaten fresh graduates and experienced professionals alike.

Indian firms must prioritise innovation, reskilling and product development for growth and worker protection.

Equally important, laid-off workers must receive adequate compensation and social security benefits to ensure financial stability and dignity during the transition to new employment.

Rajiv Magal
Halekere Village (Karnataka)

On businessline.in

Brazil's chapter in the anti-authoritarian playbook

Lula's remarkable victory must now be complemented with institutional and structural reforms and a willingness to build coalitions beyond the Left, say **Robert Muggah** and **Ilona Szabó de Carvalho**

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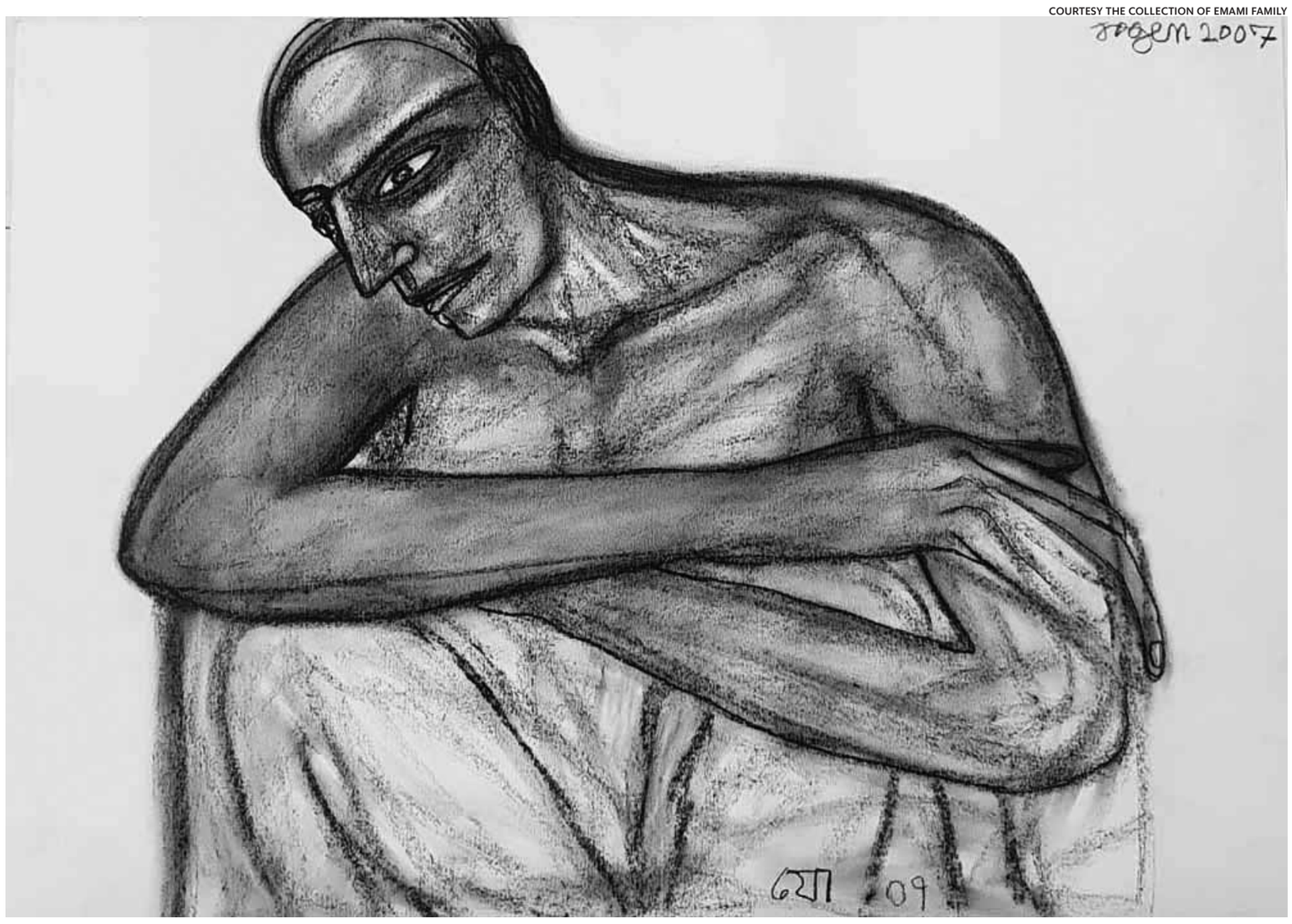
Jogen Chowdhury's hymns to a higher level of beauty

COURTESY ART EXPOSURE AND ESTATE OF JOGEN CHOWDHURY



'Woman with Orange Blouse' (1982).

COURTESY THE COLLECTION OF EMAMI FAMILY



PUBLISHED BY KIRAN NADAR MUSEUM OF ART AND MAPIN PUBLISHING



(top) 'The Pensive Man' (2007); (above) image from 'Portrait of an Artist' (Photographs by Rohit Chawla, text by Kishore Singh)

COURTESY: ART EXPOSURE AND ESTATE OF JOGEN CHOWDHURY



'Face of a Patriot' (1980).

The master of modern art not only created a language centred around the human figure but also trained young artists

Avantika Bhuyan
avantika.bhuyan@livemint.com

The most striking feature of Jogen Chowdhury's paintings have always been the eyes—wide open, they come across as curious and contemplative at the same time. More often than not, they seem like windows to the soul, exploring depths of human consciousness. This aspect—together with the power of the line—was evident across Chowdhury's practice spanning watercolours, ink on paper, and pastel and oil. The artist, who passed away earlier this week at the age of 87 after a battle with blood cancer, created several iconic masterpieces such as *Faces of a Thinker* (1980), *Day Dreaming* (1979), *Ganapati* (1976), and the 2005 series referencing the abuse of prisoners by American soldiers in Iraq.

"With Jogen Chowdhury's passing, we have lost one of the great masters of modern Indian art," says Tripat K. Kalra, Founder, Gallerie Nvya, who worked with him closely. "He gave us a language entirely his own: the unbroken line, the vulnerable, ironic, deeply human figure. He never followed trends; he trusted his roots and his hand, and that conviction shaped generations of artists."

Chowdhury was born on 15 February 1939 in Faridpur (now in Bangladesh). His family moved to Kolkata following Partition, after which Chowdhury enrolled at the Government College of Arts and Crafts. In 1965, he received a government scholarship to study at the École Nationale Supérieure des Beaux-Arts, Paris, for two years, after which he returned to India and started to work for the Weavers' Service Centre in Madras, while continuing to sketch and paint.

"A student of Prodosh Das Gupta, Chowdhury worked in the expressionist style of figuration in his early years. He created his own gallery of the grotesque, featuring lewd men with bellies like sacks and women with loose, hanging breasts. The Paris sojourn sharpened his creative thought process, helping in the evolution of his distinctive personal style," states a note on the artist by DAG.

This preoccupation with the human figure—featuring exaggerated distorted forms—remained a constant throughout his practice. Ashok Vajpeyi, managing and life trustee Raza Foundation, finds a unique artistic idiom and style of human figuration in Chowdhury's works. "His human figures could be easily identified as Jogenian," he posted in a tribute on social media. The Raza Foundation is currently showing some of his works in the Capital in collaboration with the Progressive Art Gallery as part of the show *Making the Modern: Sixty Indian Master Artists.*

Curator and art historian R. Siva Kumar, who wrote the catalogue essay for the 2013 retrospective of the artist's practice held in Santiniketan, found his construction of figures fascinating. "He is a painter of the human body but Jogen does not construct his figures like a builder with lumps of flesh or hew it out like a carver all in one piece. Like women crocheting garments, he knits them into shape squiggle by squiggle, and turns the body of interlocked squiggles into quivering, heaving, criss-crossed flesh," he wrote. The essay, titled *Jogen Chowdhury: Lyric and Enigmatic Visions*, can be read on the *Critical Collective* website.

Chowdhury accumulated experiences, allowing them to wash over him and reveal unexpected perspectives in turn. During the covid-19 pandemic, he was moved by the plight of migrant workers and attempted to express those feelings in writing and sketches, once he was able to process those changes.

Though he trained at a government art college, he shifted from an academic way of training. After his stint at Paris, he came back to develop a very personal style. The artist's work from the 1960s particularly marked this shift, as he began using distortion of form. "He drew upon folk traditions of Bengal, and skills and crafts practiced by women. However, he didn't imitate those. He managed to create a subtle and sophisticated language, which was unique to him," Siva Kumar tells *Lounge.*

COURTESY ART EXPOSURE AND ESTATE OF JOGEN CHOWDHURY



'Retired Horse' (1965).

A UNIQUE VISUAL IDIOM

This language acquired a new clarity in the 1970s. In the essay, *Bengal Decentred: The Emergence of the Regional Modern* published in the book *20th Century Indian Art*, Nandini Ghosh writes that in the 1970s, Chowdhury's thematic concern was increasingly marked with the desperation that typified an ordinary citizen's attempts to survive in difficult times. This rendered a dimension of commitment to social reality, transmuted either through the symbolic interpretation of mythic imagery or through satirical portrayals of characters of generic types.

"He introduced the allegorical and the satirical as powerful modes of communication, expressed using texture, colour, a linear network and an intentional incisive distortion of forms," writes Ghosh. "His satirical mode also invariably involved a reinterpretation and contextual reading of traditional mythic material through contemporary political concerns."

She cites an example of his work *The Youth* (1974), in which Chowdhury depicts a middle-aged bald man, whose stance evokes the image of a politician. "The multi-coloured ball in the man's hand is the painter's metaphor for the manipulation of politicians in handling contemporary politics," adds Ghosh.

Yashodhara Dalmia, who has curated *Making the Modern: Sixty Indian Master Artists*, feels that an artist like Chowdhury gave an "ironical twist" to the well-heeled babus and their lustrous women drawing on the Kalighat tradition. "His works of the mid-seventies made with cross hatchings create patterns of mood exploding seamlessly within the form. The shadowy space in which this takes place speaks of the enigmatic experience of intimacy in the dark of the night. By the late 70s and 80s the human form begins to acquire a life of its own where ironic satire is contained within its own contours," she writes in her essay for the show.

Curator and art historian Uma Nair, who spent time with him in 2007 while writing a catalogue on his works, calls Chowdhury a master of contours, who invented his own forms of figuration drawn from theatre, films and the rituals of Bengal. He was an admirer of Pablo Picasso and was inspired by his love of reinvention. "I found a simplicity to Jogen's work, as well as a hunt for serenity. [There was] a purposeful omission of superfluous distractions as he created images of silent dialogues," she says.

In his works, Chowdhury had the power to create a poignant presence—Nair calls them pared-down hymns to a higher level of beauty. She recalls his words from her 2007-visit: "A drawing is about being able to cultivate the body and the spirit, it is not only about a pretty picture... . The architecture of a man's body presents more exciting avenues for me than a face; it is actually like mixing an open-plan design—where you can see down onto all four floors from the uppermost level—and private treatment spaces. Creating them must take into account the perceptive predicament that a human subject offers."

Chowdhury was not just a prolific artist but also a poet and an institution builder, founding the Artist's Forum in New Delhi in 1975. According to Siva Kumar, in the last 40 years, he became even more involved in teaching and shaping the lives of young artists as a professor at Santiniketan. "He simultaneously became involved in activities where he wanted to promote art at a larger level," he says.

In 2014, he was invited to Rashtrapati Bhawan as its first artist-in-residence. And in 2019, he opened a museum in Kolkata to house his artworks and started a centre for art at Santiniketan for local artists to engage with artists from the rest of India and abroad. "If I can create an artwork, then I can also try to create an institution. I think this idea probably comes from my passion for our people, country and arts," he was quoted as saying in the book, *20th Century Indian Art*.

Sunaina Anand, founder and director, Art Alive, who first met him in Santiniketan in 2002, remembers him as a visionary with extraordinary imagination. "He supported young artists, students and young galleries and was always ready to guide and help younger practitioners," she says.

Siva Kumar finds this unusual for an artist at the height of his creative power to veer into creating spaces for artists. "His legacy will be both as an artist and an institution builder."

Being a life-loving young woman in the 1950s

Nisar Aziz Butt's 1955 novel, translated by Daisy Rockwell, features an emotionally unsatisfied, and intellectually eclectic woman as protagonist

Chandrahas Choudhury



A busy street in Karachi, around 1955. GETTY IMAGES

From the seasoned pen of Daisy Rockwell—after winning the International Booker Prize in 2022 for her translation of Geetanjali Shree's *Ret Samadhi*, now the best-known translator in the Anglophone world of Hindi and Urdu novels—comes a new book that also attests to a change in her own circumstances. Rockwell is seen now asserting a translator's power, rarely ceded by the market, for literary advocacy and restitution.

The Pashtun novelist Nisar Aziz Butt (1927-2020), a mathematics teacher who spent most of her life in obscurity even within her native milieu of Urdu letters, published *Nagari Nagari Phira Musafir* in 1955 when she was only 29. Yet like her teenaged heroine, Afgar, Butt was clearly an old soul. From the four words of its title onwards, *Wandered The Traveller* declares itself the chronicle of a spiritually gifted, emotionally unsatisfied, socially insignificant, and intellectually eclectic protagonist—a female bildungsroman of a kind that was still very rare in south Asia, with all its shackles on the female body.

By choosing to translate Butt into English, and by choosing to translate her first novel in preference to more mature and finished books from her oeuvre, Rockwell actually allows us to experience what it must have been like to be a life-loving young woman in Khyber Pakhtunkhwa and Karachi in 1955, while also making the writer—with her deep interest in the texture of female subjectivity and the nature of spiritual freedom in a shackling society—our contemporary.

"Afgar sat on the veranda and watched the hours climb the yellow, withering flower vines." We can see the light changing in the few seconds that it takes us to read this sentence, and the experience of an entire afternoon and a young person's reverie compressed into one startling image. The girl Afgar experiences life as a shower of delicate and beautiful perceptions. Yet they are rooted, and often seen writhing, in a self that finds itself unable to connect with the world. Most likely, Afgar reasons to herself as she sojourns through adolescence, it is because of the emotional starvation of her childhood as an orphan brought up by relatives, "passed back and forth from house to house" and unable to think of any as home.

Afgar seeks refuge in books and God, and in those seemingly supreme souls that seek God, most significantly her handsome cousin Mansoor, who is determined to reach God in a most masculine and one-pointed way, through austerities and silence. Afgar believes entirely in Mansoor's quest and adopts his goals as her own. But when he turns his back on his mission one day and pesters her to marry him, the scales fall from her eyes. She realizes her own search for meaning is perhaps much more genuine than his—and if it is not, at least it is her own and cannot be subsumed into someone else's project. To be alone under one's own existential roof is also a gift; to be lacking in self-worth, as she transparently is, a natural antidote to the egotism of the self.

"*Nagari Nagari* is preoccupied with Afgar's painful search for a love that might heal the wounds of childhood, and for the answer to the conundrum of how a kind god can allow the conflicts and turmoils of our life in the world," writes the British novelist, Aamer Hussein, in his pointed and precise introduction to the book.

Rockwell credits Hussein, well known for his championing of "lost" subcontinental women writers of the 19th and 20th centuries, like Muhammadi Begum and Rashid Jahan, for having brought Butt to her attention.

Rockwell, Hussein and Butt: American translator steeped in Hindi and Urdu literature; polyglot British literary critic brought up in Karachi and Indore; and Pashtun novelist in dialogue more with George Eliot and Jane Austen than her contemporaries Ismat Chughtai and Qurratulain Hyder, form an unusual trinity that attest to the one truth of which Afgar herself is sure: that in books and literature lie one of the deepest and surest sources of solace and solidarity in life.



Wandered The Traveller: *By Nisar Aziz Butt, translated by Daisy Rockwell, HarperCollins India, 384 pages, ₹699.*

An audacious jump cut takes us into Afgar's twenties when, after a stimulating spell as a student in Lahore, she finds herself suddenly sent into exile in a sanatorium in the mountains after contracting tuberculosis. Weakness and pain and the prospect of death, both of others and her own, cast a pall over her days that leads her into an even deeper parsing of the meaning of joy and suffering. The bleak and rugged external landscape finds an echo in a mind steeped in the great books of the world—Tagore's *Gitanjali*, the verse of Keats and Shelley, the couplets of Ghalib and Dagh Dehlvi—and living life as a rich dialogue between the experiences of the day and the attempts of human beings from past centuries to make sense of the universe. Winningly, Rockwell provides a reading list at the end of all the books and writers referenced by Afgar, thereby taking her as seriously as a reader as Butt would have wanted to be taken as a writer.

Remarkably, there's no mention in the novel of Partition, the scaffolding upon which many of the great novels in Hindi and Urdu of the 1950s built their houses. Much more than the divided subcontinent, it is the divided self that most interests Aziz. (In fact, it is for such reversals of human-historical scale and significance that the novel form itself exists.)

Wandered The Traveller is not an easy book to read. But in asking themselves why, many readers tuned to the Netflix wavelength may come to the realization that it is they who have spent their lives not going far enough into themselves, and also unwittingly colluding with making a market for narrative art that sees slowness as failure. (Imagine if books could judge their readers as readers judge books.)

"The forest was sunken in that deep silence," observes Afgar in the closing pages of the novel, "which, at a certain point, becomes an eloquence in itself." Rockwell has done a fine job of finding an eloquence for Butt's Urdu and labyrinthine syntax in English. My only quibble is with her translation of the title, with its off-centre verb. The Pakistani writer Raza Naeem's suggestion, *The Wayfarer Went from Town to Town* in an article in *The Friday Times*, seems to me a much more euphonious interpretation, hewing to the repetition of "*nagari*" in Butt's title.

Finally, one can't help noting HarperCollins's decision to publish this as a fairly expensive paperback that nevertheless reveals an Afgarian lack of self-belief in itself as a book of enduring relevance. Butt's words are so very solid and substantial; they should not be delivered on see-through paper, visually undermined by her own words on the other side of the page.

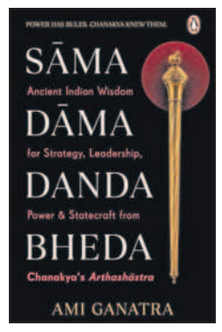
Chandrahas Choudhury is the author of four books, including the novels Arzee the Dwarf *and* Days of My China Dragon *and the book of literary essays* My Country Is Literature.

NEW ON SHELVES



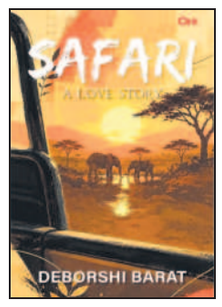
Tsering Namgyal Khortsa's new novel traces the life of a Tibetan in exile, born and brought up in India but employed in Taiwan in the 1990s. In the heady days of the Asian boom, Tashi has a flourishing career in finance, but his heart is elsewhere. Torn between his dream of becoming a writer and fighting for his people, he seeks refuge in Buddhism.

'A Season of Retreat', by Tsering Namgyal Khortsa, Speaking Tiger, 192 pages, ₹399.



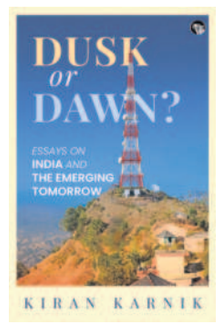
Drawing on the ancient teachings of Chanakya in the Arthashastra, Ami Ganatra offers a novel framework for leadership and decision-making. Informed by her knowledge of Sanskrit texts and the corporate world, these lessons are meant to help individuals, institutions and nations negotiate *dharma* and power.

'Sama, Dama, Danda, Bheda,' by Ami Ganatra, Penguin Random House India, 360 pages, ₹599.



Deborshi Barat's new novel packs the promise of a romance and travelogue. Set in "an African safari", the story revolves around Niharika, who joins her friend Vania on a trip to get away from the betrayal perpetrated on her by her cheating fiance. As she spends time in Kenya, in the beauty and wilderness of nature, something shifts inside her. The arrival of a mysterious stranger complicates matters.

'Safari: A Love Story', by Deborshi Barat, Om, 216 pages, ₹299.



Former NASSCOM President Kiran Karnik brings his experience in government, academia, business and civil society to deliberate on India's future in this book of essays. From AI to civic infrastructure, he explores a wide range of topics to argue that GDP alone cannot be the measure of a bright future.

'Dawn or Dusk? Essays on India and the Emerging Tomorrow' by Kiran Karnik, Speaking Tiger, 304 pages, ₹699.

The spiralling, ever-in-limbo world of death row

Based on the work of The Square Circle Clinic, 'The Donkey Rider' shows the psychological cruelty of prison life

Aditya Mani Jha

The opening pages of the graphic novel *The Donkey Rider* by visual artist Rai (Amrita Barua) aren't narrated by either of the two main characters—Ghurbat, a prisoner on death row, and law student Huma, who is petitioning to stop Ghurbat's execution. Instead, Rai makes a house lizard the narrator of these stage-setting, mostly black-and-white, pages (the house in question is the one Ghurbat once lived in). After a few surreal observations on the philosophical implications of an abandoned home, the lizard has a David Lynch-flavoured conversation with Ghurbat's disembodied head.

For what turns out to be a grounded, realistic, sobering read about the death penalty (and the structural inequities baked into India's legal-political systems), this is a remarkably bold opening gambit. The lizard represents survival in the face of impossible odds, that indomitable little part of every organism that wants to keep on living; it's why we use 'lizard brain' to describe instinctive, automatic, survival-driven modes of behaviour.

The Donkey Rider is based on years of research conducted by The Square Circle Clinic (formerly known as Project 39A). The raw material being fictionalised are true stories of death row convicts, and the mitigation reports filed on their behalf by lawyers and law students. Mitigation reports are forensic and socio-legal documents that seek to capture the detailed circumstances leading up to a convict's crime. These reports often become the basis of amnesty or mercy petitions, and that's the narrative format that Rai adopts in parts of *The Donkey Rider*.

The Ghurbat chapters tell us his harrowing life story—losing his father and then his grandmother, being hounded out of a neighbourhood for being Muslim, chased away from public spaces by bigoted policemen.

Ghurbat also shows us the drudgery and the psychological cruelties of all prison life, but especially life on death row. It's important to note that the book never tries to excuse Ghurbat's crimes—all it seeks to do is present a holistic view, to give us as much information about the man as possible.

The Huma chapters are intended as an urban-dwelling, English-speaking person's perspective on Ghurbat's plight—simplistic at first and then expanding with every prison visit, not to mention every snide comment about her work delivered by a friend or family member.

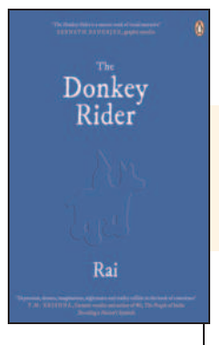

COURTESY PENGUIN RANDOM HOUSE INDIA
Rai's versatile illustrations capture a wide range of emotions.

Indeed, this contrast is reinforced by their respective fictional settings: Ghurbat grows up in the village of "Rukawa", whereas Huma grows up in the nearby big city, "Pulse". "Rukawa" sounds pretty close to "*rukawat*" ("delay" in Hindi/Urdu) and conveys a sense of perpetual waiting, the limbo in which economically backwards under-trial prisoners languish behind bars with no sign of a trial (In *The Donkey Rider*, one such prisoner loses his sanity for being trapped in the limbo).

The Huma chapters and illustrations are well-lit, clean-cut studies in middle-class apathy; even the characters spouting nakedly aggressive lines ("Representing that dirty leech? That's pure evil!") have been drawn in a darkly funny way.

They're monstrous caricatures rather than literal monsters, characters in a black comedy and not a flat-out horror film.

The horror-film aesthetics come with the Ghurbat chapters as he reminisces about his devastatingly sad childhood, recounts the deprivation and desperation that led him to commit a horrific crime. The morbid, and often supernatural, stories narrated by his fellow condemned men enter these chapters as well.



Rai is clearly a child of the 1990s, and influences from that era sometimes turn up in unexpected, eye-catching ways.

For example, during her first meetings with death row convicts, Huma compares the long walks down stone corridors to the experience of playing Wolfenstein 3D, a popular 1990s video game set in a (fictional) Nazi prison. At a different point, Rai reproduces a prisoner's legend about 'The Well', and it turns out to be a pastiche of the blockbuster prison-escape classics *The Shawshank Redemption* (1994) and the Clint Eastwood-starrer *Escape from Alcatraz* (1979).

Rai piles on the horror effectively when she needs to. Obsessive cross-hatching and black-on-black shading effects bring out Ghurbat's psychological horror (negative space is also utilised masterfully throughout the book).

The peak of this psychological horror mode is page 107, where Rai draws a full-page, top-down illustration of The Well, the spiralling nightmare of a prison where Ghurbat is being held.

October 2026 marks the birth centenary of the French thinker, Michel Foucault, and The Well has been crafted in the image of the "panopticon" (a circular prison featuring cells arranged around a central observation tower) described by him and by its original designer, philosopher Jeremy Bentham (1748-1832).

The Donkey Rider: *By Rai, Penguin Random House India, 224 pages, ₹699.*

Because of its subject material, *The Donkey Rider* is seldom an easy read. It is, however, a deeply rewarding work, thanks to Rai's thoughtful distillation of The Square Circle Clinic's research, and her robust, versatile illustrations that capture a wide range of emotions and scenarios. Read it to expand your understanding of our justice system—and the work all of us need to do in order to reform it.

Aditya Mani Jha is a Delhi-based writer.

To Boldly Go Where DEI Has Gone Before

What Star Trek can teach firms about hiring

The passing of Walter Koenig (90) and Patrick Stewart (86) this week has deprived the Star Trek universe of two of its most recognisable spacefarers. Koenig played Pavel Chekov, the spirited Russian navigator aboard the 23rd-c. USS Enterprise (NCC-1701). Stewart commanded the starship's 24th-c. successor bearing the same name (NCC-1701-D) as Capt Jean-Luc Picard. Their passing offers an opportunity to revisit the franchise's greatest innovation: diversity, equity and inclusion.

For all its mid- and late-20th-c. American characteristics — its missionary spirit, civilisational missions, and everyone speaking fluent (even if Russian-accented for Chekov) American English — Star Trek understood something many modern corporations, and their anti-woke critics, have missed. DEI is not principally a moral decoration but an operational advantage. Consider the original USS Enterprise. Spock (Leonard Nimoy), half-human and half-Vulcan, supplied logic where humans were too emotional. Hikaru Sulu (George Takei), a Japanese helmsman, navigated without geopolitical baggage. Nyota Uhura (Nichelle Nichols), a Black woman — remember, the US passed the Civil Rights Act in 1964 outlawing de jure racial segregation only two years before Uhura first appeared in Star Trek — handled communications without anyone questioning her qualifications. Chekov, a Russian, navigated a US-led spaceship in a TV show at the height of the Cold War.



Nobody was aboard to satisfy an HR spreadsheet. They were there because the spaceship needed them. Picard's Enterprise extended this principle, accommodating Klingons, androids (think AI) and assorted species whose recruitment would have given contemporary immigration authorities nervous breakdowns. Only competence mattered, not conformity, something that Silicon Valley may well remind Washington today. Modern organisations obsessed with DEI quotas, or their abolition, can learn a few things by boldly going places where no man — woman, or any other gender — would dither to go for the fear of being 'too politically correct'.

Institutions Need Fixing for Our Youth

A crisis of democracy has been brewing for a while. In this summer of discontent, we have seen the cup running over in the form of protests, whether in New Delhi, Paris, Belgrade or London, often marked by violence by security forces as well as rioters. While the politics for such dissent is as varied as their geographies, one common feature stands out: anxiety and fear among young people in these countries of facing a shaky future and of being 'left behind'. This is a serious symptom of loss of faith in institutions.

Political scientist Anton Jäger describes hyperpolitics as a mismatch between the warp speed and efficiencies of technological change and the deliberate slowness that is essential for democratic legitimacy. Today's citizen is the ultimate consumer, forever in the marketplace, seeking the best option to realise aspirations, a quest made ostensibly easier by extreme tech efficiency. The deliberative 'slowness' of democracy marked by differences, engagement, negotiations and compromise — an architecture of friction by design — is to this citizen a bug akin to buffering. Outfits like Cockroach Janta Party emerge and re-emerge offering a fix that bypasses democratic gridlock. With its reliance on 'street justice', hyperpolitics creates an illusion of political power, giving citizens a sense of political achievement without the structures and institutions that facilitate long-term change.



Technology will not slow down for democracy. Neither should democracy be made fast food. It's for governments to show that democracy is fit for purpose by narrowing the expectation gap, delivering public goods efficiently, demonstrating responsiveness, and reengineering spaces for deliberation. Social contracts must be freshly inked.



JUST IN JEST

Industrial espionage is no longer just Bond and Smiley encounters

C-Suite Folks, Mind Your Mata Haris

Industrial espionage has been the preserve of fictional gentlemen who drink martinis, wear expensive suits and discover state secrets between bouts of recreational fornication. Jensen Huang may not fit the Ian Fleming-John le Carré bill. But in these times of Mick Herron's Slow Horses, Nvidia's leather-jacketed chief reportedly attracted the attention of one Alice Huang, a Singapore-based businesswoman, whom US intelligence — the same lot that sometimes believes Iran is on the brink of nuclear weapon capability, and sometimes believes that option has been obliterated — suspects of spying for China.

Nvidia, understandably, insists the interactions of the two consenting adults were ordinary business dealings, with no secrets exchanged. Beijing, understandably, denies espionage allegations. So far, we only have an NYT report to suspect that Huang was honey-trapped — or, darsaan-trapped. But the affair offers corporate execs a useful reminder: one need not be Bond or Smiley to be an intelligence target. Possessing info worth billions is an excellent substitute for possessing irresistible charm. The modern honey can skip seduction. A convivial dinner, flattering conversation or a casual question about next-gen chips can do what Aston Martins and having a rendezvous at Checkpoint Charlie once did. So, it doesn't hurt to just keep it in your GPU.



Jaspreet Bindra



See data centres less as energy-sucking private warehouses, and more as quasi-public utilities

Aye AI, But Not in My Backyard

For years, 'the cloud' was one of technology's smartest metaphors. It made the infrastructure behind our digital lives seem gentle, fluffy and weightless. But the cloud has always had an address. Increasingly, people living at that address are asking questions.

In Visakhapatnam, Google's $15 bn AI hub is being built across multiple sites, with GW-scale compute at its heart. Around nearby Tarluvada, villagers have alleged that land they had cultivated for years was taken back without adequate consultation or promised benefits. At Adavivaram and Mudasarlova, activists have challenged tree-clearing and the project's proximity to the Kambalakonda wildlife sanctuary.

In Thane, residents around Amazon's proposed 53-acre hyperscale data centre are protesting its location amid homes, schools and hospitals, citing concerns about electricity, water, heat and noise. India is discovering a conflict that has been raging in the US and Europe over the last year.

In Edgerton, Kansas, a town of about 2,000 people has been divided by a proposed data centre, with residents seeking a ballot initiative, and the city going to court against them. Finland offers an even starker warning. Google has apologised after clearing about 330 hectares of forest in Muhos, and just under 200 hectares in Kajaani, while environmental assessments were incomplete. It has forced regulators to halt the work.



The question is not whether to build serious compute infrastructure, but *how* to build it without making host communities feel that everyone else benefits, while they get the bill

It would be easy to make this another story about Big Tech vs helpless communities. While we need that, we need something more: a balance between the two sides.

We need data centres. They run far more than ChatGPT. Search, banking, streaming, social networks, cloud software, government services, hospitals and almost every company's digital operations depend on them. AI simply raises the requirement dramatically. Google says its Vizag hub will provide new subsea connectivity for India. IEA says electricity use by AI-focused data centres jumped 50% in 2025. A country without serious compute infrastructure risks becoming a consumer, rather than a producer, of the AI revolution.

So, the question is not whether to build them. It is *how* to build them without making host communities feel that everyone else benefits, while they get the bill. There are 4 parts to the answer:

❶ **Technology** Data centres consume enormous power, and some cooling designs consume substantial water. But those numbers are not immutable laws of physics. Microsoft's newest designs use closed-loop, direct-to-chip cooling that requires no water evaporation during normal operation.

Recycled wastewater, better chips, smaller efficient models, smarter workload scheduling and renewable power can all reduce the footprint. The objective should be to squeeze more intelligence out of every litre, watt and acre.

❷ **Geography** Do all these facilities need to sit beside dense urban populations? China's 'East Data, West Computing' programme deliberately places much of its capacity in western regions rich in wind and solar energy, while serving demand concentrated in the east.



The objective is not regulation vs innovation, but regulation that allows innovation to retain public consent

5 of its 8 national computing hubs are in western China. India will need low-latency facilities near cities for some workloads. But model training, backup capacity and less time-sensitive computing can often be located where land, clean energy and water are more abundant. Data centres should follow resources where possible, rather than forcing resources to follow data centres.

❸ **Social contract** Tech companies learnt from platforms that enormous value can be captured centrally while users receive only a slice. That model won't work when the 'platform' occupies hundreds of acres in someone's neighbourhood. Communities need to share visibly in the upside through jobs, local infrastructure, reliable power, water restoration, taxes and, perhaps, direct community funds.

❹ **Regulation** It needs to arrive *before* the damage. For social media, governments are now scrambling to regulate privacy, addictive design, misinformation, child safety and platform accountability only *after* these systems have reshaped society. We should not repeat that sequence with AI infrastructure.

Governments, technologists, companies and civil society need to sit together now, and establish clear rules around land use, water, power, environmental impact, community benefit and transparency. Good regulation should not obstruct data centres, but encourage better technology, smarter siting and a fairer social contract.

The objective is not regulation vs innovation, but regulation that allows innovation to retain public consent. India can take a lead in this, and make it an example for the world.

Google's older data centre in Hamina, Finland, now feeds waste heat into the local district-heating network, enough to meet a large share of the town's heating needs. In the US, some developers are proposing direct payments and community benefit packages. These cannot become bribes for bad projects. But they point towards the right principle: if a community hosts critical digital infrastructure, it should participate materially in the value created by it.

Perhaps we should think of major data centres less as private warehouses full of computers, and more as quasi-public utilities. They can be privately owned and commercially operated. But their relationship with electricity, water, land and surrounding communities makes them part of the civic fabric.

The next great constraint on AI may, therefore, not be chips, models or money. It may be consent. And consent is not won by telling communities to get out of the way of progress. It is earned by designing technology, locations and economics so that progress belongs to them too.

The writer is founder, AI&Beyond

Security in Ensuring First AId



Sanjay K Mishra & Sucheta Sharma

According to Data Security Council of India's 'India Cyber Threat Report 2025', 369.01 mn security incidents were detected across 8.44 mn endpoints throughout 2024. This translates into 702 potential security threats on an average every minute. Between 2021 and end-2024, detection of behavioural-based cyber threats jumped from 5 mn to 54 mn. Healthcare (21.82%), hospitality (19.57%) and BFSI (17.38%) are the top targeted sectors.

While there have been advancements in detection capabilities, gaps in India's cybersecurity infrastructure and 42% talent shortage of skilled manpower in the sector should be fixed on priority. AI-enabled deepfakes are being increasingly used to bypass traditional efforts to combat money-laundering, terrorism financing, proliferation financing controls, and manipulation of systems like KYC, customer due diligence (CDD) and digital ID verification.

These challenges highlight the need to move cautiously in AI adoption in our processes and work. The UAE comes out on top of Microsoft's 'Global AI Diffusion Report 2026', with an adoption rate of 73.3%, whereas India ranks 64th with a diffusion rate of 18.5%. However, the leading AI innovator countries, the US and China, rank 21st (33%) and 67th (17.5%) respectively, which reflects their cautious approach in AI adoption. When it comes to global regulation to control the challenges posed by AI, especially agentic AI, the US and China have shown little inclination to develop global governance and compliance standards.

Adequate guard rails and framework should be in place to accredit AI models, so that their safety, security and accuracy can be verified and algorithmic liability can be fixed. GoI has already issued 'AI Governance Guidelines' in Nov 2025. An AI Safety Institute (Aisi) has also been created under IndiaAI Mission, which provides technical expertise to carry out research, perform safety testing, and develop standards to address potential risks from technology.

Best practices are being followed by some countries, including Britain, where the AI Security Institute employs 'universal jailbreaks' technique to test and verify robustness of AI models. The EU has even enacted a legislative and administrative framework in 'Artificial Intelligence Act', which classifies AI according to its risk — unacceptable risk is prohibited, high-risk AI systems are regulated, limited-risk AI systems are subject to lighter transparency obligations, and minimal risk is unregulated — with majority of obligations falling on providers (developers) of high-risk AI systems. Brazil, too, is actively developing an AI Bill to regulate the tech.



Guard up

India, too, needs a comprehensive National AI Act, which clearly defines the boundaries for the tech, sets compliance standards and fixes algorithmic liability. GoI has already signalled that the time is now ripe to have a separate national-level AI legislation.

MeitY's Aisi and Centres of Excellence (CoEs) need to be further strengthened and empowered to access all AI models, applications and agents being used in the country, so that the safety, accuracy and security of these models can be tested and verified for large-scale use by individuals and organisations.

Even though the overall rate of AI adoption in India is low, it has witnessed rising active users of ChatGPT, Gemini, Copilot and DeepSeek (globally ranked 3rd), and revenue of Anthropic has doubled in last few months. Since private sector in India leads in adoption of AI, unregulated, easy and free access to AI models — even unaccredited and unvalidated ones — has posed serious challenges in terms of data protection, safety of confidential information and cybersecurity.

A 2025 global KPMG-University of Melbourne study reveals 57% of employees admitted hiding their use of AI at work. Accordingly, organisational silence on use of AI by employees has made the challenges even more complex. Absence of global and national regulatory legal framework fixing algorithmic liability as sequel to misuse or malfunction of AI agents or apps has become quite a challenge.

All organisations and businesses should develop an organisational protocol for adoption of AI, and actively participate in government initiatives to put in place a robust legal and administrative framework to tackle these challenges.

Mishra and Sharma are member and deputy director, respectively, EAC-PM

A Tax Lesson From ESOP's Fables



Deven Khanna & Nakul Gupta

India's tax treatment of Esops rests on a flawed premise: that an unrealised, uncertain equity gain is equivalent to cash salary. It isn't. The difference between a share's fair market value on the date of exercise and its exercise price is treated as a perquisite and taxed at rates of up to 39% for employees in the highest tax bracket.

Consider an employee exercising 10,000 options at ₹100 when shares are worth ₹1,000 makes a notional gain of ₹90 lakh. Having paid ₹10 lakh to acquire the shares, with no cash received, he could still face a tax bill of ~₹35 lakh on paper gain. The problem is worse in unlisted companies, where the ₹1,000 valuation is based on a formula, not an actual market price. Employees are taxed on gains they may not be able to realise for years.

Eligible startups can defer Esop tax until a specified triggering event, acknowledging liquidity crunch caused by taxing gains at exercise. Why should this relief stop at startups? Employees of mature unlisted companies face the same problem: they are taxed before realising any economic gain.

Listed companies are no exception. Even when shares are liquid, employees receive no cash on exercising options. If they owe tax of around 39% on the ₹900 spread between the exercise price of ₹100 and market price of ₹1,000, they may have to sell nearly 40% of their shares immediately to meet the liability.

This forces employees to sell part of their equity incentive before they choose to, potentially at a loss. Worse, any subsequent capital loss can be set off only against capital gains, not salary income. So, while notional Esop gain is taxed at slab rates, a loss on sale can't be offset against it.

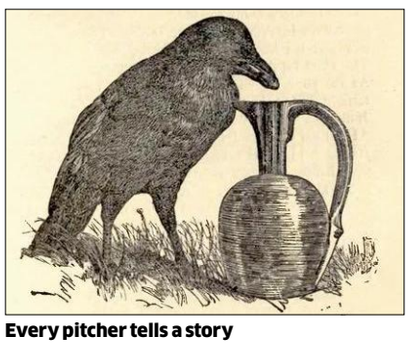
Such losses can be set off only against capital gains, often taxed at lower rates. For Indian employees holding foreign parent company Esops, rupee appreciation between exercise and sale can also create a tax loss even if the share price remains unchanged. International practice does not support taxing employee equity as if it were indistinguishable from cash pay.

It would be inaccurate to claim that no other country taxes options at exercise. Britain taxes many non-tax-advantaged options as employment income. Singapore generally taxes Esop gains at exercise as well.

Major economies have built separate regimes for employee equity. Qualifying Incentive Stock Options (ISOs) in the US escape regular I-T at exercise, with favourable capital gains treatment available if the specified holding conditions are met.

Britain's EMI and Csop schemes offer materially better treatment for qualifying options, and only capital gain taxes apply on the eventual sale. Even Singapore, which taxes at exercise as a default, provides deferral mechanisms for qualifying arrangements, subject to application of an additional interest for the period of deferral.

The common thread is not that exercise is never a taxable event. It's that employee equity is treated as different from a cash salary, and taxed accordingly. India should adopt a similar principle. It need not cost the exchequer much, since this is fundamentally a question of timing rather than exemption.



Every pitcher tells a story

For listed as well as unlisted companies, 3 approaches are worth considering:

❶ Defer perquisite taxation until the earliest genuine liquidity event, as is currently contemplated under the Indian startup regime and in Singapore.

❷ Tax both the exercise spread and subsequent appreciation only at the time of sale, as capital gains, similar to the approach under qualifying regimes in the US and Britain.

❸ Tax the exercise spread at a concessional rate, while routing any subsequent appreciation through normal capital gains regime.

In each case, GoI can build in anti-avoidance provisions, defined triggering events and valuation rules to ensure the tax is eventually collected, just later and against actual cash. Separately, it should also consider allowing the set-off of losses from sale of Esops on account of value diminution and rupee appreciation against salary income.

There is a broader stake here than any individual employee's liquidity problem. India wants deeper capital markets, more competitive companies and a genuine culture of employee ownership. Esops are one of the main instruments through which that ownership is meant to be shared.

An employee who knows that exercising his options could trigger a 30-40% tax bill with no corresponding cash inflow will rationally delay exercise, reduce his participation, or simply prefer cash pay instead. That is the opposite of what a modern, ownership-orientated economy should want.

Khanna and Gupta are MD, and senior manager, corporate taxation, respectively, Bharti Enterprises

THE SPEAKING TREE

Don't Scold The Mind

JWALANT SWAROOP

The day is over; lights are switched off. The body rests, but the mind keeps talking. An old hurt returns. Tomorrow's responsibilities demand attention. An imagined argument begins with someone who is not even in the room. We have left the world outside, yet, we carry its noise within.

One of life's most liberating discoveries is that we need not become entangled in every thought that arises. Buddha offered humanity a profound understanding of suffering and a practical path towards freedom from it. He recognised craving as a source of suffering. We can hear its demands in our daily thoughts: things must happen my way, pleasure must remain, discomfort must disappear. We measure life against these expectations and struggle when it refuses to comply.

The breath offers a simple place to begin. In Buddha's teaching on mindfulness of breathing, the practitioner recognises the incoming and outgoing breath, becomes sensitive to its movement, and gradually calms bodily activity.

Sit comfortably for a few minutes. Allow the breath to move naturally. Feel it entering and leaving. When attention wanders into a memory or a plan, notice the wandering and gently return. No need to scold the mind. Recognising that you have wandered is itself a moment of awareness.

LOLLING ON SATURDAY

Tricky Trickle-Down

A billionaire complained that ordinary people did not understand trickle-down economics. To demonstrate its effectiveness, he climbed onto his mansion's roof carrying a bucket of champagne. Below stood his driver, cook, gardener and security guards, all awaiting their share of prosperity.

The billionaire poured the champagne onto the roof, where it flowed into expensive gutters, through elaborate drainage pipes, and finally into an underground recycling system that supplied his private swimming pool. Not a drop reached the employees.



The billionaire was delighted. The experiment had conclusively demonstrated why the rich needed further tax cuts: wealth was clearly not trickling down fast enough.

Economical with Truth

A government announced that the economy was growing faster than expected. Nobody had expected it to grow. So, this was technically correct.

Economists celebrated by revising their forecasts upwards, while ordinary citizens celebrated by revising their grocery lists downwards. A TV anchor explained that rising prices were evidence of strong demand, falling wages indicated improved competitiveness, and unemployment demonstrated greater leisure opportunities. The stock market promptly reached a record high.

Asked why investors were so cheerful while consumers were miserable, a distinguished economist explained that markets always looked towards the future. Consumers, regrettably, still insisted on living in the present.

Chat Room

Past Plots Future Of Present Gen

Apropos "Facing 'gerontonomia', the West's young opt for political extremes" by Srijana Mitra Das (ET Evoke, Oct 30), young people are not necessarily demanding that older leaders vacate office. They are demanding that established institutions make room for their future. That said, an ageing leadership need not produce ageing policies. But it must demonstrate an ability to listen, adapt and relinquish its monopoly over decision-making. Young people do not necessarily want to inherit power tomorrow; they want a meaningful stake in shaping their future today. The ultimate test of sagacious statesmanship is not how long a generation retains power, but how effectively it prepares the next generation to exercise it.

R Narayanan
Navi Mumbai

From closing window to overshoot: The retreat on climate action

The Emissions Gap Report's suggestion that the world can cross the 1.5°C global warming threshold, but still limit, adapt to and return from higher temperatures, is utterly misleading



SHYAM SARAN

ILLUSTRATION: BINAY SINHA



For the past several years, the United Nations Environment Programme (UNEP) has been issuing annual Emissions Gap Reports, tracking the progress being made in mitigation of greenhouse gas emissions pursuant to the Paris Agreement of 2015. The titles of the reports over the past five years tell a depressing story of fading ambition and systematic retreat from the solemn commitments made in Paris: 2022, *The Closing Window*; 2023, *Broken Record*; 2024, *No More Hot Air Please*; 2025, *Off Target*; and 2026, *The Point of Return*.

The window for limiting global warming to 1.5°C now lies closed; it has already been exceeded. The goal has now shifted to managing the overshoot. The latest report describes the "overshoot, peak and decline pathway as the best remaining option to minimise the magnitude and duration of this overshoot and try to return to below 1.5°C as soon as possible."

But "as soon as possible" may be decades. "The overshoot duration can vary but typically last for at least multiple decades."

The Report envisages an eventual return to 1.5°C of global warming only by 2100, but shies away from spelling out the several catastrophic and irreversible impacts in the intervening years, not only on the climate but on planetary ecology as a whole.

If this is the best remaining option, are we not accelerating our headlong plunge towards a planetary catastrophe? Instead of stating the obvious, the Emissions Gap Report offers the comforting but utterly misleading statement: "The world set to cross 1.5°C global warming, but can still limit, adapt to and return from higher temperatures."

The question is not whether we could return to a lower temperature in the future but what happens to the earth's ecology as a whole in the meantime. A lower temperature in a ravaged world would not be of much consequence.

The much-celebrated Paris Agreement was considered by the then French President, François Hollande, to be more path-breaking than the French Revolution of 1789. In reality, the outcome was modest. It committed the world to keeping global warming to within 2°C by 2050 and preferably within 1.5°C, recognising that the latter limit would be "a significantly safer defence line against the worst impacts of a changing climate".

A Special Report of the Inter-Governmental Panel on Climate Change (IPCC) issued in 2018 stated that keeping to the 1.5°C limit would "dramatically reduce the most catastrophic, irreversible impacts" of climate change. To keep to this limit, emissions would need to be reduced by 45 per cent by 2030, compared to the level pertaining to 2010. Based on the updated pledges by countries party to the Paris Agreement, we may end up with 58.5 per cent higher emissions by 2030, against the 2010 baseline. Paris did inaugurate a revolution but one of diminishing expectations. The historic Rio Convention of 1992 having been eviscerated by its most powerful parties, the Paris Agreement, too, has been hollowed out unceremoniously.

In order to enable "overshoot, peak and decline", massive quantities of legacy CO would need to be directly removed from the atmosphere, "creating a state of net negative emissions". Over the course of this century, UNEP estimates that roughly 320 billion tonnes of CO_2 will have to be sucked out from the air. This is equivalent to eight years of total CO emissions at current levels. The Report refers to several technological fixes that may lead to the anthropogenic removal of atmospheric carbon dioxide. There is the Carbon Dioxide Removal (CDR) either through Direct Air Capture (DAC) or bio-energy with storage (BECCS). These are not yet technologically or economically viable. There are ethical issues involved too, for example, in the deployment of geo-engineering. Preserving forests, undertaking afforestation and cleaning up the oceans offer tried-and-tested natural alternatives, as forests and oceans are natural carbon sinks. Forests and oceans, are each responsible for absorbing 30 per cent of global carbon emissions. But they are being degraded instead at an accelerating pace.

What about artificial intelligence (AI), which is touted as the panacea for all the formidable challenges humanity is confronted with?

Whatever be its promise for the future, AI is currently worsening the climate crisis. AI operations depend on data centres, which store and process enormous volumes of data almost instantaneously. They require a continuous supply of power, with reliable back-up, to run the large array of computers and vast volumes of water to provide cooling. This demand for power and water is increasing at 15 per cent per annum but is likely to accelerate significantly with new, more powerful versions of AI being launched.

In 2025-26, power consumption at data centres worldwide was 485 terawatt-hours (Twh). If it were a country, it would be the fifth-largest consumer of power in the world, ranking somewhere between Russia and Japan. It is estimated that by 2030, the demand for power for AI would be 945-960 Twh and this would constitute 3 per cent of all global power demand.

The direct onsite consumption of water by data centres was 222 billion litres in 2024-25 and is estimated to reach 644 billion litres by 2030. A single 100Mw hyperscaler data Centre consumes roughly 2 million litres of water a day.

These enormous demands for power have led to fossil fuel-based power generation to be revived, although the possibility of using small modular nuclear reactors is being explored. This is for the future.

China has an advantage in its ambitious pursuit of green energy and nuclear power, even while coal is currently its main source of energy. If India wishes to be a leader in AI, it must resolve the energy-water constraint it currently confronts. This would inevitably put climate change action on the back burner.

The "overshoot, peak and decline pathway" is no pathway at all and AI does not offer any credible solution to the climate crisis. Technological hubris blinds humanity to its insignificance in the vastness of the universe and the overwhelming power that Nature can unleash to snuff out existence in an instant. The irony is that this sensibility is deeply ingrained in Indian culture and intellectual tradition but is ignored. It needs to be resuscitated.

The writer is a former foreign secretary and has served as India's chief negotiator for climate change

US midterms and the coming turmoil



VIEWPOINT

DEVANGSHU DATTA

By next Wednesday, November 4, energy analysts may be reviewing projections of crude oil and natural gas prices. The US midterm elections conclude on November 3, and their results may influence developments in West Asia. The events in West Asia may, in turn, lead to a saddle point for energy prices.

The impact on India would be significant. Natural gas and crude oil prices have surged since the United States attacked Iran in February, and Iran responded by shutting down the Strait of Hormuz. Meanwhile, Iran's Houthi allies in Yemen have interdicted traffic in the Bab el-Mandab Strait. A huge chunk of global gas and oil flows through these choke points.

In January, the Indian crude basket (a mix of Brent, Oman and Dubai grades) cost $61-62 per barrel. As of late October, the basket was averaging $120.2 per barrel. Gas has seen similar, even more extreme price gains.

Energy prices are the single most critical variable for India's economy. High crude and gas prices push up inflation, and widen the trade gap. If, and admittedly this is a big if, the US agrees to a ceasefire with Iran, and the ceasefire holds, energy prices would retreat. If, and this is admittedly the imponderable, the US intensifies military initiatives against Iran, energy prices may spike even higher.

What happens on November 3 will influence American decisions vis-a-vis Iran. Some provisions in the US Constitution are of relevance. The US Congress (The House of Representatives plus the Senate) has the sole power to formally declare war, via simple majority votes in the two houses. Any military action taken by the President without formal congressional sanction, must be notified to Congress within 48 hours, and must cease within a period of 60-90 days, unless authorised to continue by Congress.

Opinion polls suggest that the Iran War is unpopular in the US because it has triggered inflation. If the Democrats win a majority in both houses, they could try to end the war by voting to stop it. While President Donald Trump might resist such a resolution, it would substantially increase pressure on him to negotiate a ceasefire. Congress also has a say in funding the war, if nothing else.

The 2026 midterm elections consist of elections to all 435 seats in the US House of Representatives (HoR) and 35 of the 100 seats in the Senate. As of now, the Republican Party holds a trifecta. Republicans hold the Presidency and Vice-Presidency, as well as majorities in the Senate (53 seats out of 100) and the House of Representatives (218 seats). If the Republican Party continues to control both houses, nothing changes.

But polling and prediction markets suggest the Democratic Party is substantially favoured to win the HoR, taking well over 218 seats. The Senate is likely to be closer but pundits, prediction markets and polling suggest the Democrats are favoured to flip the Senate as well.

The 35 Senate seats up for election include 22 held by Republicans and 13 by Democrats. If the Democratic Party wins 17 of those Senate seats (or if Democrats plus Independents allied to Democrats win 17), they take a Senate majority. If the Senate splits 50-50, the Vice-President (Republican) has a casting vote, so the Republicans would retain control.

If the Democrats do take the HoR and get a Senate majority too, they may not stop at just trying to end the Iran War. The "Dems" will turn up the heat on President Trump in other ways as well, by investigating his ties to Epstein and looking at sundry financial manoeuvres that have benefited him and his family.

There is a chance that Mr Trump may be impeached again — he's already the only US President to have been impeached twice. The constitutional provisions for impeachment are interesting. A simple majority in the HoR (218 votes) is sufficient to impeach. However, the Senate must sit in trial and convict (if that is the right word) an impeached President by a two-thirds majority of members present in order to force him out. Assuming a full house, that's 67 Senate votes. If the Dems have a Senate majority, they may work to get additional votes from disaffected Republicans.

If the Dems do take control of Congress, Mr Trump will probably try to "flood the Zone" by creating distractions. He would have a window of two to three months to escalate the Iran situation, even if Congress votes to stop the war. That could result in wild spikes in energy prices. Traders should be prepared for all these scenarios. So should the Reserve Bank of India and the Petroleum Planning and Analysis Cell .

The writer is a New Delhi-based independent journalist

Why voters won't reject Netanyahu

Netanyahu has won only because he hasn't been defeated. He's also changed Israel fundamentally. Any ruling alliance now will have to be a coalition to the exclusion of Israel's Arab citizens



NATIONAL INTEREST

SHEKHAR GUPTA

For a decade, "friends" Donald Trump and Benjamin Netanyahu have vied for the top spot on the hate list for Westernised liberals and the Left. Their political demise has been foreseen and wished for. Both keep disappointing their haters.

Mr Trump won the presidency twice, riding liberal ridicule and contempt. Mr Netanyahu has turned that knife for 16 of the last 17 years, barring the 2021-22 Naftali Bennett-Yair Lapid interruption. This week, he pushed the knife deeper.

He hasn't secured another mandate. But he has the highest tally, support of the hard-Right. He's better placed to build a coalition. Or, he can orchestrate a fresh election, not unfamiliar in Israel.

Mr Netanyahu has won only because he hasn't been defeated. He's also changed Israel fundamentally, with some "help" from Hamas. In another world, it might've been possible for rival Gadi Eisenkot to expand his coalition from 48 seats to beyond the 61 needed for a majority by aligning with the two Arab parties. After all, one of them, Ra'am, had joined Bennett-Lapid's short-lived coalition in 2021-22. But now, no Jewish group can embrace the Arabs unless they condemn Hamas as terrorists. And Arab parties won't and can't do that. It will have to be a coalition to the exclusion of Israel's Arab citizens. That's how Mr Netanyahu and Hamas have changed Israel. There's no "middle" left in Israel.

In the US, the Democrats may restore some balance in the midterms next week, but that won't change the reality of what rocketed Donald Trump to imperial power. His impact on immigration, trade, and human rights will endure long after him.

To understand the Trump-Netanyahu phenomenon we must accept that the voters are emotional, yet rational. They're also more transactional than ideological. And what's the "deal" they want? The economy matters, but three things take precedence: National security, individual safety and preservation of identity. In America, Mr Trump made his second election about law and order, immigration, and "over-the-top" political correctness — DEI (diversity, equity and inclusion) overhang in academia, gender fluidity, and open borders.

Two eruptions — Black Lives Matter, and the fury on liberal campuses over Gaza — gave him tailwinds. The question then: Who could White Americans and many Hispanics trust on these issues? Mr Trump or Kamala Harris? Compared to security, safety, and identity, other concerns become softer, dispensable.

Israel is an ongoing story. They had a single-point, national-security election. For them, October 7, 2023, was their most traumatic experience since the Holocaust. Further, over the past three decades, the Iranians have encircled them with their "ring of fire", or the "axis of resistance".

Israelis are inured to endemic fighting. But October 7 was a devastating defeat. For the first time, large Jewish populations in the Israeli heartland found themselves incapable of defending themselves. This changed Israel, built support for the wars that followed, and protected Mr Netanyahu from anti-incumbency.

Contrary to stereotypes that dominate liberal debate in democracies, including India, Israelis have a deep, argumentative, and democratic tradition. There exists a strong, liberal, and vocal constituency that's sympathetic to Palestinians, abhors settler violence in the West Bank, and even supports the two-state idea.

The one Israeli newspaper I've subscribed to for years is *Haaretz*, and it's way to the Left of anything mainstream in India. It has been deeply critical of Mr Netanyahu, and has broken stories that should have devastated him politically. These include how he ignored warnings from Egypt and the UAE before October 7. It's also been widely insinuated that he deliberately ignored these. Conspiracy theorising isn't alien to the Israeli debate.

At the other end are ultra-orthodox parties who want to evict all Palestinians from the West Bank and Gaza. In short, there are deep disagreements in Israeli society, and idol worship doesn't come naturally to it. There isn't any for Mr Netanyahu either. That these divisions didn't play out in the vote is the important point. Jews chose between one hardliner or the other. The 21 per cent Arab minority, in the proportional voting system, does get seats but its votes ultimately don't count as the majority consolidates for safety and survival.

The question was simple. Who can we trust more with protecting us as we pass through a frightfully insecure era: A known devil, or his adversary, who's no dove either? Mr Netanyahu had appointed General Gadi Eisenkot as IDF chief; Eisenkot's soldier-son died fighting in Gaza; and he's also committed to wiping out Hamas. Enough people voted for continuity, than risk change. Two points need exploration. One, when and why did the power of the once-formidable Left vapourise in Israel? And second, how come the formidable vote of its Arabs doesn't matter?

The era of Left (Labour) domination in Israel isn't widely remembered in India. David Ben-Gurion, Golda Meir, Levi Eshkol, and Yitzhak Rabin —the greatest Zionists and founders of the modern state of Israel — were all from Labour. The legendary Lt-General Moshe Dayan was a Labour socialist and a self-declared Zionist-atheist. He left Labour to support Menachem Begin's Likud coalition as foreign minister in 1977 to negotiate the Camp David Accords for peace with Egypt. From 1948 to 1977, Labour domination was total, until Begin's Likud broke it. Under Shimon Peres, Rabin and Ehud Barak, Labour returned for short spells—in 1984, 1992, 1995 and 1999—and then faded.

Labour, in the 1992-2000 period pushed for Egypt-like peace through the Oslo Accords negotiations and failed, amid rising Palestinian attacks and suicide bombings. The first time, it ended with Rabin's assassination; then in 2000, as the Second Intifada became imminent.

Ultimately, the Israelis saw Labour's idea of trading land for peace as woolly-headed. They killed it, burying Labour with it. It's since been impossible in Israel to seek votes for peace.

Ironically, while most countries, India included, keep supporting a two-state solution, neither of the two direct antagonists wants it. Both Israelis and Palestinians want a single state, with each seeking to drive out the other. Each has its version of "from the river to the sea". The Palestinian movement lost its socialist-secular-Christian appeal. It's now Islamised. This is Iran's leverage, and ideological fuel for its proxies.

And the second point, why the Arab vote has become so inconsequential. We need to study it closely because lately there's been some clamour for proportional voting in India instead of the first-past-the-post system. That way, it's believed, minority seats would reflect their population.

Israel provides a rude reality check. The mostly Muslims Arabs account for more than 20 per cent of Israel's population, work in the government, businesses, and even the armed forces, though they are exempt from conscription. They just secured a record vote, translating into 19 seats in a Knesset of 120. They can be kingmakers, but nobody will touch them. In the broader Israeli picture, they fail the test of nationalism. One group, with 11 seats, was reported to have celebrated with Palestinian symbolism at its headquarters in Nazareth. They "condemn" October 7, but won't call it terrorism or refer to Hamas as terrorists. No Jewish party will embrace them. Their numbers become inconsequential. See it like this. If you switched to proportional voting in India and Muslim parties won seats equivalent to their population (about 80 of 543), would even a "secular" coalition accept them if, heaven forbid, they celebrated with Pakistani or Hurriyat flags or symbolisms? Or refused to call Lashkar and Jaish terrorists? I know many will be outraged by this suggestion. But see how careful and correct Asaduddin Owaisi is. I use this example only to underline how the Israelis feel about their Arab parties.

This is a lesson for minorities in any electoral democracy. They gain very little by isolating themselves. They have to ally with enough of those in the mainstream whom they find acceptable, and stitch a coalition. It needs ideological compromise and uncompromising nationalism. That's how the Muslim vote acquired power in India in the 25-year coalition era (1989-2014). Or, you can campaign for proportional representation and collect numbers but be marginalised, like the Israeli Arabs.

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A tale of two Chinas



KENNETH ROGOFF

Is China booming or stagnating? On one hand, its export industries — including electric vehicles, solar panels, and virtually the entire range of manufactured goods — are the envy of the world, and its tech and artificial intelligence (AI) industries are second only to the United States (US), with Europe trailing far behind. On the other hand, as I have written many times, China is now in the sixth year of a full-blown, Japan-style real-estate crisis. Could China be booming and stagnating at the same time?

In a recent Brookings paper, the International Monetary Fund's Yuanchen Yang and I explore the striking parallels between today's China and Japan in the 1990s, especially in residential and commercial real estate as well as related infrastructure. In both cases, the collapse of the speculative frenzy left a massive construction overhang that can take years to work off. China is still in the middle of that process.

Stunningly, China has built more square metres of residential property per capita than either the United Kingdom or France, despite still being a much poorer country. Its road and railway networks are on par with those of the world's most advanced economies and, in many ways, far superior to America's.

But the Chinese economy is also deeply unbalanced, like a bodybuilder who has bulked up only his torso. Consumption, the primary growth engine in advanced economies, remains weak. Eastern China has marquee cities that are well on their way to rivaling their Western counterparts, yet in many smaller cities and rural areas, home to at least half of China's population, living standards fall somewhere between those of Latin America and South Asia.

The fear now is that, with its housing bubble having collapsed, China may never escape the so-called middle-income trap. When Japan's real-estate crisis hit, it was already a very wealthy country, with per-capita income rivaling that of the US. Thirty years later, its per-capita income is closer to Italy's, which in turn is below that of Mississippi, the poorest US state. And China today is nowhere near as rich as Japan was in the early 1990s.

Between automation and AI, the most dynamic parts of China's most dynamic sectors are not creating enough jobs. Youth unemployment has gotten so bad that authorities no longer publish the figures regularly. Even under the best of circumstances, it would be difficult to replace the sagging real-estate and infrastructure sector, which, as Yang and I show, accounts for nearly one-third of demand once both direct and indirect effects are included.

Still, it would be wrong to assume that China's real-estate crisis necessarily constrains its ability to compete geopolitically or economically. If you speak to businesspeople or attend tech conferences, you will hear that China's economy is dominant and innovative. China is not a democracy, and its leaders can allow the dynamic tech and export sectors to flourish even as the rest of the domestic economy takes decades to work off the overbuilding binge. It is entirely possible to imagine 450 million Chinese people flourishing in a dynamic economy dominated by tech and manufacturing, while the other 950 million get by at a much lower standard of living.

> IT WOULD BE WRONG TO ASSUME THAT CHINA'S REAL-ESTATE CRISIS NECESSARILY CONSTRAINS ITS ABILITY TO COMPETE GEOPOLITICALLY OR ECONOMICALLY

Faced with such a divide, most Western democracies would be overwhelmed by pressure for redistribution, as European countries already know well. But that need not be the case in China, particularly if the government believes that national security and the country's global role depend on bolstering its frontier sectors. And 450 million people is still more than the US population and on par with that of the European Union.

Whether such an outcome is possible, of course, remains to be seen. Since Xi Jinping became president in 2013, the Communist Party has paid considerable attention to regional disparities. But the economic forces that concentrate activity in major hubs, together with the strong desire to assert power internationally, may ultimately trump the pressure to reduce inequality.

The great economic historian Angus Maddison, writing in the late 1960s, argued that — contrary to the views of many economists, including Paul Samuelson — the Soviet Union would never fully catch up with the US. Nevertheless, thanks to its rich scientific tradition, the USSR could still compete at the technological frontier and achieve military parity.

One major difference between the Soviet Union and China is that China has bent over backward to integrate with the US, both in trade and in science. Despite US President Donald Trump's trade war, it is clear that today's challenges, from climate change to rogue AI, cannot be solved without extensive cooperation between the two superpowers.

So, as paralysing as China's real-estate crisis has been, and even though excess construction will likely hold down growth for years to come, the dynamic core of its economy will keep thriving, so long as the country remains politically stable — and doesn't succumb to the temptations of imperial overreach.

The writer is professor of economics and public policy at Harvard University. ©Project Syndicate, 2026

Economy

IN THE NEWS

2026 INFLECTION POINT FOR THE ECONOMY: CEA



THE YEAR 2026 resembles 1991 and could mark an inflection point for the Indian economy, which faces external challenges as well as structural constraints in manufacturing, energy, agriculture and technology, Chief Economic Adviser V Anantha Nageswaran said on Thursday. "2026 resembles 1991, and many of you immediately should not think that when we talk about the word resemblance, it is not the same as identical. Identical means that you have the same balance of payments crisis," he said during the ISID-IDRA national conference. "The point is, it was an inflection point for us in 1991, and 2026 is also, or even 2025, could be deemed as inflection points for us."

Coal India profit jumps 57% in Q2; revenue up 21%

COAL INDIA ON Thursday reported a 57% year-on-year rise in consolidated profit after tax to ₹6,547 crore in the September quarter. Revenue from operations rose 20.8% to ₹44,179 crore in the second quarter. Its board recommended a second interim dividend of ₹10.25 per share for 2026-27.

ICRA profit rises 9% in Q2, revenue jumps 30%

ICRA REPORTED A consolidated net profit of ₹52.4 crore for the July-September quarter, up 9.2% from ₹48.0 crore in the corresponding quarter of the previous year. Revenue from operations rose 30.2% to ₹177.9 crore for the reporting quarter.

Ficci announces Vijay Sankar as president-elect

THE FEDERATION OF Indian Chambers of Commerce and Industry (FICCI) on Thursday announced Vijay Sankar, chairman of The Sanmar Group, as its president-elect for 2026-27, according to a statement.

FE BUREAU & AGENCIES

'TRIBUNAL PRESIDENT MUST APPOINT STAFF'

SC tough talk: NCLT hiring 'completely hijacked' by MCA

MANU KAUSHIK
New Delhi, October 29

THE SUPREME COURT on Thursday questioned the Ministry of Corporate Affairs' (MCA) alleged excessive control over the functioning of the National Company Law Tribunal (NCLT), which is vested with adjudicatory powers under the Companies Act and the Insolvency and Bankruptcy Code. The apex court observed that the NCLT's administration had been "completely hijacked" by the ministry, raising concerns over its autonomy.

The court said the power to appoint staff should rest with the NCLT president and issued notice to the Centre on a petition challenging the outsourcing of recruitment to a private company. It also directed the presidents of the NCLT and the National Company Law Appellate Tribunal (NCLAT) to submit detailed proposals within four weeks on their staffing, buildings, land and other infrastructure needs.

The dispute began after the MCA awarded a contract to a private company to provide staff for the NCLT, including deputy registrars, assistant registrars and stenographers. The move raised concerns among existing contractual employees, who feared losing their jobs.

Although the court declined to protect the existing staff from removal for now, it questioned whether employees hired without a competitive selection process had a right to continue in their jobs. The bench stressed that the issue must be examined in the larger public interest, rather than solely to protect the jobs of existing employees.

The NCLT is also facing a major staff shortage. For instance, the court was told that only 67 of the tribunal's 320 regular administrative posts were filled, leaving 253 vacant. The staff shortage comes as the tribunal handles insolvency cases and company disputes, making enough support staff important to ensure cases move on time and court records are properly maintained.

To address the shortage, the bench suggested bringing experienced government officials on deputation as an immediate step, followed by regular recruitment in phases, with support from central recruitment agencies.

The apex court also observed that cases under the Companies Act were being delayed as insolvency cases were given priority.

Subodh Dandawate, associate director (regulatory advisory) at Nexdigm said the court's observations highlight the need to protect the NCLT's independence.

"While administrative oversight is necessary, recruitment and staffing mechanisms must ensure accountability without compromising judicial independence. A structured, transparent approach to appointments is essential for the tribunal's effective functioning," Dandawate said.

Separately, the NCLT Bar Association flagged poor facilities at the tribunal's main bench in Delhi. To improve day-to-day functioning, the bench suggested appointing an officer of deputy registrar or joint registrar rank at every NCLT bench to maintain court records. It also asked the Attorney General to urge the Centre to provide basic facilities without delay.

UNDER SCRUTINY

- SC alleges excessive control by govt over functioning of NCLT
- Court questions outsourcing of tribunal staff recruitment to private firms
- Only 67 of NCLT's 320 regular administrative posts were filled
- NCLT, NCLAT presidents asked to submit infrastructure, staffing plans in four weeks
- SC flags delays in Companies Act cases as insolvency matters get priority





Top court asks govt how it will ensure E100 supply

PRESS TRUST OF INDIA
New Delhi, October 29

THE SUPREME COURT on Thursday asked the government how it would ensure adequate ethanol supplies for vehicles running on 100% ethanol, with Attorney General R Venkataramani saying this would require large-scale manufacturing rearrangements.

Hearing pleas concerning ethanol allocation for Ethanol Supply Year (ESY) 2025-26, a bench of Justices MM Sundresh and Prasanna B Varale also stressed the need to consider farmers' interests, the environment and larger public interest.

"Academically, we want to know if the permission is given to have 100% ethanol run vehicles, how will you make the supply," the bench asked, referring to recent media reports on approval given for such vehicles.

The bench said empowering farmers, particularly those in villages, was an important aspect of ethanol promotion. Venkataramani said he would address the issue during his arguments. Another counsel submitted that the Centre's policy already takes farmers' interests into account.

The bench posted the matter for hearing next month.

On October 26, the road transport ministry notified amendments to the Central Motor Vehicles Rules, 1989, allowing flex-fuel vehicles to run on up to E100, or nearly pure ethanol. The amendments expressly include E100 alongside E85 in emission certification provisions.

Services output growth picks up further in Aug

- 19 sectors grow 14%, up from 13.5% in July; retail trade surges

SHUBHAM RANA
New Delhi, October 29

INDIA'S SERVICES SECTOR output continued to grow at a robust pace, with 11 of the 19 sectors tracked under the trial Index of Services Production (ISP) growing quicker in August compared to July.

While the Ministry of Statistics and Programme Implementation (MoSPI) does not yet publish overall growth rate for the ISP, economists estimated that the output of 19 sectors grew 14% in August, up from 13.5% in July. Of the 19 sectors under ISP, 13 recorded double-digit year-on-year growth in August as against 10 in July.

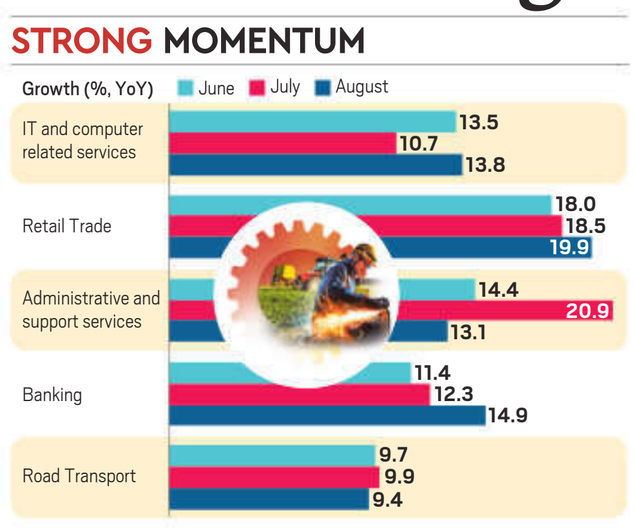
"An upward growth momentum of double digits is shown by the ISP since June 2026, with an average growth of 13.6% during the three months till August 2026," said DK Srivastava, chief policy advisor, EY India. "Given the weight of services sector in overall GDP, these trends indicate the potential of a healthy GDP growth for the second quarter of 2026-27."

The August ISP figures suggest strong momentum in service production, economists said. The services sector is a key driver of economic activity in India. The 19 sectors currently being covered under ISP account for around 60% of the formal services sector.

Retail trade saw the highest growth in August at 19.9%, followed by real estate and repair services, with both sectors growing 17.6%. Retail trade and real estate had grown 18.5% and 14.4% in July, respectively. Repair services output grew in August having contracted 5% in July.

"Retail trade led the expansion, likely supported by improving consumer demand ahead of the festive season," said Pranjal Ghate, economist at Brickwork Ratings. "Meanwhile, strong growth in real estate, repair services, and banking points to resilient domestic activity."

STRONG MOMENTUM



LTCG tax cut may support FPI flows, rupee: Jefferies

PRESS TRUST OF INDIA
New Delhi, October 29

THE GOVERNMENT COULD consider an across-the-board cut in capital gains tax, an FPI-specific reduction in long-term capital gains (LTCG) tax or a shift to computing foreign portfolio investors' (FPIs) gains in US dollar terms to rationalise equity taxation, investment banking firm Jefferies has said.

The firm said differential tax treatment for FPIs could not be ruled out, as several emerging markets exempt foreign investors from LTCG tax on equities.

Further, it said a cut in equity LTCG tax could improve FPI sentiment and inflows, providing support to the rupee. It cited the impact of tax relief announced in June for eligible foreign investors in G-Secs, which was followed by FPI debt inflows of $9 billion during June-July 2026.

Historically, FPIs in India have faced tax rates similar to those for other investors — 12.5% on LTCG and 20% on short-term capital gains (STCG). Tax benefits available through double taxation avoidance agreements and tax-friendly jurisdictions have also been substantially restricted for new investments since April 2019.

The US-based firm said discussions around a potential cut in equity LTCG tax had gathered pace, and a change outside the Budget was possible through the ordinance route, similar to tax relief granted to certain foreign investors in Indian government securities (G-Secs) in June.



TAX OPTIONS

- FPI-specific LTCG relief among three options for govt to rationalise equity taxation, Jefferies says
- Differential tax treatment for FPIs could not be ruled out, it says
- A cut in equity LTCG tax could be announced outside Budget via ordinance route

PHDCCI seeks capital gains tax cut

THE PHD CHAMBER of Commerce and Industry (PHDCCI) has urged the finance ministry to remove the long-term capital gains (LTCG) tax, cut short-term capital gains (STCG) tax on equities to 10% from 20%, and lower the securities transaction tax (STT) rates to help retain foreign capital and attract investments.

The industry body has also suggested extending the holding period for equity shares to qualify for LTCG treatment from 12 months to 18-24 months to ensure "that exemption is available to genuine investors".

In a letter to Central Board of Direct Taxes Chairman Ravi Aggarwal, the body said lowering capital market taxes would play an important role in retaining foreign capital in India, reducing outflows and attracting further foreign investment amid geopolitical tensions, the West Asia crisis and competition from emerging markets.

FE BUREAU

India must cut import dependence: EY

FE BUREAU
New Delhi, October 29

ALONG WITH DIVERSIFYING export destinations and import sources, India should focus on reducing critical single-country dependencies and strengthening domestic value addition to build greater trade and production resilience, EY India said in a report.

India's merchandise trade imbalance is large and diverse. Its largest surplus is with the US and largest deficit with China. The US accounted for 33.8% of India's merchandise trade surplus with surplus countries in 2025, while China accounted for 24.6% of its merchandise trade deficit with deficit countries.



India's trade surplus with the US could nearly halve by 2031 if goods and services exports grow 10% annually while imports rise 16%. At these growth rates, India's trade volume would be close to $500 billion, EY said.

"Deeper engagement with BRICS+ economies and countries covered by India's existing and upcoming trade agreements can help broaden export markets and diversify trading relationships," EY said in its economy watch report for October.

India's merchandise exports to BRICS+ economies grew at a compounded annual growth rate (CAGR) of 3.8% during 2015–2025, compared with 8.1% for imports.

India's growing services trade surplus, which reached 5.6% of GDP in FY26, provides a strong foundation for strengthening the country's overall trade position, EY said.

India's high import dependence for crude oil and natural gas remains a key vulnerability, underscoring the need to progressively reduce dependence on a limited number of supplier countries, the company said.

Costlier feed may push up broiler chicken, egg prices

SANDIP DAS
New Delhi, October 29

COSTLIER POULTRY FEED, due to lower output prospects for soyabean and maize in the Kharif season, may soon lead to a rise in egg and chicken prices across the country, industry sources said.

Poultry feed prices have currently gone up by 25% to ₹5,200 per quintal compared to prices prevailing a month ago, according to Ricky Thapar, joint secretary, Poultry Federation of India (PFI). "Currently retail broiler chicken prices are ruling low as it's considered a 'lean' month in terms of demand. Prices are likely to go up soon if the feed prices continue to rise," Thapar told *FE*.

Feed, which mostly consists of soymeal and maize, accounts for 65-70% of the cost of production for broiler chicken.

Traders said farm-gate prices of live-weight broiler chicken in the Delhi region are currently ruling around ₹95–105/kg, while the cost of production is around ₹110/kg.

Retail meat prices are currently ruling around ₹280-300/kg. Retail inflation in chicken, according to the statistics ministry, was 8.41% year-on-year in September.

Sources said that due to erratic monsoon rains in key growing districts of Maharashtra and Madhya Pradesh, soybean prices are ruling around ₹7,000/quintal against the minimum support price (MSP) of ₹5,708/quintal for the 2026-27 season.

Similarly maize prices are currently ruling around ₹3,000/quintal against the MSP of ₹2,410/quintal due to rising demand from ethanol manufacturing units and prospects of some drop in output.

In a submission to PMO, the PFI urged the government to set up a commission to assess the recurring shortage of maize and other poultry feed material and create daily reporting of bulk traders, sales, inventories and stock movements.

Average egg prices have also been going upwards in the last couple of weeks. Average retail egg prices, according to the department of consumer's price monitoring cell, rose to ₹84.931/dozen on Thursday, an 8% year-on-year increase.

The National Egg Coordination Committee (NECC)-recommended average farm-gate prices in October for the Delhi and NCR region were ₹5.85/piece, which are likely to go up next month as demand picks up with the onset of winter while feed prices rise.

PRICE SHOCK



- Poultry feed prices rose 25% from a month ago to ₹5,200/quintal
- Live broiler chicken farm-gate prices are at ₹95-105/kg against production cost of ₹110/kg
- Retail egg prices rose 8% year-on-year to ₹84.93/dozen

Oil security at risk if Russian flows halt: Kpler

PRESS TRUST OF INDIA
New Delhi, October 29

A SUDDEN HALT to Russian crude imports would pose a supply-chain challenge for Indian refiners, intensifying competition for alternative supplies and raising freight and procurement costs. Meanwhile, limited scope for further growth in Venezuelan oil production could constrain refiners' ability to benefit from discounted heavy crude, analysts at commodities intelligence firm Kpler said.

Russian crude, which became a significant part of India's oil import basket after the Russia-Ukraine war, has lost some of its pricing appeal as higher freight costs eroded its advantage on a delivered basis. This has encouraged Indian refiners to look increasingly towards Middle Eastern grades, where shorter shipping routes offer competitive delivered economics, said Sumit Ritolia, senior manager for modelling at Kpler. "Replacing Russian crude at scale is fundamentally a supply-chain challenge rather than simply a question of paying more per barrel," he said.

India, the world's third-largest oil consumer and a major crude importer, has relied on discounted Russian barrels since 2022 while seeking to optimise feedstock costs amid volatile crude prices, freight rates and shifting trade flows.

An immediate halt to Russian imports would be difficult to manage because crude procurement is planned well in advance, with deals typically concluded eight to 12 weeks before delivery. Refiners would also need to reorganise shipping arrangements and commercial supply chains developed around Russian barrels, Ritolia said.

The impact would extend across the industry rather than fall disproportionately on private-sector or state-run refiners. Competition for replacement supplies from West Asia, Africa and other producing regions could increase and push up transport and procurement costs.

Venezuelan heavy crude offers another potential source of discounted feedstock, particularly for complex refineries capable of processing it efficiently. However, production constraints and competition from other buyers could limit additional supplies even if diplomatic engagement by Washington encourages greater trade in Venezuelan crude.

Ritolia said Venezuela had increased production and exports since January by restarting existing operations and improving export infrastructure, but growth appeared to have plateaued over the preceding two to three months. He estimated that output and exports could rise by only another 100,000-200,000 barrels per day (bpd) without substantial investment in production and export infrastructure.

"I think the bigger question is Venezuela's ability to increase crude production and exports, rather than India's willingness to buy more barrels," Ritolia said.

For India, Venezuelan crude is particularly attractive to complex refiners such as Reliance Industries (RIL), whose Jamnagar complex has extensive residue-upgrading, coking and hydroprocessing capabilities. These allow it to convert lower-value heavy fractions into higher-value products, including diesel and gasoline.

However, the benefits would vary across the industry. Less complex refineries could find that additional residue, hydrogen requirements and processing costs offset the discount on heavy crude.

Ritolia estimated that Reliance was already importing about 300,000-350,000 bpd of Venezuelan crude, equivalent to roughly 20-25% of its crude intake. With Venezuelan production and exports showing signs of plateauing, scope for a significant increase in purchases could remain limited unless additional supplies become available.

Access to discounted Venezuelan crude could help Reliance strengthen its gross refining margin (GRM), but a sustained recovery in its premium over other Indian refiners would depend on feedstock availability and the broader refining cycle.

SUPPLY CHALLENGE

- Russian crude exit would strain supply chains for refiners and raise procurement, freight costs
- West Asian crude grades offer alternatives as Russian oil loses price advantage



- Venezuelan crude output growth may be limited to 100,000-200,000 bpd without fresh investment
- Reliance imports 300,000-350,000 bpd of Venezuelan crude, limiting scope for a major increase if supply plateaus

Opinion

FRIDAY, OCTOBER 30, 2026



DECODING INDO-US DEAL

Union Commerce Minister Piyush Goyal

On the contrary, India will stand at a very strong comparative advantage. And trade is about comparative advantage. Absolute numbers are not as important as your competitiveness to those you compete with

The layoff economy

India needs employers and govt to share responsibility for reskilling the workforce

THE PINK SLIP has become a feature of employment in Big Tech. Microsoft's latest voluntary buyout offer and Amazon's fresh job cuts underline how even the world's most profitable technology companies are reconsidering their workforces. This is hardly an isolated episode. Since 2022, Amazon, Microsoft, Google, Meta, and smaller technology companies have announced repeated rounds of retrenchment. Initially, these were explained as corrections to excessive hiring during the pandemic, when digital demand surged and companies assumed the boom would endure. That explanation has steadily lost its force. The layoffs have continued despite healthier balance sheets, rising share prices, and investment commitments. What is unfolding is not simply a cyclical adjustment but a structural change in how technology businesses expect to grow.

Several forces are at work. Investors have rewarded tighter cost controls and higher margins, while managements have sought to remove layers of bureaucracy and abandon projects offering uncertain returns. Artificial intelligence (AI) has accelerated the rethink. Companies are spending heavily on chips, data centres, and computing capacity, even as they question the need for large teams performing routine coding, customer support, testing, and administrative functions. Yet it would be simplistic to blame every lost job on AI. Some cuts reflect restructuring, changing customer demand, or earlier management mistakes. The distinction matters because technological progress should not become a convenient excuse for indiscriminate downsizing. There is a contradiction: businesses that once competed aggressively for talent now treat employment as a variable to be adjusted rapidly. Repeated layoffs damage morale, weaken institutional memory, and erode the trust on which innovation depends.

For India, the implications are serious. The country's information technology services industry has long linked revenue expansion with recruitment, offering millions of graduates a route into the formal workforce. That model is under pressure as global clients demand productivity improvements and seek to retain more of the savings from automation. Global capability centres, startups, and technology operations elsewhere face similar pressures. The greatest risk may be to fresh graduates: entry-level assignments in programming, testing, and support have traditionally served as training grounds, but many of those tasks are susceptible to automation. Companies cannot merely announce ambitious AI strategies while leaving workers to finance their own transition. Large employers should commit measurable budgets to continuous skilling, paid learning time, internal mobility, and credible certification. Industry associations can create shared programmes for smaller firms, while universities must update curricula with employers rather than teach yesterday's tools.

Government has a responsibility, though not to preserve every existing job. India's skilling architecture needs focus on emerging roles, from cybersecurity and data engineering to industrial automation and AI oversight. Public funding should reward verified placements and wage gains, not simply enrolment or certificates issued. Apprenticeships, tax incentives for employer-funded retraining, and portable learning accounts could help workers move between occupations. States should work with industry clusters to identify demand before commissioning courses, while stronger unemployment assistance and placement services would make transitions less punishing. None of this absolves corporate boards of accountability. Workforce plans should be examined as seriously as capital expenditure, with transparent disclosures on job creation, displacement, and retraining outcomes. The industry cannot celebrate record investment in intelligent machines while treating human capabilities as disposable. Innovation will alter employment; whether it produces wider prosperity or deeper insecurity depends on choices companies and governments make now, especially for a young and rapidly expanding workforce.

PLATFORM OVERHAUL

SEBI SHOULD SEQUENCE PROPOSED REFORMS TO REWRITE IPO RULES FOR THE SEGMENT

SME sector coming of age

SANDEEP PAREKH

Managing Partner, Finsec Law Advisors



THE SME PLATFORM has grown up. That, at least, is the premise of Sebi's consultation paper of October 14 which proposes a near-complete rewrite of the rules for initial public offerings (IPOs) by small and medium enterprises. Most of the proposals point in the right direction. The difficulty lies in making all of them at once.

As of July 31, 1,496 companies had listed on the SME Platform, raising ₹40,222 crore, with a combined market capitalisation of about ₹4.7 lakh crore. Of these, 365 have since migrated to the Main Board. A window for small businesses has become a market in its own right. Its rules should reflect that scale, and the differences in size and maturity among the companies listed on it.

The most overdue proposal concerns eligibility, which today turns on post-issue paid-up capital. Sebi proposes to use post-issue market capitalisation at the offer price instead. An issuer valued at up to ₹1,000 crore would have to list on the SME Platform. Issuers valued above ₹1,000 crore and up to ₹4,000 crore would have the option to do so, if their restated consolidated financial statements follow Ind AS (Indian Accounting Standards).

Paid-up capital measures the face value of shares, not the size of a business, so the principle is sound. The thresholds are another matter. In the last three financial years, at least 40 Main Board IPOs were valued at ₹1,000 crore or less, while the largest SME IPO was valued at ₹748 crore. An issuer that qualifies for the Main Board should not be compelled onto the SME Platform merely because of its size. A Main Board issuer whose valuation falls to ₹1,000 crore or below by the red herring prospectus stage would have to re-file under the SME framework. Conversely, letting an issuer worth five times the largest SME IPO list as an SME invites regulatory arbitrage. And since the offer price is set by the issuer and its bankers, the threshold is, to a degree, one the issuer chooses.

The profitability test would be tightened. Today, an issuer must have an operating profit (EBITDA) of at least ₹1 crore in at least two of the preceding three financial years. Sebi would replace this with an average operating profit of not less than ₹3 crore per year over the same period. The higher figure is welcome; the averaging is not. Unlike the Main Board test in Regulation 6(1)(b) of the Issue of Capital and Disclosure Requirements (ICDR) Regulations, it does not require a profit in each year. One strong year could carry two weak ones.

Issuers have been paying for insurance that almost never paid out. A minimum subscription test, backed by a refund, is a more honest signal of demand

An issuer that fails this test would not be shut out. It could still list through book building if at least 75% of the net offer is allotted to qualified institutional buyers (QIBs). Retail investors would be capped at 10%, and the subscription refunded if the QIB portion is not met. As under Regulation 6(2) for the Main Board, the premise is that institutional judgement can stand in for a profit record. That holds only where institutional demand is deep and discerning, which Sebi should test in the SME segment rather than assume.

Today, an offer for sale in an SME IPO cannot exceed 20% of the issue size, and a selling shareholder cannot offer more than 50% of its pre-issue shareholding. Sebi now proposes a one-year holding period for shares offered for sale, as on the Main Board, while exempting QIB selling shareholders from both limits. The exemption would not extend to the alternative route, sensibly so. A route built on institutional validation should not double as an institutional exit. Otherwise, a cleaner exit could encourage pre-IPO investment by QIBs.

The underwriting proposal is the easiest to support. Currently, every SME IPO must be 100% underwritten, with the lead manager underwriting at least 15% of the issue on its own account. Sebi proposes to remove both requirements and adopt the Main Board underwriting framework, alongside a minimum subscription requirement of 90% of the offer, failing which application money is refunded.

Underwriting fees accounted for nearly half of the total issue expenses of SME IPOs on NSE in 2024-25. Yet the working group found that underwriters had to take up shares in only four SME IPOs in three years. Issuers have been paying for insurance that almost never paid out. A minimum subscription test, backed by a refund, is a more honest signal of demand.

The retail proposals call for the most caution. In March 2025, Sebi raised the minimum application to above ₹2 lakh to limit participation by smaller investors in a high-risk segment. Nineteen months later, it proposes to bring this back to ₹1 lakh, in four lots of ₹25,000. The trading lot would fall to one share, compulsory market making would go, and the lock-in on non-promoter pre-issue capital would be halved to six months. The IPO gate would stay at ₹1 lakh. On listing day, it would be the price of a single share.

The proposals do two different things. Replacing paid-up capital with market capitalisation, raising the profitability bar, and rationalising underwriting improve the structure of the market. Widening retail entry, easing exits for pre-IPO investors, and removing market makers change who bears the risk in it. Each is defensible on its own. Introduced together, they could alter the risk profile of the segment far more than any one reform suggests, and leave no way of telling afterwards which change caused what.

Sebi should sequence the reforms. The structural changes can go first. The retail relaxations should follow once the new eligibility filter has operated for at least a year and Sebi has seen the quality of the issuers it lets through. The platform may have grown up. Its newest investors should not be the ones to find out whether its issuers have.

Co-authored with ***Purva Mandale****, Associate, Finsec Law Advisors*

The thorium test for energy security

VP SINGH, PRADEEP S MEHTA, & SOHOM BANERJEE

Singh is a BJP leader and former Governor of Punjab; Mehta is Secretary General of CUTS International; and Banerjee is associated with the Jaipuria Institute of Management

Realising its advantages will require sustained investment in technologies and industrial systems that turn mineral wealth into affordable power

A PART OF India's nergy future may lie beneath its own coastal sands. The Atomic Minerals Directorate for Exploration and Research has identified 1.18 million tonnes of thorium oxide within 13.15 million tonnes of monazite. A commercially viable domestic thorium fuel cycle could diversify India's fuel options, reduce exposure to overseas supplies, and support reliable low-carbon electricity. Realising such benefits requires sustained investment in the technologies and industrial systems that turn mineral wealth into affordable power.

The International Energy Agency (IEA) expects India's electricity demand to expand by 6.4% annually during 2026-2030, adding over 570 terawatt-hours (TWh) to annual consumption. India's 24 nuclear reactors account for 8.78 gigawatts (Gw) and around 3.1% of electricity generation. Their commercial output reached 55.19 TWh in 2025-26, at a 79% plant load factor. The ambition of reaching 100 Gw by 2047 encompasses several nuclear technologies. Thorium cannot be assumed to supply that expansion.

The constraint begins with physics. Thorium-232 is fertile, and it must be converted into fissile uranium-233 before it can sustain the relevant chain reaction. Starting the process requires another fissile material; expanding it requires adequate fuel inventories and recycling facilities. India's three-stage programme addresses these dependencies through uranium-fuelled heavy-water reactors, plutonium-fuelled fast breeders, and, eventually, systems using uranium-233 bred from thorium.

The 500-megawatt (Mw) Prototype Fast Breeder Reactor's first criticality on April 6 advanced this strategy. A parliamentary reply in July indicated full commissioning was expected by March 2027. Establishing a sustained chain reaction precedes the harder test of reliable commercial operation and fuel production. India has also recovered uranium-233 and designed the 300-Mw Advanced Heavy Water Reactor, but neither achievement establishes the economics of a thorium fleet.

China offers another lesson. Its experimental molten-salt reactor demonstrated thorium-to-uranium conversion, announced in November 2025, at a thermal rating of 2 Mw. India's government acknowledged in March that thorium molten-salt technology remained immature and its economics required demonstration.

An established uranium industry has reduced incentives to change fuel systems. Thorium processing involves chemically resistant fuels, while recycled fuel can require remote manufacture. Molten-salt systems add demanding questions about corrosion, materials, and salt chemistry. Domestic mineral abundance acquires strategic value only when these capabilities operate together at an acceptable cost.

Its contribution to energy security will ultimately be established through electricity delivered reliably at a price consumers can afford

Kaiga's two new 700-Mw units carried a reported ₹21,000 crore cost, under revision, equivalent to approximately ₹15 crore per Mw. The Nuclear Power Corporation of India's average tariff, net of levies, was ₹3.90 per kilowatt-hour in 2025-26. These conventional nuclear benchmarks offer context, rather than a thorium price. The OECD Nuclear Energy Agency's 2015 assessment placed the entire fuel cycle at roughly 15-20% of nuclear electricity costs. Cheap feedstock has limited scope to compensate for costly finance, construction delays, or poor availability.

Consider the scale involved. A hypothetical 10-Gw fleet operating at an 85% capacity factor would generate 74.5 TWh annually, approximately 13% of the additional annual demand projected by the IEA for 2030. This establishes the potential contribution without suggesting that India can deploy such thorium capacity within that period.

India should therefore establish a funded demonstration programme with independently reviewed milestones. The department of atomic energy should publish a coordinated plan linking fuel qualification, reactor commissioning, recycling readiness, and waste treatment. Subsequent funding should depend on demonstrated availability, material recovery, and operating costs. Publishing non-sensitive results would make progress assessable and strengthen investor confidence. Successful demonstrations would justify larger commitments and create opportunities for domestic manufacturers.

A parallel route deserves testing in existing heavy-water reactor platforms. Advanced Nuclear Energy for Enriched Life combines thorium with enriched uranium; Canadian Nuclear Laboratories announced demonstration-bundle manufacturing in April. NTPC and Clean Core are exploring Indian deployment, subject to approvals. Bounded irradiation trials and regulatory review should establish performance before procurement. Enrichment costs and fuel-supply guarantees must enter the assessment, since imported enriched uranium would preserve an external dependency.

The industrial groundwork needs equal attention. Tarapur's Integrated Nuclear Recycle Plant and Kalpakkam's Fast Reactor Fuel Cycle Facility were under construction in July, supporting the uranium-plutonium programme. Their progress strengthens India's wider recycling capabilities; industrial thorium recycling will require additional development and qualification. Reactor and fuel-cycle schedules should advance together, while testing facilities, Indian universities, and manufacturers build expertise in specialised components and remote handling.

Public research funding should cover experiments whose benefits extend across the industry. Commercial plants should face independent cost appraisal, construction contingencies, and explicit allocation of delay risks. Tariffs must account for processing, waste, and decommissioning. Comparisons with renewable alternatives should include the storage and grid investments needed to deliver equivalent reliability.

Industrial customers could eventually anchor demand through long-term purchase agreements once operating performance supports credible pricing. Such contracts should reward availability and predictable delivery. The government must also preserve independent regulatory scrutiny as investment expands, so that commercial urgency does not compromise the safety standards on which public confidence and financing depend.

Siting decisions should address cooling, grid access, emergency preparedness, and local acceptance early. Environmental disclosure and financed waste arrangements can reduce disputes. Diversified uranium supplies, appropriate fuel inventories, and completion of proven nuclear projects should accompany investment in grids, storage, and efficiency. Thorium deserves sustained investment governed by measurable results. Its contribution to energy security will ultimately be established through electricity delivered reliably at a price consumers can afford.

Australia pops the data centre bubble



SHULI REN

Bloomberg

NOT IN MY backyard or in my retirement fund. Australia is giving us a chilling preview of how fast the trillion-dollar AI data centre buildout can unwind.

Public announcements of new projects have gone into overdrive this year. Builders are planning to add around 23 gigawatts of compute capacity, up from just 6 gigawatts in February, according to the Commonwealth Bank of Australia. The country is seen as a prime destination: It's priced competitively—rental rates in Sydney are half of those in Singapore—and the biggest cities have more space, unlike crowded urban centres like Hong Kong and Tokyo.

But odds are that most of these won't materialise. Local communities are increasingly vocal, and successful pushback by one emboldens campaigning by others.

Projects have been halted at an alarming speed. In late September, Goodman Group, Australia's biggest property developer, scrapped a plan to build a 90-megawatt facility in a Sydney suburb. In early October, Firmus Grid's 288-megawatt Bell Bay site in Tasmania was hit with appeals just weeks after receiving local council approval.

Then the most damaging news came last week. Data centre manager Nextdc slashed its earnings forecast and placed development plans for one of its major facilities in Melbourne on hold. Electricity provider Jemena had suspended work to deliver more power to the M3 facility, which already has 60 megawatts in operation, because of opposition to the installation of 22-m-high power poles.

Only about one-third of planned developments in the pipeline can be delivered by 2030, according to Goldman Sachs Group, which tracks 7.5 gigawatts of projects that are mostly located in Sydney and Melbourne. Nextdc's M4 facility, also in Melbourne, for instance, has only a 13% chance of success, according to Goldman. The 150-megawatt campus, approved by the state government at the start of 2026, is facing fierce backlash from residents.

Project withdrawals have occurred at all stages, including more advanced ones when data centre connection requests have been completed. The median probability of a development progressing to completion is only 28%, according to the CBA, using data from the Australian Energy Market Operator. In some ways, these builders resemble biotech firms, risking vast sums to develop one product, only to have nothing to show for it in the end.

From data centre hotspot to unexpected failures, a drastic shift in Australia's business conditions perhaps explains why capital markets have reacted so violently. Firmus had to pull a much-anticipated IPO in October despite being a venture capital's darling just two months earlier. Similarly, Nextdc's A$1.1 billion ($773 million) convertible bond, issued in September at a meagre 1.75% coupon, is now yielding a whopping 12%. Nextdc's shares have tumbled more than 40% since the hybrid's issue.

UniSuper, one of Australia's top pension funds, decided not to take part in Firmus' IPO and is steering clear of direct investments in data centres. In hindsight, it's a good call. As we've seen with Nextdc, using valuation metrics more suited to fast-growing firms, such as comparing a company's enterprise value to its revenue, or EBITDA, exposes investors to sudden event-driven shocks.

It's clear by now that having permits alone doesn't necessarily give developers the social licence to operate. We need to look at each project separately—including its location, timing, financing, and local political dynamics—before saying with confidence that it will be a cash-generating asset. Are investors prepared to get their hands dirty?

It's easy for these unicorns to lose their shirt over opposition from a tightly knit community. Their business model is not only capital intensive, but precarious.

LETTERS TO THE EDITOR

Capital seeks credibility

Apropos of "Capital gains" (*FE*, October 29), the landmark Jio IPO, alongside other major offerings, shows that access to capital is never a bottleneck for businesses with strong fundamentals and reasonable valuations. The enthusiastic participation of FPIs highlights the depth and maturity of India's primary market. FPI net selling in the secondary market shouldn't be misinterpreted as a loss of confidence in India's growth story. Rebalancing portfolios towards high-quality, scarcity-value primary listings is a rational investment approach. Viewing successful IPOs as a threat that drains liquidity from secondary bourses misses the broader picture. What is dampening secondary market performance is subdued corporate earnings growth, further constrained by macroeconomic pressures. To reignite momentum there, India Inc needs stronger, consistent profitability rather than fewer primary issuances.

—Sanjay Chopra, Mohali

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A thought for today

Humans can exist without justification, and there does not need to be any evolutionary explanation for...say...picking your nose

SAUL J NEWMAN

Crash Course

Public transport deserves better anti-collision tech

Birds almost never collide. Ten years ago, University of Queensland researchers made parakeets fly at each other inside a tunnel, 102 times, with zero collisions. We humans don't have this gift even with our most advanced technologies. On Thursday, two choppers collided in Oregon. Wednesday saw a deadly train accident in Spain that took almost 70 lives. In March, an Air Canada plane hit a fire truck at New York's LaGuardia airport, killing both pilots. Last year, a US military chopper and an American Airlines jet collided mid-air near Washington, DC, killing 67.



Parakeets dodge collisions by turning right. What does the most 'intelligent' species do in a jam, for instance at the doors of a train? We block each other's paths. That's why we've always needed external traffic management systems, like red and green lights. When the Spanish trains collided, their computerised LZB safety system was down, and a human controller had reportedly cleared one of them to run at 200kmph. In the LaGuardia case, two air traffic controllers (ATCs) had left their seats. In the Washington crash, the military chopper didn't have a collision avoidance system.

Knowing that we can't trust ourselves to stay clear of others, investments in technologies and systems that prevent collisions are vital. Yet, last year, US had 6% fewer ATCs than in 2015, despite having 10% more flights. Its ATC communications hardware is so outdated that thousands of flights were grounded due to an outage in Sept. In India, govt admitted to a 23% shortfall of ATCs in Feb – 1,279 of 5,537 posts were vacant. Oddly, while public safety systems are creaking, world's pouring money into safer cars. By one estimate, 94% of new cars, globally, will have advanced driver assistance systems by 2035. Even India wants to make ADAS mandatory from 2032. That's good, but public transport systems deserve more attention.

Beam Me Up

Star Trek fantasies remain illusive and attractive

Trekkies are arguably the world's first modern media fandom. Their letter-bombs made sure Nasa named its very first space shuttle Enterprise, after the *Star Trek* mother ship. Through its different iterations, including the one starring Patrick Stewart, the franchise has also inspired people to actually become scientists, engineers, astronauts. Or to speak Klingon. "To boldly go where no man has gone before," is perhaps no less quoted than, "That's one small step for man, one giant leap for mankind."



Since the original series debuted in 1966, we have bought quite a lot of its Enterprise into our daily lives. Like automatic sliding doors, cellphones, MRIs. But there are no teleportation, no warp drive, no human has gone beyond the Moon. Science fiction depends too much on fantasy and implausibility, for it to come true in one lifetime, or even many. Another notable change is that the more the genre has expanded, the more that Apollo-era optimism has been abandoned to the elements. Stanley Kubrick to Ridley Scott to Bong Joon Ho, things have gotten much darker.

Another thing is that Hollywood's gotten competition. It no longer has a monopoly on imagining humanity's future in space. China, for example, in just a decade has gone from zero to *The Wandering Earth* and *3 Body Problem* heroes. As if somebody at the deck is commanding, 'All hands, battle stations! Divert all available auxiliary power to the thrusters!'

Immortality: How Not To Sell It

Scientist shows modern longevity research math doesn't add up

Sometimes, acknowledgements speak more to a book's journey than any of the straight-speak within its pages. Given the world's fascination, and fetishes, with anti-ageing and longevity, it is, therefore, no surprise that research fellow at Oxford University's Institute of Population Ageing, ***Saul Justin Newman,*** includes in his mentions the many who 'unhelped' the book – putting up 'obstacles' to its publishing by MIT Press.

In the first half of ***Morbid: Debunking Modern Longevity Science,*** the interdisciplinary scholar unspools the reels of shoddy science that run the longevity make-believe industry. Starting with his realisation that the sector has no functional research culture – the most basic scientific inquiry invited hostility from the community – Newman started 'to track down the world's oldest people one by one'. Only to discover that the so-called blue zoners, or oldest centenarians, the 115-year-olds etc, were either without documentation or simply lying. Say, 100 grown-ups lie they're 10 years older, in a crowd of 1L really that age. The liars are younger, healthier, live longer than the honest lot.

mindfield
SHORT TAKES ON BIG IDEAS



The liars are left standing – from a tiny sliver of the crowd, they become most of it. By the time everyone's 'super old', nearly every 'oldest person' on paper is a liar. Many are frauds, like an heiress who stole her mother's identity to skip inheritance tax. The book says, 'tens of thousands of the world's oldest living people were secretly dead.' The numbers matter – wrong age data means wrong retirement math, and that affects everybody's money.

Founding companies to study the 'problem of ageing' has been a 'routine event' since 16th century. But scientists don't know why we age. Suffice to know there's no single limit to ageing – compare the idea to wealth. Just because a trillionaire is world's richest today hardly means it's the limit of wealth that can be accumulated. That said, 'there are many limits to human life that change rapidly and unpredictably over time and space.' But 'the diversity of human lifespan limits' has never been measured. Instead, a fake science flourishes without any 'soundness of ideas'.

Selective science produces papers, conclusively debunked, but not retracted from top journals, allowing for more bunkum science. Why, asks the book. Newman skewers dubious scientists and billionaire funders of longevity research, as charlatans. The science, here, is 'peripheral', 'an extraordinary capture of ageing science by strip-mining capitalism'. Without exception, they're 'a trail of failed businesses'. Remember how anti-ageing molecule Resveratrol flopped? Such 'science' is sustained by 'an odd collection of donors and funders that drive a feedback loop of hype and funding, for the simple reason they're ultra-wealthy and don't want to die.' Vitalik Buterin, Peter Thiel, Bryan Johnson, Bezos – it's a long list – they're not 'thought leaders' in ageing. They are just 'some guy'. Reason they impact ageing research is because 'they have the money to fund whatever thought pops into their head.'

That is not to say ageing research isn't an important or serious field. Newman walks us through evolution, Darwin's own queries into 'survival of the fittest', locates Haldane's kin selection & altruism's role in ageing, explores bees, ants, snails, menopause, sterility, death-by-sex (salmon)…And humanity's total understanding of longevity in plant science – bamboo, wheat and maize, and what research can achieve. The simple point. Medicine has always been about ageing science. But research is hard work, there are rules, science needs patience and proof, not 'bullshit'.

Man, Machine, Math...What's Next?

OpenAI's AI models may have solved a complex problem mathematicians have been trying to solve for long, but mathematics, and all sciences, will still be fundamentally a human quest

Atanu Biswas



Historically, science has been humanity's quest for wonder. Pursuit of knowledge, in terms of scientific research, certainly needs creativity. Often, it requires decades of effort, too. The reward is not only new knowledge, but also, the excitement that comes from understanding world's mysteries.

But AI today is transforming the process of scientific research in an irreversible way. We're astonished to see AI can find possible solutions to long-standing math problems, and build seemingly magical proofs, with amazing speed. Question is, what will be the shape of science in the process?

Recently, OpenAI claimed its AI models have solved the famous Navier-Stokes problem, one of the million-dollar Millennium Prize Problems, and hundreds of other long-standing mathematical problems.

Anthropic claimed its AI formalised proof of Fermat's last theorem. These have intensified the debate of the future of math and science, as a whole.

Terence Tao, a Fields Medal winner and a leading mathematician of our time, called the 'Mozart of Math' by peers, said that math may be moving from its romantic era into the industrial era. In the romantic era, mathematicians attempted to scale intellectual mountains, often without knowing even the existence of a path leading to the peak. In contrast, AI might flood today's industrial age with results and proofs. Human mathematicians still need to perform some difficult tasks – verifying, organising, and interpreting AI-generated results. But is the future so bleak that humans are afraid of it?

AI is created, and directed, by human beings. Its programmes are written by humans, it builds on human discoveries. Human-created data is its lifeblood. Thus, not only does an AI model perform humanlike thinking to some extent, it also takes cues from partial human progress, uploaded on the internet.

For example, Tristan Buckmaster, an NYU mathematician working on the Navier-Stokes problem, said, "There's likely to be a bunch of results where they take someone's work and then take it to completion." And what would happen, if a human mathematician worked for years on a difficult theorem and discovered suddenly that an AI system solved it overnight? Understandably, there's a growing backlash against the way AI is used to tackle mathematical problems.

There's another deep problem in AI-generated solutions. When AI solves difficult math problems, they're often very difficult for human understanding. Some mathematicians even went on to tag them as "not written for humans". The question, thus, is, do such AI-written papers teach us much?



Image: AI

In 2010, William Thurston, another Fields Medal winner, argued, "The product of mathematics is clarity and understanding. Not theorems, by themselves." And as mathematician Ron Buckmire of Marist University put it – purpose of math "is to solve problems to 'promote human flourishing', and to help us articulate our understanding of the world around us in precise language."

The goal has never been to make a warehouse of results and their gigantic solutions. What if human mathematicians are unable to understand the long and messy AI-created proofs? It may just be like reaching the peak of a mountain and reporting about it. But, for humans, the journey is perhaps no less important than the result. If we can't see the way, what lessons do we learn from it?

There's hope in the history of math, too. Mathematicians build one tower of ideas after another. Concepts are empowered by new ideas. Unexpected connections emerge between apparently disconnected branches of science.

But calculators haven't killed math, and computers couldn't kill mathematical thinking, either. In 1997, when IBM's supercomputer Deep Blue beat then-world chess champion, Garry Kasparov, it was seen as a triumph of machines over human intellect. But chess survived. Human players continued to learn from AI-powered chess engines, even though the nature of expertise might have changed.

One can argue scientific research is different from playing chess. But, we can adapt, pass through this storm of disruption, and learn using machines as supporting instruments of research. The current AI storm may reshape the landscape of math and scientific research, but it wouldn't be able to bring an end to the human journey towards knowledge.

Many believe physics may be the next after math. But physics has a distinct advantage. It needs support from observation and experiment, and the universe doesn't have to agree with the machine. Chemistry, biology, and medicine are no different. For some time now, OpenAI CEO Sam Altman has been expressing the hope that AI will help solve some of humanity's toughest challenges, including curing cancer.

Suppose AI finds a treatment for a cancer, yet incurable. Would we say 'NO' to it because it was AI-invented? Can we afford to demand it should be reinvented by human scientists to prove humans' intellect? This would be vanity over practicality. A discovery's importance doesn't depend on whether it's invented by AI or a human. If it helps people survive or live a better life, that's more important than human 'ego'.

But it isn't as if the romantic era of science – including math – is not coming to an end, but is transforming in nature. Romanticism in scientific research might be redefined, taking cue from chess, perhaps.

Terence Tao compared using AI to solve a hard math problem, like having machines that can lift weights for you at the gym. Or reaching the peak of a mountain by helicopter, where you miss the thrill of actually climbing it. Clearly, at the moment, humans are puzzled. However, I believe we'll eventually make machines our intellectual labour, and, using human intellect, find romanticism on that journey, too. We'll also ensure the summit we'll conquer, with its help, will be worth reaching. What's more, new summits to climb might be discovered.

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

Why Every Generation Thinks It's Worse Off

We have more than our parents did. But what were near-miracles for our mums & dads, are our everyday expectations. So, we think, what's the big deal

Arnab Ray



If one thing most acutely characterises the generation gap, which the dictionary defines as a difference in opinions, values, habits, and worldviews between generations, it's an older generation's inability to understand why the younger generation is so unhappy.

I, Generation N, used to hear this from Generation N-1: "You think you people have it bad. We grew up under the long shadow of partition, in a joint family where we shared everything, and here you are, sulking over the shirt piece you got from your uncle for pujo, complaining that it is a re-gift, whereas we got hand-me-downs, and what's that music you hear, no melody, only noise."

Also this: "What did you just say? Job situation is bad? Well, we went to college in Naxal times, no jobs at all, long lines at the ration shop, and if you do not believe me, let us watch the Mrinal Sen movie playing on our Telerama TV at 7 in the evening, in black and white, to understand how bad we had it, if only so you can understand how lucky you are."

Now I am my parents and my uncles and aunts. Which is why I am struggling to understand the discontent of Generation N+1. I tell them, you people think AI is a problem? I wish I had AI in my days, and YouTube, so that I would not have had to go from library to library to try to get a textbook I could not afford to buy, and then once I got it months later, go and photocopy the pages I needed, only to be told by an uncle, with a sneer, that back in their days they would copy books by hand.

The young tell me about the vanishing of entry level jobs, and the pressure of being compared to not just Sharmaji ka beta across the street, but every such kid on the planet. I remind them of simpler times, when I used to be happy playing cricket with my friends. Actually, that was never the case. I never got a chance to bat and I would be bullied for my fielding. But then again, no one recorded that on their phone and uploaded it to my friends' WhatsApp group, so I can safely create my own myth.

Of Life And Love
STORIES OF THE WAY WE ARE

It's not that I do not realise the problem. We all inherit, as part of our placement in history, a certain base level of happiness. But to us, that level is line zero, what we take for granted, and any happiness we feel, fleeting as it is, is defined by how much we move from that line.



Uday Deb

For happiness is a strange beast. It is only defined on the ascending slope of a curve, on very brief line-segments. Like the day of the promotion. Or when you open a letter of admission or an email from HR that you got the job. When you reach your vacation spot or when India wins a game.

And then that becomes the base level, ground zero, until something drops it, like a toothache. Once that goes away, you realise, again on that brief ascent of the slope back to painlessness, what a blessing it is to be pain-free, till in a moment you forget it all, and go back to the natural state of discontent.

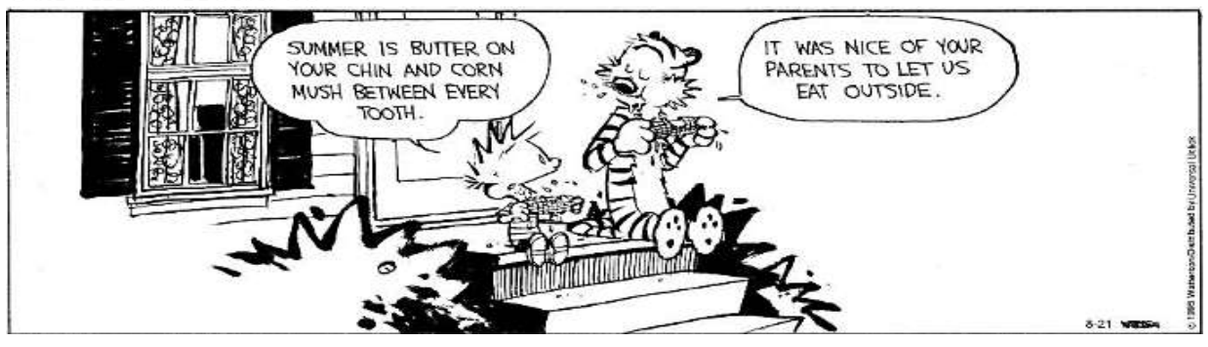
And that is natural. Human. No one feels blessed for the things we take for granted, electricity, modern medicine, just having a job, maybe not the one you feel you deserve, but just the privilege of being employed, the fact that there is no one bombing my city, the absence of physical pain, or the fact that our loved ones are alive and in good health.

This is the key to understanding the generation to come. It is true that their zero-line of happiness is at a higher plane than yours. That is human progress, but it does not, and should not, make them any happier, because happiness lives on the slope and never on the line, which is why the uncle who copied his textbook by hand was no happier than I was with my photocopy.

Many generations ago, people used to have surgery without anaesthesia. When someone is being wheeled into the operating theatre, reminding them of this fact and then blaming them for not being elated by it, would be a cruel joke.

For the pain and the uncertainties of every generation are as real as the edge of the scalpel. There will always be more people than places at the top, the shape of success will always be a sharpening pyramid. Using one generation's zero-level of happiness to delegitimise the insecurities of the next, not that I do not do it myself, is ultimately to reach across time and stab yourself, the sulking boy wearing that strange shirt and fielding behind the wicketkeeper.

Calvin & Hobbes



Sacred*space*



Smiles and tears are so alike with me, they are neither of them confined to any particular feelings: I often cry when i am happy, and smile when i am sad.

Anne Brontë,
The Tenant of Wildfell Hall

The Sweetness Between Laughter And Tears

Surakshit Goswami

Imagine Radha in viraha, her separation from Krishn. As she remembers him, a smile sometimes appears on her lips, and at other times her eyes fill with tears. In remembrance, she feels the joy of union, and before her stands the pain of his absence. Her love runs so deep that it holds both laughter and tears. Here, emotions stop opposing one another and become two forms of the same love.

In everyday life, human emotions seem to stay within their own borders. We laugh when we laugh, and we cry when we cry. Yet when happiness grows so great, tears begin to flow on their own. Life brings moments that blur the line between the two, and the mind can neither only laugh nor only cry. Something happens within that no single emotion can express.

Many of us watched this at Mukesh Ambani's Jio event, when his children spoke from the heart. His face showed laughter at one moment and tears at the next. Dismissing this as the reaction of an emotional father misses the occasion's depth. In his children's words, he was hearing more than a speech. He was hearing years of love, struggle, memory and closeness, and perhaps the very meaning of a life's work. When feeling reaches the depths of the heart, a person's expression departs from their usual behaviour.

THE SPEAKING TREE



Mukesh Ambani at the Jio event, as his children spoke from the heart

When joy breaks its limits, it does not remain only laughter. Sometimes it flows as tears, and sometimes it settles as a quiet smile. These can be different expressions of one and the same experience. In that moment, the mind cannot decide whether to laugh or cry as feelings surge within.

Our own lives hold such moments too. A word from someone close, an old memory, or the experience of an achievement can strike a chord in the heart. In those moments, tears are not weakness, and laughter is no proof of lightness. Both rise from the place in the heart where words begin to fall short.

Perhaps this is one sign of spiritual joy: the mind is not bound to any single expression. It laughs, it cries, and it stays immersed in some deeper experience between the two. Radha knows this in her longing, where remembrance and absence become one sweetness.

When the heart fills with emotion, the eyes and lips no longer speak separate languages. They begin to tell the story of one and the same heart.

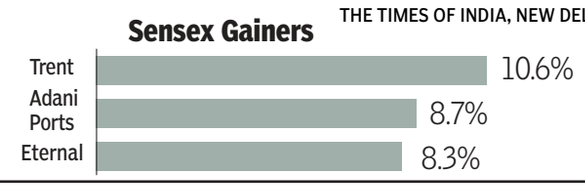
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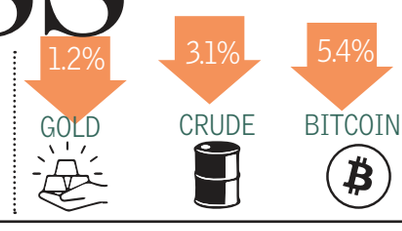
The Week That Was...

Markets Recover From Losses As Fed Reserve Holds Rates

Benchmark indices BSE sensex and Nifty rose about 2% each this week as US Federal Reserve kept policy rates unchanged. Markets were also supported by FPIs, who slowed their pace of selling

Sensex 1.8%





68%

FDIs made a strong comeback with inflows rising 67.7% to $11 billion in Aug, while net inflows were pegged at $3.3 billion as against net outflows of $103 million in Aug 2025

Source: Screener, Yahoo Finance

Sebi relaxes timeline for FPI KYC updates

Mumbai: To simplify the compliance process for foreign portfolio investors (FPIs) registered in India, markets regulator Sebi on Friday extended the periodicity of Know Your Client (KYC) review from one year at present to eight years."Currently, FPIs are subject to periodic KYC review annually or once every three years, depending on the applicable category and other criteria. The revised framework increases the periodicity from one year to two years and from three years to eight years," a Sebi circular said. For some special category of FPI labelled under Swagat-FIs, "the periodicity of KYC review will remain unchanged at 10 years. Also, the existing relaxations for GS-FPIs will remain unchanged," the circular said. TNN



Bank of Baroda net profit up 36% at ₹6,532 crore

Mumbai: Bank of Baroda reported a 35.8% year-on-year increase in standalone net profit to Rs 6,532 crore for the quarter ended Sept 30, 2026, from Rs 4,809 crore a year earlier, driven by a sharp rise in other income, higher core earnings and improved asset quality.
Net interest income (NII), the difference between interest earned and interest expended, rose 9% to Rs 13,026 crore. Interest earned increased 11.3% to Rs 35,085 crore. TNN

Underwriting loss hits ₹5.2k cr for New India

Mumbai: New India Assurance reported a consolidated net loss of Rs 1,260 crore for Q2 FY27, as underwriting losses of Rs 5,222 crore wiped out investment income of Rs 4,030 crore, including Rs 1,800 crore from partially selling its National Stock Exchange stake. The insurer provided Rs 715 crore for motor third-party claims. TNN

Fiscal deficit touches 42.1% of target in H1

New Delhi: The Centre's fiscal deficit touched 42.1% of the full-year Budget target in the first six months of the current fiscal year, according to govt data released on Friday. In absolute terms, the fiscal deficit, or gap between expenditure and revenue, stood at Rs 7,14,413 crore at Sept-end 2026, according to data released by the Controller General of Accounts (CGA). AGENCIES

NBFCs overtake housing as biggest driver of bank credit

Credit To Industry Stands At ₹3.7L Cr, Trade Absorbs ₹1L Cr

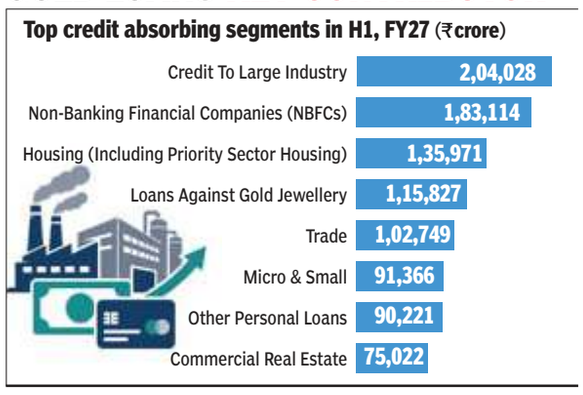
Mayur.Shetty
@timesofindia.com

Mumbai: Banks lent more to NBFCs than to home buyers in the first half of FY27, with advances to non-bank lenders rising by Rs 1.8 lakh crore, compared with Rs 1.4 lakh crore for housing. Of the Rs 16.1 lakh crore incremental non-food credit added between March 31 and Sept 30, industry accounted for Rs 3.7 lakh crore, while trade absorbed Rs 1 lakh crore, reflecting strong demand across corporate and services segments.

Scheduled commercial banks' outstanding non-food credit rose 19.1% year on year to Rs 229 lakh crore at the end of Sept, with the six-month expansion marking a 7.5% increase over March. Services accounted for the largest share of incremental lending at Rs 4.9 lakh crore, followed by personal loans at Rs 4.5 lakh crore, industry at Rs 3.7 lakh crore and agriculture at Rs 1.8 lakh crore.

GOLD LOANS KEY CONTRIBUTOR

Top credit absorbing segments in H1, FY27 (₹crore)



Gold loans continued to be a major contributor to retail credit growth. Outstanding advances against gold jewellery surged 82.6% year-on-year to Rs 5.8 lakh crore, rising 25.1% in the first half alone. Banks added Rs 1.2 lakh crore in gold loans between March and Sept.

Within services, lending to NBFCs grew 41.8% year-on-year to Rs 22.5 lakh crore. Commercial real estate advances rose 23.3% to Rs 7.5 lakh crore, while trade credit grew 23.9%. Services credit as a whole expanded 28.3% to Rs 64.9 lakh crore, accounting for 30.6% of incremental non-food lending.

Industrial credit grew 19.5% to Rs 49.8 lakh crore. While advances to large industries rose 16% to Rs 33 lakh crore, lending to medium enterprises grew 33.2% and to micro and small enterprises 24.4%. Of the Rs 3.7 lakh crore incremental industrial credit, large companies accounted for Rs 2 lakh crore and MSMEs Rs 1.6 lakh crore.

Agriculture and allied activities credit rose 19.5% to Rs 28.2 lakh crore from Rs 23.6 lakh crore a year earlier. Personal loans grew 17.3% to Rs 74.27 lakh crore, although the composition of retail lending shifted towards secured advances.One of the fastest-growing segments was loans against fixed deposits, including FCNR(B) and NRNR deposits. Outstanding advances in this category rose 53.3% year-on-year to Rs 2.2 lakh crore, increasing 28.1% in the six months to Sept. Banks added Rs 47,471 crore in such loans during the period.

These advances accounted for 10.6% of the Rs 4.5 lakh crore incremental personal loans during the half-year and 3% of the banking system's incremental non-food credit.

RIL Q2 net rises 34% to ₹29.5k cr

TIMES NEWS NETWORK

Mumbai: Reliance Industries, India's most valuable company by market capitalisation, reported a 34% rise in second-quarter profit for FY27 to Rs 29,550 crore on Friday, beating analysts' average estimate of Rs 21,419 crore. The increase was driven by strong performance at its oil-to-chemicals (O2C) and Jio digital services businesses. Revenue increased 29% to over Rs 3.3 lakh crore, while ebitda climbed 26% to Rs 61,224 crore. Expenses rose 28% to Rs 3 lakh crore.

RIL CMD Mukesh Ambani said the O2C business delivered a particularly strong performance in the quarter, led by tight fuel markets, improved petrochemical margins and firm domestic demand.

Ebitda at the O2C division, which accounted for 41% of total operating profit, jumped 68% year-on-year to Rs 25,203 crore. Stronger transportation fuel and downstream margins drove the gain.

O2C, JIO DIGITAL LEAD CHARGE

RIL's biz segments	Operating profit (₹ cr)	Operating profit growth in Sept qtr (%)
Digital services (Jio)	22,223	17.7
Oil to chemicals	25,203	67.9
Retail	6,120	-10.2
Oil & gas	4,901	-2
*Small biz (incl. media)	2,777	0.2

(Op. profit = Earnings before interest, taxes, depreciation & amortisation) *Including media, realty, FMCG



"This week marked a historic moment in Reliance's value creation journey with Jio's record-setting listing on Indian bourses. It demonstrates the depth of confidence investors place in Jio's solid foundation and strong growth visibility
—MUKESH AMBANI | CHAIRMAN, RIL

Jio Platforms, which made a blockbuster stock market debut this week, posted an 18% rise in ebitda to Rs 22,223 crore on strong revenue growth, operating leverage and a 250-basis-point margin expansion. Average revenue per user rose nearly 4% to Rs 219, helped by a better subscriber mix and increased usage, partly offset by broadband promotions.

Ebitda at the retail unit fell 10% to Rs 6,120 crore, even as revenue grew 6% to Rs 80,220 crore in the second quarter of FY27. RIL said performance was affected by the shift in the festive calendar to the third quarter.

Ebitda at the oil and gas division slipped 2% to Rs 4,901 crore due to lower revenue and higher govt levies. Ebitda from smaller businesses, including media and consumer products, was flat at Rs 2,777 crore.

RIL had a cash balance of over Rs 2.6 lakh crore, comfortably covering net debt of Rs 1.2 lakh crore. Capital expenditure totalled Rs 38,153 crore, largely driven by investments in O2C and new energy projects, and by the expansion of infrastructure and distribution networks of its consumer businesses.

The RIL board on Friday approved a plan to raise Rs 15,000 crore through listed, redeemable non-convertible debentures.

"This week marked a historic moment in Reliance's value creation journey with Jio's record-setting listing on Indian bourses. It demonstrates the depth of confidence investors place in Jio's solid foundation and strong growth visibility.

"I am proud to witness the rejuvenation of "the equity cult" originally pioneered by our founder-chairman during the 1977 Reliance IPO," said RIL chairman Mukesh Ambani.

AU Bank probes potential data leak

Mumbai: AU Small Finance Bank is investigating a potential data leak involving a Salesforce-hosted software platform that holds limited information relating to its vehicle loan customers, after a cyber threat intelligence platform flagged claims by a hacking group that it had breached the lender's systems. The bank said the incident involved a software-as-a-service (SaaS) platform managed and hosted by Salesforce.

"We reaffirm that the Bank's own systems remain unaffected and all banking services are operating normally," a bank spokesperson said. HackRisk.io, a threat intelligence and cyber-attack monitoring platform, flagged the alleged breach in a post on X on Oct 29. The ScarlettGroup hacking group claimed to have accessed sensitive customer and internal corporate data and threatened to release it. According to hackers' claims, the compromised information includes KYC records. TNN

PE-VC funding hits 2026 high of $8bn

Chennai: Private equity and venture capital (PE-VC) investments in India surged to $8 billion in Oct, the highest monthly tally so far in 2026, with a single $5.6 billion bank deal accounting for about 70% of the total. The surge came despite a decline in the number of transactions, according to data from Venture Intelligence (VI).

Investors closed 106 deals during the month, compared with 125 in Sept and 136 in Oct 2025. Key Oct deals included Fairfax Holdings' investment in IDBI Bank and KKR's investment in Gentari. Brookfield was linked to ESR's warehouse portfolio, while Simple Energy attracted investment from the Dr Velumani Family Office and others. Vegafin Capital received investments from Norwest, PremjiInvest, Lok Capital and others. Five mega deals, each worth at least $100 million, accounted for $6.97 billion of Oct's investments, or nearly 87% of the total. —G Balachandar

IOC profit surges 2.7x in Q2 on crude price decline

New Delhi: State-run Indian Oil Corporation (IOC) reported record profit of Rs 22,503 crore during the Sept quarter — a 2.7-fold jump over a year ago — driven largely by a decline in crude oil prices between July and mid-Aug and robust margins from the petrochemical and gas segments. In the June quarter, the company had reported a loss of Rs 1,241 crore due to elevated crude prices amid the West Asia war. IndianOil, however, warned that profitability in the upcoming quarters may again be impacted by inventory losses if crude oil prices fall with the normalisation of the situation in West Asia.

The company's consolidated revenue from operations rose 30% to Rs 2.7 lakh crore in Q2FY27, from Rs 2.1 lakh crore in Q2FY26. For the first half of FY27, IOC reported a consolidated net profit of Rs 21,361.5 crore, up 42% from Rs 14,999 crore in April-Sept FY26. TNN

GAIL net profit rises 139% in Q2

New Delhi: GAIL (India) on Friday reported a 139% growth in consolidated net profit to Rs 4,719.7 crore in the Sept quarter, as gas consumption increased following disruptions caused by the West Asia conflict. The company's consolidated revenue from operations rose 32.7% to Rs 47,301 crore. The board also approved in-principle listing of wholly-owned subsidiary GAIL Gas through an IPO that will result in dilution of 25% GAIL equity. TNN

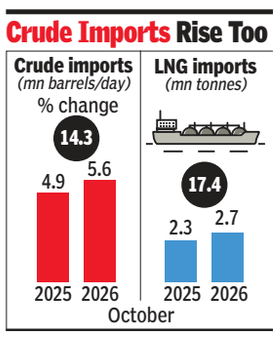
Power, fertiliser fuel LNG import surge

Atul Mathur@timesofindia.com

New Delhi: India's LNG imports rose 17.4% to a record 2.7 million tonnes so far in Oct on the back of higher demand from the power, fertiliser and city gas distribution sectors. Besides, more cargo arrived from Qatar and the UAE, data from maritime intelligence and research firm Kpler showed.

Crude imports also reached a record 5.6 million barrels per day (mbd) during the month, 14% higher than a year ago, with Russia remaining the top supplier, while shipments from West Asia and the Atlantic Basin also rose.

LNG supplies increased as India's domestic production has declined, pushing up the import dependence from 50% to nearly 52%. In addition, companies are seen to be stocking up the gas for the power sector, as solar energy is set to decline in winters, and the fertiliser sector will need higher feedstock for production.



According to Kpler data, the record LNG imports in Oct can be attributed to a sharp rebound in supplies from Qatar, which had remained curtailed due to disruptions in shipments through the Strait of Hormuz during the West Asia conflict. Qatar has traditionally been the biggest supplier of LNG to India, accounting for 40-50% of total imported volumes. In Sept last year, India imported nearly 2.1 MT of LNG, of which 0.8 MT came from Qatar. India received more than 0.4 MT of LNG from Qatar this month, the highest volume since the war broke out. The supplies were 370% more than the 0.1 MT received from the West Asian nation in Sept, and only marginally lower than the cumulative imports between March and Sept.

Despite its production facilities being impacted, sources said Qatar was willing to increase LNG supplies and meet its long-term commitments to customers.

The US, however, continued to remain the biggest supplier of LNG, with 0.6 MT of supplies till Oct 29. The UAE, Oman, Angola, Nigeria and Australia were other major suppliers during the month. Though Russian crude flows have declined from a peak of 2.8 mbd in July to nearly 2 mbd in Oct, Moscow remained the largest supplier, accounting for nearly 36% of total imports.

Nikhil Dubey, Kpler's lead analyst — refining, however, said elevated freight costs of Russian barrels had eroded their delivered-price advantage, while improved supplies from West Asia offered competitive alternatives to refiners. He said supplies from Gulf countries stood at around 2.3 mbd in Oct, compared with 2.7 mbd in Sept, with Saudi Arabia leading the pack, followed by Iraq.

Nasdaq bleeds: Faces $2tn wipeout in Oct

AI Spending Fears Deepen As Earnings Of Big Tech Cos Intensify Investor Scrutiny

More than $2 trillion in market value is set to be wiped from the tech-heavy Nasdaq 100 this month, as Big Tech earnings intensified investor scrutiny of whether the billions being poured into artificial intelligence can generate returns quickly enough.

The wipeout would amount to slightly more than SpaceX's entire market value. The index has fallen over 5.8% so far in Oct as the AI trade ran into turbulence, with hyperscalers Meta Platforms, Alphabet and Amazon.com raising spending forecasts further as they race to expand AI infrastructure.

The prospect of ever-bigger AI outlays has unnerved investors, particularly as rising borrowing costs threaten to make debt-funded investment more expensive and harder to justify.

Alphabet suffered its biggest one-day percentage drop on record on Thursday after disappointing results in the core business of search advertising and a massive acceleration in cash burn. Meta's plans for a record $97.5 billion fund raise heightened concerns about shareholder dilution and whether mounting AI spending could force other Big Tech companies to increasingly tap capital markets.

On Friday, Intel's stock led the way lower and was flirting with its worst day since 1974 after tumbling 30%.

Microsoft and SpaceX broke from the gloom, with results that showed AI spending starting to pay off.

"It may be that we've overestimated how strong the growth might be, but they're not going negative in aggregate," said John Bilton, global head of strategic research at Multi-Asset Solutions.

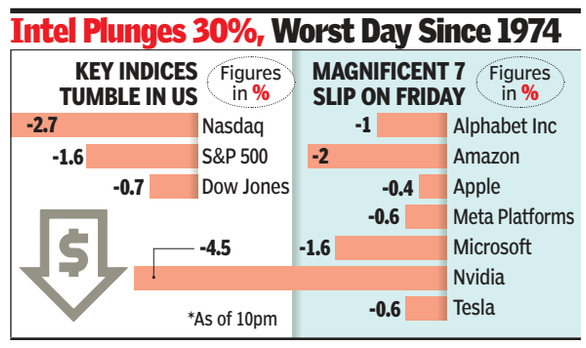
"We have an insatiable and growing demand for data." Microsoft is reportedly planning to raise about $25 billion through its first US investment-grade bond sale in more than nine years. Among other hyperscalers, Meta, Amazon and Alphabet have issued hundreds of billions of dollars in bond sales over the past four years, worrying investors about overreliance on the medium for raising capital. Morgan Stanley forecast capital spending on AI infrastructure overall will surpass a trillion dollars next year. AI companies' growing reliance on debt funding is emerging as a new risk for investors, challenging the view that the companies at the heart of the boom are insulated from macroeconomic pressures.

The concern is spreading beyond stocks to credit markets, where investors are starting to price in the possibility that rising financing costs, combined with slower returns on AI spending, could squeeze companies previously viewed as relatively insulated. Revenue across the "Magnificent Seven" has remained strong since ChatGPT's launch in 2022, showcasing insatiable demand and perhaps why investors were initially willing to back the spending, even as the timeline of payoffs remains uncertain.

Amazon's cloud computing cash cow, Amazon Web Services, continued to accelerate, while Meta offered better-than-expected revenue growth and an upbeat outlook. Microsoft also forecast strong cloud growth in its latest earnings report.

Big Tech has historically spent heavily on infrastructure to build and expand businesses such as cloud computing, online advertising and e-commerce, but the AI boom has pushed capital expenditure to dizzying levels. JP Morgan expects global AI capex to reach $5.5 trillion by 2030, and sees $900 billion being spent in 2026 alone. REUTERS

Intel Plunges 30%, Worst Day Since 1974



Rupee jumps 50p to close at 94.76

Mumbai: The rupee appreciated 50 paise to close at 94.76 against the US dollar on Friday, supported by a positive trend in domestic markets and a soft dollar. Forex traders said both the currency and the bond market found additional support from softer crude oil prices and the inflow of foreign funds. At the interbank foreign exchange market, the rupee opened at 95.21, then gained ground and touched an intra-day high of 94.75 and a low of 95.28 against the American currency and finally closed at 94.76. AGENCIES

Tech rout drives gold to 1-year low

Gold prices hit their one-year low on Friday while white precious metals silver, platinum and palladium slid deep into technically oversold territory, as tech shares slumped. Spot gold fell 3.1% to $3,897 an ounce — its lowest level since Oct 2025 — while silver dropped 6% to $49, breaking below $50 for the first time in 11 months, and palladium slid below $1,000. Gold is down 30% since hitting a record high of $5,595 in Jan due to bets on rates staying higher for longer and is currently under pressure. Reuters

Govt sets up committee to reform banking sector

TIMES NEWS NETWORK

New Delhi: Govt Friday set up a high-level committee under former central vigilance commissioner Suresh N. Patel to undertake comprehensive banking reforms, delivering on an announcement made by finance minister Nirmala Sitharaman in Union budget 2026-27.

The five-member panel, which includes RBI deputy governor Shirish Chandra Murmu, former RBI deputy governor N S Vishwanathan, former Indian Bank MD & CEO Padmaja Chunduru alongwith a finance ministry representative, has a tenure of six months to submit a roadmap aimed at reforms necessary to make Indian banking "globally competitive, financially inclusive, and resilient for Viksit Bharat, 2047," said govt.

The panel's mandate spans "structural, institutional, regulatory, and legislative" overhauls across commercial banks, regional rural banks (RRBs), cooperative institutions, and non-banking financial companies (NBFCs). Besides assessing long-term capital needs for banks and development financial institutions (DFIs) to spur private investment, the committee will evaluate priority sector lending norms, cybersecurity frameworks, AI adoption, and talent acquisition strategies.

This step marks the latest major structural review of the banking sector after Narasimham committee (1998) laid the foundation for tightening capital adequacy ratios and non-performing asset (NPA) norms, in the wake of 1991 liberalisation reforms.

Later, Raghuram Rajan committee (2008) advocated incremental structural shifts to expand credit access and financial markets, while Urjit Patel Committee (2014) advocated for inflation targeting by setting up the monetary policy committee.

'Play only administrative role in NCLT appointment'

New Delhi: A day after Supreme Court's observation on the role of ministry of corporate affairs in the appointment and infrastructure in the National Company Law Tribunal and the appellate tribunal, the ministry on Friday said it only performed "administrative" role in conducting the appointment process for the 63 judicial and technical members of the National Company Law Tribunal (NCLT)

"NCLT independently undertakes the process for appointment and management of its officers and staff, including deputy registrars, court officers, stenographers, office assistants and multi-tasking staff," MCA said in a statement.

In Oct 2019, govt delegated the responsibility to NCLT to ensure its effective and independent functioning, govt added. On Thursday, SC slammed the ministry for "completely hijacking" both NCLT and NCLAT, while hearing a petition regarding the dilapidated infrastructure, lack of support staff and vacancies, hampering the work in the tribunal that deals with corporate law and insolvency cases.

Trai proposes draft framework for responsible use of AI in tele networks

New Delhi: Trai on Friday proposed a comprehensive draft framework for the responsible use of artificial intelligence in telecom networks that would require service providers to adopt board-approved AI policies, establish dedicated governance and safety committees, and report serious AI-related incidents to the regulator.

The draft guidelines, released for stakeholder consultations, also seek to make entities accountable for the outcomes of AI systems deployed in their networks and services, "irrespective of whether AI systems are developed internally, procured/ outsourced from a third party or a combination thereof."

Telecom Regulatory Authority of India (Trai), in a release, said it has floated the "draft 'Guidelines on Responsible Use of Artificial Intelligence (AI) in Telecommunication Networks and Provision of Telecommunication Services' for stakeholders' comments". AGENCIES

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The Hindustan Times
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{ OUR TAKE }

Is Delhi ready for annual air crisis?

Firecrackers and farm fires are within the control of the courts and the State. Yet, we keep relying on the weather for reprieve

The Supreme Court spent Thursday's hearing on firecrackers asking the right questions. A bench of justices MM Sundresh and PB Varale pulled up the Delhi government and the Commission for Air Quality Management for failing to enforce last year's firecracker curbs. It demanded a record of inspections and seizures, and warned that orders without enforcement become "near mockery". Yet it also held to its position that a ban is not the answer, and indicated it is likely to allow green firecrackers in Delhi-NCR on specified days around Diwali, which falls on November 8.

Science and recent history show that this is a lapse. And this year, the case against it is stronger than ever.

Start with the fields. Early reports from Punjab suggest that rains have slightly delayed the paddy harvest. A late harvest squeezes the window between cutting paddy and sowing wheat and more farmers clear their fields the quickest way they can, by setting the stubble alight. If the pattern holds, that smoke is likely to reach Delhi as more of a gush than a trickle.

Then the calendar. The first half of November has consistently been the worst stretch of Delhi's year for air. Temperatures fall, winds drop, and the air holds on to whatever the city and its neighbours put into it. Last year, the court allowed green firecrackers in Delhi-NCR for a three-day window, the first such relaxation in years. Diwali fell in October, in warmer weather and with few farm fires, and Delhi still recorded its worst Diwali pollution peak since 2021.

And the city itself. Delhi is dotted with large infrastructure projects, many of them exempted from construction curbs even under the strictest stage of the Graded Response Action Plan, as this newspaper reported this month. The Centre has now ordered all construction and demolition across NCR halted from November 5 to 20, though exemptions remain and it is not yet clear how many projects they will cover.

Together, these make for a perfect storm for another air crisis. Over the years, only one thing has reliably pulled Delhi out of a bad spell: the weather. A strong wind or a spell of rain has done more for the city's air than any order or action plan, and no one can summon either. This week proved it: overnight rain has put Delhi on course for its cleanest October since records began in 2015.

Firecrackers are different. They are among the few sources of pollution that the state can stop with a single decision, as the Centre has just done with construction. By the most generous estimate, green firecrackers cut emissions by 30-40% per firecracker, so allowing them where none were permitted still leaves the city with more smoke. Last year's markets showed how little the label means: conventional firecrackers passed off as green, boxes stamped "eco-friendly" with no certification, QR codes resold, and no laboratory in Delhi to test any of it. Similar sales have begun this year, as this newspaper documented this month.

To be sure, the court has reasons for its caution. It is wary of orders that people see as coercive, and it has weighed the livelihoods of those who make and sell firecrackers. But this week's hearing showed that authorities could not police even last year's three-day window, and there is little hope that this will improve.

The wind and the rain have always been Delhi's only reprieve, and nobody has any say over them. Firecrackers, dust from construction projects, and farm fires are within the control of the courts and the State. The authorities now seem to have acted on construction. On firecrackers and farm fires, we still dither.

{ MINOR HINTS }

Rahul Sagar



Competition, merit define Macaulay's other key legacy

In 1833, when the UK Parliament revisited the East India Company's charter, Macaulay stood up to argue that the principle of competition should be applied to appointments in India



There can be no better way to commemorate Macaulay's birth than by appreciating his most important contribution: making public examination the route to the civil service. GETTY IMAGES

Last Sunday was the 226th birth anniversary of Thomas Babington Macaulay. Few British statesmen have left a deeper mark on India, or been more misunderstood in the country, than Macaulay. There can be no better way to commemorate his birth than by appreciating his most important contribution: making public examination the pre-eminent route to the civil service, a reform that weakened the hold of patronage and helped modernise public administration in India.

Today, Macaulay is invariably associated with his 1835 *Minute on Education*. In it, he argued that public funds be redirected from oriental learning towards teaching the English tongue, as the former was the medium of traditional knowledge, which contained "serious errors", whereas the latter was the language of modern learning, which embodied "useful knowledge". Critics have poured vitriol on this document. They argue that, by demeaning traditional knowledge and by elevating those educated in English, Macaulay helped create a deracinated class that served as an ally of colonialism.

This account is deeply flawed. Long before Macaulay arrived in India, Indians were flocking to schools to learn English and profit from it. Native opinion had "declared so strongly for English teaching", William Wilson Hunter wrote, "that Macaulay's eloquent Minute merely played the part of the shout at which the walls of Jericho fell." More importantly, Macaulay expected — and wanted — liberal education to foster a questioning spirit in India. When some of his colleagues in the UK Parliament expressed apprehensions about educating Indians, he forcefully replied that it would be immoral and imprudent to "stupefy and paralyse a great people...for the wretched purpose of rendering them more amenable to our control."

This celebrated speech in 1883, which one contemporary said might console those born too late to hear Edmund Burke, also contained the kernel of what would prove Macaulay's true contribution to India: an eloquent and effective defence of merit.

This intervention emerged from a particular context. In the late 18th century, the UK Parliament grew concerned about the quality of the East India Company's servants, whom Burke famously condemned as "birds of prey and passage" — men who lacked the motive and the knowledge to govern well. The problem was that appointments in India were the patronage of the Company's directors. The initial remedy was to train nominees at the East India College at Haileybury. But this did not change the fact that the nominees came from a small pool, with roughly three-quarters being either friends or relatives of the directors. Nor was there much confidence in the training offered at Haileybury; it produced an *esprit de corps*, but it did little to impart sympathy for or knowledge of India.

Thus in 1813, during a heated debate over the terms on which the Company's charter should be renewed, Lord Grenville, a former PM, proposed replacing the patronage system with "impartial selection" through "free competition and public examination". This would make appointments to India a reward of merit and ensure that civil servants were persons who had afforded some promise of superior talent, diligence, and virtue.

Grenville's idea was ahead of its time. But it was noticed by a rising generation that championed an aristocracy of the intellect. In 1833, when the UK Parliament revisited the Company's charter, Macaulay stood up to argue that the principle of competition should be applied to appointments in India. Was it not true, he asked his colleagues, that those who attain high distinction in the world are generally men who were distinguished in their academic career? The point was not what they had studied, but how well they had mastered it. The greatest proficients in any given subject, Macaulay contended, would generally be "the flower of the youth, the most acute, and the most industrious."

Parliament responded by authorising competition in a restricted form: For every vacancy, the directors would nominate four candidates, from whom one would be selected by examination. But the experiment was stillborn. The directors insisted that suitable candidates would not submit to a contest in which three out of four would be disgraced.

By 1853, Parliament had seen enough. Macaulay now pressed again for "academical competition". A mere qualifying examination, he argued, would leave examiners vulnerable to the father who came "with tears in his eyes" and the mother who wrote "heartbreaking letters". To prevent such appeals from lowering the bar, it was essential to follow the example set by Oxford and Cambridge, where candidates were ranked by examination. "The effect of competition is to keep up the standard," he memorably observed. This framework also meant, Macaulay underlined, that should Indians cultivate European literature and prove victorious in competition over European candidates, they would be, "as a matter of right", entitled to enter the civil service.

On this basis, the Charter Act of 1853 abolished the directors' monopoly over appointments. The following year, a committee chaired by Macaulay produced a design that remains familiar to this day: an open competition that tested broad learning and led to a published ranking of candidates. The first such competition was held in London in 1855, creating a new sort of civil servant whom Macaulay's nephew, George Otto Trevelyan, would later call the *competition-wallah*.

In the decades that followed, there would be ferocious debates over the merits and demerits of this "ruling caste". Britons complained that examination encouraged cramming, which produced bookish recruits lacking in the "manly" qualities needed to maintain the Empire. Indians, meanwhile, seethed when examinations were held in London and the age limit was lowered, both of which curtailed their chances.

These objections did not negate the broader achievement. By hinging appointments to the Indian Civil Service (ICS) on public examination, Macaulay and his key ally, Charles Wood, the president of the Board of Control, accomplished two great things: They weakened the hold of patrons over clients, and they gave merit a valuable outlet. In the decades that followed, the ideal of the public administrator was utterly transformed in India. This is not to say that the Native States did not value learning. Many avowedly fostered it. However, the connection between learning and public administration was tenuous in most States, with relatives and hangers-on often occupying important posts, leading news reports to routinely bemoan the dismal state of *darbars* and *darbaris*. The high calibre of the Indian members of the ICS stood in marked contrast to this scene, which is why, by the end of the 19th century, a return to the old order could scarcely be imagined.

A system based on merit produced a new worry, however — that fairness would be undermined by the unequal resources at the disposal of families. Tellingly, the first Indian entrant by examination was a Tagore. It is not difficult to discern what Macaulay would have suggested as the answer: not to lower the standard of competition but to raise up the competitors. This was why he sought both to foster liberal education and to uphold the integrity of examinations. There is, evidently, much we can still learn from him.

Rahul Sagar is a Global Network professor at NYU Abu Dhabi. His latest book is The Birth of Indian Liberalism. The views expressed are personal

The promise and perils of the peptide craze

A few days ago, a 45-year-old woman came to me seeking treatment for obesity. She was not diabetic, but was about 20 kilos overweight and could be a suitable candidate for medication. I began explaining tirzepatide (Mounjaro), including its benefits and potential side effects. She cut me short. "I don't want Mounjaro. I've heard a lot about its side effects."

I asked what she would prefer instead.

"Retatrutide. All my friends are taking it."

I asked whether she understood its potential risks and knew that it had not yet been approved for routine clinical use. She replied that she had learnt enough about it from Instagram and Reddit. Here was someone worried about the side effects of an established medicine, yet requesting a drug still under clinical development. This, in many ways, typifies the current peptide craze. The word peptide has acquired an almost magical quality. Peptides are discussed everywhere, from obesity clinics and gyms to social media and longevity centres. They are promoted for weight loss, muscle building, better skin, faster recovery, anti-ageing, and even longevity. Some of you might have read about the peptide party that was planned in Bangalore last month but had to be cancelled due to intervention by the authorities.

What exactly is a peptide? A peptide is a chain of amino acids, the building blocks of proteins. Our bodies naturally produce hundreds of peptides. Important hormones, including insulin, glucagon, oxytocin, and vasopressin, belong to this family. Insulin has been used for more than a century. Three developments explain the current enthusiasm. First, advances in biotechnology allow scientists to design and modify peptides with remarkable precision, improving their stability and actions. Second, the success of GLP-1-based medicines has transformed obesity and diabetes treatment. Semaglutide and tirzepatide demonstrate how manipulating hormonal pathways regulating appetite, satiety and metabolism can produce substantial weight loss. Third, social media and the wellness industry have extended the word peptide far beyond evidence-based medicine. Products are promoted for muscle growth, tissue repair, skin rejuvenation, and longevity, often with claims that far exceed the available evidence.



Ambrish Mithal

Retatrutide takes the GLP1 approach a step further, activating three receptors: GIP, GLP-1 and glucagon. Clinical trials have reported impressive weight-loss results, generating considerable excitement about its potential. It may eventually become an important addition to obesity treatment. But promising trial results are not the same as established long-term safety. And neither of the two is equivalent to regulatory approval. Further evaluation must establish its benefits and risks use.

Drug development is littered with molecules that showed promise in early studies but never became successful medicines. The journey from laboratory discovery to an approved drug requires toxicology studies, carefully conducted clinical trials, assessment of benefits and risks, manufacturing quality standards, and regulatory scrutiny. This process is an essential safeguard. Buying an unapproved product online and injecting it bypasses these protections.

Alongside legitimate medicines, an expanding market has emerged for compounds such as BPC-157, TB-500, CJC-1295, ipamorelin, AOD-9604, GHK-Cu, MOTS-c and epithalon. Open the minifridge of a 26-year-old fitness trainer in Vasant Kunj or a startup founder in Gurugram, and you might find, next to the eggs, a rack of small vials labelled BPC-157, TB-500 or CJC-1295 with ipamorelin. The labels sound scientific, and the claims are even more enticing. BPC-157 has shown interesting effects in animal studies on tissue repair. TB-500 is marketed for healing and recovery. CJC-1295 and ipamorelin are promoted for stimulating growth hormone release. MOTS-c is sold for metabolic benefits, while epithalon is marketed with claims relating to sleep and ageing. But biological plausibility is not proof of clinical benefit. Findings in cells or animals do not establish that a compound is effective or safe in humans. Most of these products lack the robust clinical evidence needed to support their marketing claims and are not approved medicines for wellness, recovery or longevity. Poor product quality and lack of dosing standardisation can result in reactions including local infections, even sepsis. A vial labelled "pure peptide" does not guarantee safety.

An influencer displays an MRI scan showing dramatic improvement after taking a peptide. What we do not see are the people who experienced no benefit, those who developed complications, or the possibility that the improvement had another explanation. Personal anecdotes can generate hypotheses; they cannot establish efficacy.

My patient's response illustrates a larger problem. Concerns about adverse effects deserve to be taken seriously and discussed openly. But there is a fundamental difference between rejecting a medicine because its risks are known and assuming that an inadequately studied alternative must be safer. With an established medicine, we generally have a much clearer understanding of its benefits, adverse effects, contraindications and precautions. With an investigational compound, important risks may simply remain undiscovered. The absence of known adverse effects is not evidence of safety. Sometimes, it merely reflects an absence of adequate study. Retatrutide is an exciting development in metabolic medicine. It deserves rigorous evaluation, not premature adoption. The same principle applies to the wider peptide market.

Insulin transformed diabetes from a once-fatal disease into a manageable condition. Modern incretin-based therapies are transforming obesity and type 2 diabetes treatment. The peptide revolution is real. But every molecule must be judged by the quality of evidence behind it, not by the enthusiasm surrounding it.

You are not a laboratory rat. A compound that produces an interesting effect in an animal is not necessarily suitable for human use. Nor should you become an unwitting participant in an uncontrolled experiment because a friend, fitness coach or social media influencer recommends an injectable product. Ask yourself: why does this supposed miracle treatment have to be bought from an online stranger, kept in a fridge next to your eggs, and injected on the advice of a reel?

The future of peptide medicine is exciting. But genuine progress depends on separating scientific promise from commercial hype. Before injecting a peptide, ask your doctor. Your health deserves evidence, not experiments.

Ambrish Mithal is chairman and head of Endocrinology and Diabetes at Max Healthcare. The views expressed are personal

The actual cause of India's R&D malaise

The latest Global Innovation Index placed India 38th. The commentariat will repeat what it says every year: Our R&D expenditure is only ~0.6% of GDP, against China's ~2.7% and Korea's ~5%; only 41% of our R&D comes from the private sector, compared to 70-80% in peer economies; and we have no patience with failure.

All these are true, but are mere symptoms. The root cause is the handicap our policy ecosystem imposes on the ease and cost of doing business. Even if an Indian firm's R&D gives it a better product, it cannot manufacture the product cheaply and quickly enough to beat global competition. Without the ability to win in world markets, the returns on R&D investment are too low. Thus, private R&D investment in India stays low.

Japan, Taiwan, South Korea and China all built globally competitive manufacturing before becoming R&D powerhouses. Each was first known for cheap, poor-quality products. Korean R&D was 0.26% of GDP in 1965 and 0.77% in 1980, while exports went from 2.6% of GDP in 1960 to 27.7% in 1980. R&D crossed 2% only around 1995. China passed the US in manufacturing output in 2008, when its R&D intensity was just 1.42%. The export take-off led, the R&D take-off followed.

Let's understand why. India's second-best-selling SUV today, Tata Nexon (marginally behind the new Tata Punch), sold one million units in eight years. The world's best-selling SUV, RAV4, sold 1.2 million units in 2024 alone. R&D investment at 3% of each model's projected lifetime revenue stands at ₹3,000 crore for the Nexon, and at ₹90,000 crore for the RAV4.

But Indian firms cannot bet on global revenue because tariffs on steel imports, expensive electricity, high cost of borrowing and uncertain logistics will prevent them from winning in world markets, no matter how good their R&D.



Rahul Ahluwalia

In global markets, a firm can only compete on quality and cost, and improving either needs R&D. What about innovating for the domestic market? At home, an Indian manufacturer can get its edge from regulations — tariffs on foreign-made products and domestically focused rules. Indian firms, thus, sit protected from competition, waiting for the world to innovate. And given the local conditions, is it even fair to remove their protections?

That's why levelling the playing field is the core challenge. An Indian manufacturer with a best-in-class product flings its mouth with one hand tied behind their back. With AI shortening R&D cycles, speed of execution is what will set countries apart. By the time our firms navigate high input tariffs, burdensome labour laws, poor quality cross-subsidised electricity, approval delays, tax and contract disputes and costly capital, any edge R&D gives them would have disappeared.

The solution is to deregulate until a factory in India sets up and operates at the same speed and cost as one in Vietnam. This sounds impossible, but it is doable. Instead of trying to solve every problem, all at once, give Indian entrepreneurs large, city-sized, globally competitive clusters free of approval and logistics delays, high electricity costs and input tariffs. Without globally competitive manufacturing eco-systems, all the government funding we throw at R&D will not get us the edge we want.

Rahul Ahluwalia is founder-director, Foundation for Economic Development. The views expressed are personal

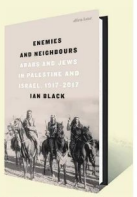
{ EDITOR'S PICK }

HT's editors offer a book recommendation every Saturday, which provides history, context, and helps understand recent news events

A DIVIDED LAND

The aftermath of the latest Israeli parliamentary election mirrors the fundamental Arab-Jewish divide that has existed since the creation of modern Israel. While Arab parties have registered historic gains, neither the two rival Jewish-majority coalitions have the numbers to form the next government.

The Guardian's journalist Ian Black, explains in *Enemies and Neigbours: Arabs and Jews in Palestine and Israel*, the roots of the schism and its present-day manifestations, with dispassionate clarity. The book begins with the conflation of the word Palestinian — originally denoting all residents of the region — with the narrower ethnic identification of Arab residents. It delineates the founding of Arab nationalism in response to late 19th-century Jewish arrivals from other parts of the world. The book details the episodes of conflict, including the Six Day War and the *intifadas*, to explain how Arab and Zionist nationalism in the region became irreconcilable.



Enemies and Neighbours
Ian Black
2017

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The Statesman
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Fragile Thaw

India's relations with China risk creating an illusion of stability while the fundamental dispute between the two countries remains unresolved. Reports of fresh military face-offs in Arunachal Pradesh, including allegations that Chinese troops pitched tents several kilometres inside territory claimed by India, raise an uncomfortable question: has New Delhi achieved a genuine reduction in border tensions, or merely a pause in their escalation? The remarks by Indo-Tibetan Border Police chief Shatrujeet Singh Kapur are significant not simply because they describe renewed confrontations, but because they expose the gap between diplomatic engagement and conditions on the ground. When a senior serving officer speaks publicly about sensitive border developments, the government owes Parliament and the public a credible account, indeed an explanation. Its failure to explicitly address the specific allegations risks allowing uncertainty to deepen, while giving the Opposition grounds to question its handling of China.

The memory of the June 2020 Galwan Valley clash, in which 20 Indian soldiers were killed, should discourage complacency. Subsequent negotiations and the October 2024 disengagement understanding helped reopen the path towards normalisation. But these developments were never substitutes for resolving the territorial dispute or establishing lasting military stability. China has compelling reasons to avoid another costly confrontation. Yet it can pursue its strategic interests without triggering a war. Persistent military probing, competing territorial claims and attempts to establish a stronger presence in disputed areas can gradually alter the circumstances in which future negotiations take place. Such pressure may yield advantages even without a decisive military victory.

India must therefore judge Chinese intentions by actions at the frontier, not by diplomatic courtesies in capitals. The economic relationship presents another vulnerability. Bilateral trade has expanded substantially, but the imbalance favours China, whose exports to India include machinery, electronic components, pharmaceutical ingredients and other critical industrial inputs. Restrictions on rare-earth magnets and tunnel-boring machinery illustrate how supply-chain dependence can become a source of strategic leverage. India cannot eliminate these vulnerabilities overnight, but diversifying imports, building domestic manufacturing capacity and investing in critical technologies must become sustained national priorities rather than episodic responses to diplomatic friction.

Nor can New Delhi assume that Washington will invariably provide decisive support in a confrontation with Beijing. American priorities under a mercurial President can change, particularly when economic engagement with China competes with strategic commitments elsewhere. India's security must rest primarily on its own military preparedness, industrial resilience and diplomatic capacity. The government need not disclose operationally sensitive information.

It must, however, explain the nature of the latest confrontations, clarify the status of disengagement and demonstrate that established arrangements are being respected. India should neither abandon dialogue nor mistake engagement for resolution. A durable peace requires verifiable restraint on the ground, reciprocal respect for existing arrangements and a credible capacity to resist coercion. Until these conditions are met, the thaw with China must be treated as an opportunity to consolidate India's position, not evidence that the danger has passed.

Fractured verdict

Benjamin Netanyahu has survived a political challenge, but survival is not victory. Israel's latest election has left his right-wing bloc ahead, but without the parliamentary majority needed to govern. The opposition, led by Gadi Eisenkot, has failed to assemble an alternative. The result exposes a deeper crisis: a country divided over whether security requires continuity of leadership or a reckoning with the failures of the past three years. The Hamas-led attacks of 7 October 2023, should have fundamentally altered Israel's political landscape. The intelligence and security failures preceding the massacre raised questions about the competence of a government whose central claim to legitimacy rested on protecting the state.

Netanyahu's opponents have also challenged his handling of the subsequent wars, his refusal to accept political responsibility and his dependence on far-right allies. Yet his enduring support demonstrates that accountability has not become the electorate's overriding concern. For many Israelis, the fear of hostile neighbours and regional adversaries remains more compelling than dissatisfaction with their own leadership. The strongest challenge to the established political order has come from Israel's Arab citizens, who account for roughly one-fifth of the population. Their increased turnout and projected parliamentary representation reflect a determination to translate citizenship into political influence. Their immediate concerns include violent crime, housing, education and what they regard as systematic discrimination.

Yet their votes could prove decisive only if Jewish opposition parties are willing to cooperate with them. Here lies the opposition's central contradiction. Eisenkot has presented himself as an alternative to Netanyahu but has resisted an alliance with Arab-led parties, despite the arithmetic that makes their support potentially indispensable. If he excludes them to avoid alienating right-wing Jewish voters, he risks preserving the very government he seeks to displace. If he accepts their support, he must persuade a divided opposition that democratic legitimacy cannot depend on the ethnic identity of those casting votes. The impasse also exposes the vulnerabilities of Israel's proportional representation system. With 120 seats in the Knesset and 61 required for a majority, smaller parties can exercise disproportionate influence.

Netanyahu's reliance on ultra-Orthodox and far-right partners complicates efforts to broaden his coalition, particularly over military conscription and the distribution of national obligations. His opponents face equally difficult compromises between security hawkishness and the political demands of Arab parties. Another election may consequently appear easier than forming a government across these divisions. But repeated elections cannot substitute indefinitely for political resolution. Nor would a renewed regional conflict necessarily strengthen Israel's long-term security if it further postpones accountability and deepens domestic fractures. The election has not delivered a decisive verdict on Netanyahu. It has revealed something more consequential: Israel remains unable to reconcile its demand for security with its need for responsible leadership, equitable citizenship and a credible political alternative. Until that contradiction is confronted, a new government ~ or another election ~ will offer postponement, not resolution.

A god who failed ~ I

In the summer of 1959, Mao abandoned the talk of imminence of the transition to Communism and overtaking the West in fifteen years. He realized that socio-economic transformation would be an arduous process. In this admission he showed more maturity than Khrushchev who made an elaborate plan of overtaking the USA in production and reaching full Communism by the 1980s



Unlike many other dictators of the 20th century including Lenin and Stalin, Mao is still revered by the diehards within and outside China. His portrait still hangs in Tiananmen Square. His position is comparable to Sun Yat-sen though his legacy is highly contested. Modern China has moved away from Mao's vision as it is a different world altogether. Deng never publicly criticised him and gave him a first division by stating that he was 60 per cent right and 40 per cent wrong.

Mao, next to Lenin, is rightly credited with the establishment of a new state with a new regime. Among the architects and makers of the twentieth century, he deserves an honourable place. His Marxism was pragmatic as it had its roots in Chinese history and philosophy. Initially a radical, he became a Marxist in 1918. Like Lenin, Mao did not create his country's Communist Party but framed its strategies which enabled it to achieve victory and acquire power. Like Stalin, he laid the foundations of a socialist economy, achieved collectivization of agriculture but established a personalized dictatorship as well.

Mao's most original contribution to Marxism since 1925 was in recognizing and accepting the revolutionary role of the peasantry whom he looked upon as the vanguard of the revolution. He viewed Chinese capitalism as potentially reactionary and alien. He observed that China had a rich revolutionary tradition and a splendid historical heritage but was sluggish in her economic, political and cultural development. Foreign intervention had led to structural changes within the country.

The Chinese 'new democratic revolution' had a dual nature. In its minimum programme it sought a United Front to overthrow feudal elements, bureaucratic-capitalists, foreign imperialists and consolidate the new democratic revolution that would inevitably lead to the establishment of a socialist and eventually a communist society. In its minimum programme it would aim for a gradual transformation of the non-proletarian classes in the United Front. Mao was vague about the length of time required for completing the entire process.

With regard to the Party organization, Mao adopted the Leninist concept of democratic centralism which envisaged free discussion within the party but strict compliance by all once decisions were taken. In reality, within the Communist parties of the former USSR and China there was greater reliance on centralism than democracy. But theoretically at least Mao was more conscious of the need for people's involvement as he advocated a mass line which meant consultation with local people. Maoism intertwined centralism and democracy with a theory of knowledge following the Leninist perception that the elite would lead and people were to be led.

Inheriting a bankrupt economy, the CCP initiated a series of measures to set the economy in order. Large capitalist enterprises were nationalised. The Land Law of June 1950 was adopted guaranteeing each individual at the age of sixteen a minimum land-holding such that a family of five would have about one hectare. Fearing that the peasants would oppose sudden collectivization and, after the negative Soviet experience, social reforms were gradually enforced.

The land of absentee landlords was redistributed to begin with and subsequently economic differences were narrowed through fiscal measures. Through the First Five Year Plan (1953-57) attempts to socialize the economy were initiated beginning with heavy industries and then light industries and retail enterprises, and finally to collectivize farms. The last two measures were stiffly opposed by the majority of peasants and small producers.





SUBRATA MUKHERJEE
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Stalin died in 1955. Mao was not happy with Nikita Khrushchev (1894-1971)'s policy of peaceful coexistence and was alarmed at de-Stalinization, as he adored Stalin. The complete break with the former Soviet Union came in 1957 because of ideological differences and territorial disputes. The de-Stalinization campaign and reforms initiated by Khrushchev led Mao to announce surprise initiatives in political liberalization. He welcomed criticisms of his government and its policies with the view to improve the system. This was called 'Let a Hundred flowers bloom, let a hundred schools contend' which was abruptly terminated following the virulent criticisms that poured in from all quarters. Needless to say, Mao was not prepared for such a shock. He reversed his stance and stifled all further criticism.

In the summer of 1959, Mao abandoned the talk of imminence of the transition to Communism and overtaking the West in fifteen years. He realized that socio-economic transformation would be an arduous process. In this admission he showed more maturity than Khrushchev who made an elaborate plan of overtaking the USA in production and reaching full Communism by the 1980s.

Mao believed in mass mobilization to attain revolutionary goals. Towards this end he launched various movements: the anti-landlord campaign (1949-52), Hundred Flowers Bloom Campaign (1957), The Great Leap Forward (1958-60) and The Great Cultural Proletarian Revolution (1966-70). Besides these, there were other smaller campaigns like the anti-insect and rodent campaign, anti-corruption movement, sanitary campaigns and tree planting campaigns that aimed at developing collective consciousness among the people.

Other than mass support, Mao was ready to use guerrilla warfare tactics as he felt these were necessary in less developed areas. This is summed up succinctly in his famous statement 'political power flows from the barrel of a gun'. To achieve a communist order Mao believed in the efficacy of violence and support from the masses. He was flexible in the context of means and ends. Like Engels, he realized the enormous importance of a standing army but he wanted to limit its power and presence. It was the party that would be supreme and be in complete control so as to ensure security, peace and prosperity. Mao's conception of guerrilla warfare inspired others like Charu Majumdar (1918-72), Frantz Fanon (1925-61), Che Guevara (1928-67) and Régis Debray (1940-).

It was during the Great Leap Forward campaign that Mao gave full expression to his vision of the socialist future: good material life for all, abolition of distinctions between town and country, between mental and physical labour, between workers, peasants and the intellectuals and the eventual dissolution of the state. True communism would be built through basic industries and a modern economy. The Great Leap Forward was intended to be a period of transition from socialism to communism. It tried to reverse the process of centralized heavy industrialization that existed during the First Five-year plan period by encouraging entrepreneurship among the people.

Every household unit was encouraged to produce or manufacture some useful product with the state providing capital and resources. The family as a social unit was undermined by extending communism beyond mere work and ownership as the idea of communal living was propagated. However, all these were abandoned for there was a steep fall in production and the threat of a famine loomed large. By the mid-sixties, backyard industries were abandoned and barrack communes disappeared.

(To Be Concluded)

The Korea Herald

Turning AI promises into lasting capabilities

South Korea's government is discovering that announcing large investments in artificial intelligence is easier than persuading companies and taxpayers that they will deliver lasting benefits. Recent confusion over the future of its sovereign AI program has exposed uncertainty about how major decisions are made and how success will be measured, a problem that additional spending alone cannot resolve. Its semiconductor industry provides a strong base for AI development, while dependence on foreign technology in other areas raises legitimate commercial and security concerns. These advantages and concerns justify a serious national strategy. They do not, however, establish that every government-sponsored model or semiconductor project deserves support, or that the size of an announced investment demonstrates the quality of the thinking behind it. The recent retreat in enthusiasm for AI investments should prompt the government to reassess whether its plans can withstand less favorable conditions. Although falling share prices should not dictate national technology policy or be taken as proof that AI has lost its economic potential, they highlight the risks of commitments that assume favorable conditions will continue indefinitely.

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The government announced its ambition to establish another semiconductor manufacturing hub before securing binding investment commitments from Samsung Electronics and SK hynix. That leaves a considerable gap between a political announcement and an industrial project that companies are prepared to finance. Semiconductor plants require reliable electricity and water, skilled workers, suppliers and years of preparation, while their commercial prospects depend on the chips they produce and market conditions when production begins. The government can help address infrastructure constraints, but announcing a location and an ambitious investment target cannot eliminate those uncertainties.

Regional development is a legitimate policy objective, but when it influences the choice of a manufacturing site, the government should explain the expected benefits, additional costs and alternatives considered. Without that explanation, even a potentially useful project risks fueling suspicions that electoral considerations took precedence over industrial requirements. The controversy over domestic AI models raises a similar question about the relationship between policy objectives and the means chosen to achieve them. After creating uncertainty over the future of the sovereign foundation-model program, officials reaffirmed its continuation while pursuing a separate frontier-model initiative with a proposed allocation of 4.7 trillion won ($3.6 billion) in the 2027 budget request. A commitment of that scale requires a clear explanation of how the two programs fit together. Science and ICT Minister Bae Kyung-hoon's argument that rapid technological advances require a more ambitious approach deserves consideration, since research targets cannot remain appropriate indefinitely. Refusing to revise an outdated plan can waste public money just as surely as launching an inadequately examined replacement. But flexibility requires a clear process, with the government explaining which assumptions have changed, what the existing program has achieved, why a separate initiative is needed and how researchers, computing resources and public funding will be allocated between the two programs.

Letters To The Editor | editor@thestatesman.com

Falsehoods

Sir, This refers to Siddharth Roy's article, "Deepfakes and democracy," published today. The rapid evolution of generative artificial intelligence has exposed a serious weakness in the fight against digital deception: the technology to manufacture falsehoods is advancing faster than the systems designed to detect them.

Detection tools may identify certain manipulated images, fabricated videos or synthetic voices, but none can guarantee accuracy in every case.

Worse, identifying a suspicious clip is only part of the problem; establishing who created it, who circulated it and who intended to cause harm can be far more difficult.

This is not merely a technological failure; it is a crisis of public trust and democratic accountability.

When fabricated evidence becomes indistinguishable from authentic footage, citizens may lose faith not only in what they see online but also in genuine journalism, scientific evidence and legitimate public institutions.



Equally troubling, unreliable detection systems can falsely accuse innocent people, turning the fight against deception into another instrument of injustice.

Governments and technology companies cannot escape responsibility by blaming the complexity of artificial intelligence or the anonymity of the internet.

Platforms must preserve appropriate evidence, improve content provenance and respond transparently to credible reports, while governments must strengthen cross-border cooperation without compromising privacy or freedom of expression.

Yet technology alone cannot solve a problem rooted in human behaviour. A society that can no longer distinguish evidence from fabrication risks losing the very foundation on which informed judgment depends.

The ultimate challenge, therefore, is not simply to detect every lie, but to build a digital environment in which deception is harder to spread, responsibility is harder to evade and truth does not become the first casualty of technological progress.

Yours, etc., Narayanan Kizhumundayur,
Thrissur, 27 October.

Security

Sir, Recent news reports quoting retiring ITBP chief Shatrujeet Singh Kapur on continuing face-offs at several locations in Arunachal Pradesh and India's preparedness raise concerns about candour and national security.

While in service, senior officers must speak boldly and frankly to the government in power through appropriate channels for their valid concerns.

But, they must exercise calculated restraint in public statements that could compromise national interests. Ambiguous disclosures about border preparedness can unsettle citizens, affect troop morale and complicate diplomacy. National security demands professionalism every moment.

Yours, etc., Brij B. Goyal,
Ludhiana, 27 October.

Intemperate

Sir, Congress president Mallikarjun Khagre's absurd and unpleasant remark, "Modi's father will also have to go", is not justified.

The language is highly condemnable. Politics today is tainted with bad language. The expectation from a politician and public figure is to think before speaking and speak after thinking.

However, politicians these days have lost the art of public speaking. They resort to "mud-slinging" and foul language, showing immaturity and a lack of understanding. Simply blaming the Congress will not suffice. Leaders of all political parties should introspect and maintain decorum while talking to the masses.

Yours, etc., S S Paul,
Nadia, 28 October.

SATURDAY INTERVIEW

'Ready to give a stable alternative'

The Communist Party of India (Marxist) elected Mr M A Baby its General Secretary at its 24th Party Congress at Madurai on 6 April 2025. A prominent CPI (M) member of the Rajya Sabha from 1986 to 1998, Mr Baby was Education Minister in the Kerala Government from 2006 to 2011 and is known for his contribution to the state's public education system.

Although the CPI (M) has been fighting the Congress in West Bengal, Kerala, and other places, the Left party is mobilizing its members and supporters in a big way to join the 1 November mass rally in Delhi for which the call has been given by the Congress Party. Joining other Opposition leaders in the protest against the SIR (Special Intensive Revision) of electoral rolls and Chief Election Commissioner Gyanesh Kumar, Mr Baby was detained along with other Opposition leaders in Delhi on 10 October.

In this interview to Deepak Razdan, he answers questions on the Opposition strategy, explaining why the CPI (M) would not object to the Congress staking claim to form government after the 2029 Lok Sabha elections.

Excerpts:

Q: There is Opposition unity on scrapping the SIR and removal of CEC Gyanesh Kumar, but the BJP will go only if there is a durable alternative available? Is the Opposition ready to offer that?

A: The Opposition should have won the 2024 election itself. People know that. There was a good political situation which showed the victory of the INDIA bloc. BJP was able to win the 2014 and 2019 elections. In the 2024 election, the BJP and its allies targeted 400 seats but the BJP lost its majority which it had in 2014 and 2019. It was reduced to 240 seats. BJP lost 63 seats, whereas the Opposition alliance had 234 seats. The difference was only six seats between the Opposition, the INDIA bloc arrangement and the BJP. The BJP was able to get 63 seats from the INDIA alliance and inched towards 293 seats, 20 seats more than the minimum majority in the 543-member Lok Sabha.

The BJP secured support from JD (U) of Nitish Kumar and TDP of N Chandrababu Naidu.

The BJP and Mr Narendra Modi will be facing the 2029 electorate as a defeated alliance which survived only because of various regional parties which were part of the anti-BJP alliance earlier. The Opposition will be going to the 2029 elections with a lot of confidence and we are ready to offer the Indian people an alternative, secular, democratic and a constitutionally-committed arrangement.

The Modi government has exposed its vulnerability in many areas. How many promises he had given to people that he has broken. He promised peasants, the largest part of the population, that their incomes would be doubled if he became Prime Minister. What has doubled is the number of suicides by farmers and farm labour in distress.

He promised that two crore jobs would be generated every year for the youth. That is why the youth and the students are agitated, not only about Gyanesh Kumar but also about the unemployment generated by the Modi government. Even vacancies for existing jobs in Central PSUs are not being filled. That means huge Scheduled Castes and Backward communities have not received their jobs under reservation. This we are going to tell the people.

So, we are ready to give a very stable alternative. During the 2004 alternative UPA government, we brought the Food Security law, MGNREGA, Right to Information, Right to Education and Forest Rights Act. Many democratic modifications and pro-people welfare measures were implemented by the UPA alliance. Something similar can be evolved after the 2029 elections. We are very confident about that.

Q: BJP is quick to point to contradictions in the Opposition, like Congress fighting the Samajwadi Party in UP and the Left in Kerala? You can't be a durable alliance.

A: The NDA is not a durable alliance. That is already clear. On the Gyanesh Kumar issue, there are at least three parties which are part of NDA that have stated there are doubts that need to be explained by the Election Commission. The mood in the country is there. People are raising questions about the Modi government and the way in which constitutional offices like the Election Commission, Enforcement Directorate, CBI, and the Income Tax department are being misused to witch-hunt Opposition leaders.

The present Assam Chief Minister was a Congress leader. They let loose CBI against him. He joined the BJP. It is a process of Opposition leaders going through a washing machine after joining the BJP. The Narendra Modi-led government is misusing the Central agencies to break Opposition parties and buy MPs to get a two-thirds majority. They are trying for that. We heard there would be a special session of Lok Sabha in October. Apparently, they could not manage a two-thirds



majority for their scheme of things. The talk about problems in the Opposition is to hide their problems in the NDA. There are parties willing to leave the NDA.

So far as the relationship between the Samajwadi Party and the Congress is concerned, I am confident the SP would be taking leadership of Uttar Pradesh. I don't think there would be any problem of seat-sharing among various parties to work out an alternative to a communally-dividing Yogi Adityanath government. They have taken money from the Ram Temple. They are being exposed before people. In the name of Ram, they wanted to fan communal passions. There is not just 'vote chori' (vote theft), there is 'chori' at Ram Temple also.

When we developed the INDIA bloc, we knew there would be problems in some States between members of the alliance. Our solution is that out of 543 Lok Sabha seats, there would be joint, common candidates for about 500 seats and there would be only some seats for mutual contest.

That is not going to affect the prospects of the defeat of the fascist RSS-controlled BJP. Wherever the INDIA partners are unable to evolve an understanding, there would be contests among them, but we would see that it would not be to the advantage of the BJP.

Q: The rise of the Cockroach Janta Party shows Opposition parties failed to estimate the disillusionment among the youth?

A: One can make an assessment whether we in the Opposition could not gauge the extent of disillusionment among people and among youth. But the fact of the matter is that progressive democratic student youth organizations like SFI, DYFI, AISF - one has seen how they work - and how the SFI, AISA and the Cockroach Janta Party are cooperating well. The CJP's spokesperson issued a tweet appreciating the enormous strength of the SFI with its willingness to sacrifice and work in a disciplined manner. We are cooperating very well. Point is right: the CJP, with its new approach to communicate with Gen Z, has been able to inspire a lot of confidence among large sections of Gen Z. At the same time, the SFI is winning all important university bodies, Hyderabad, Himachal. In Delhi University, the SFI performed very well. In JNU, the SFI and AISA won a struggle.

Q: Does the CPI-M have reservations over the Congress emerging as claimant for power in the next Lok Sabha?

A: You will recall, when the Left under the CPI (M)'s leadership won 60 seats in the Lok Sabha, there was an offer that CPI (M) politburo member Jyoti Basu should become the Prime Minister. What was our response? I was also a Central Committee member, we discussed the possibilities, as well as the possible negative impact of accepting the Prime Ministership. Our party strength and the strength of the Left was not very substantial. We had a good representation but that constituted only a fraction of the 543-member Lok Sabha. So, our party took a decision with equanimity.

There are political parties which would jump for power. The CPI (M) proved that it is a different political party. It has its own high standards of assessment before taking such decisions. Therefore, we supported H D Deve Gowda at the Centre; in Tamil Nadu, it was because of the CPI, the CPI (M) and the VCK that the single largest party of Joseph Vijay was able to take oath. We were offered Ministership there, but we would not accept it. We are a different political party. Therefore, our primary task is to ensure that the RSS-controlled BJP and its allies are removed from office. We are willing to extend support to any secular alternative.

Q: The Left basically opposes BJP's ideology, but do you reject the Narendra Modi government's performance also? Like free food for crores?

A: Under Modi's rule the poor could not be taken out of poverty. If food is not provided to crores of people, there would be more starvation. He has not been able to improve the lot of the poorest of the poor. He is only making claims.

Q: Calls for regime change reflect an attempt to undermine the democratic system, the BJP is saying.

A: The Opposition has every right for regime change. We are not going to force him down. If some Minister like Dharmendra Pradhan is caught in acts of irresponsibility, if CEC Gyanesh Kumar is found guilty, we will move against them and we will move against their protectors also. But we will wait till we get an opportunity to ensure a regime change when an election is held. Before that we don't propose to forcefully remove Narendra Modi or Amit Shah.

How this generation might understand Patel

RAJDEEP PATHAK

Sardar Vallabhbhai Patel (31 October 1875-15 December 1950) is often remembered as the 'Iron Man' who stitched together a fragmented India after Independence. But a democracy needs more than iron will. It needs institutions, restraint, education, and above all, memory. Sardar Patel's legacy, 151 years after his birth anniversary, is best honoured not by turning him into a symbol of coercion, but by applying his pragmatism to India's present challenges, border management, internal security, cyber threats, and the delicate balance between vigilance and civil liberties.

Sardar Patel's decisive role in integrating princely states into the Indian Union was an extraordinary administrative achievement. Yet his strength lay not merely in firmness. It lay in negotiation, institutional discipline and the capacity to accommodate diversity within a common constitutional framework. India's unity was not produced by uniformity. It was built through a political settlement that allowed many languages, religions, regions and communities to coexist.

That distinction matters today. Security is essential, but security without legality, accountability and public trust can weaken the very nation it seeks to protect. A democratic state must be vigilant without becoming fearful, firm without becoming arbitrary, and united without demanding sameness.

Sardar Patel's legacy should not be understood only through his image as a strong leader or through the world's tallest statue erected in his honour. His life also raises important questions for contemporary India. What does national strength mean in a democracy? How should historical figures be remembered? And how can schools or educational institutions per se teach national unity without encouraging uniformity of thought, language or culture? These questions are closely connected. A secure nation needs effective institutions, but it also needs public trust. A national monument can inspire pride, but historical understanding requires more than admiration. And unity becomes meaningful when citizens learn to respect differences rather than fear them.

India's security challenges today are very different from those Patel faced in 1947. The country must protect its borders, counter terrorism, respond to internal security threats, prevent communal violence and address the growing risks of cyberattacks, online fraud and digital misinformation in the age of artificial intelligence (AI). The scale and nature of these challenges require modern technology, professional institutions and coordination between the Union and state governments.

Sardar Patel's experience is relevant because he understood the importance of administrative discipline and national coordination. The integration of princely states was not simply a territorial exercise. It was also a process of building a functioning political and administrative union out of a highly divided landscape. His work as Home Minister helped establish the foundations of internal administration during the early years of Independence. However, remembering Patel should not mean assuming that every security problem can be solved through firmness alone. Modern security requires intelligence, trained personnel, effective policing, reliable institutions, public cooperation and careful use of technology. Border management needs infrastructure and coordination, while cyber threats demand technical expertise and cooperation between government agencies, businesses and ordinary citizens.

Equally important is the relationship between security and civil liberties. A democracy must protect its people from genuine threats without treating every disagreement as a danger to the nation. Article 19 of the Constitution guarantees freedoms including 'speech' and 'expression' and 'peaceful assembly', while permitting reasonable restrictions under specified constitutional conditions. These protections should not be seen as obstacles to national security. They are part of the democratic framework that gives the Indian state its legitimacy.

The Statue of Unity in Gujarat, unveiled on 31 October 2018, commemorating Sardar Patel's birth anniversary, stands 182 metres tall and is officially recognised as the world's tallest statue. It has become a major landmark associated with Patel's contribution to national integration. The statue makes a powerful visual statement. It gives national recognition to a leader whose contribution deserves to be studied by generations of Indians. It has encouraged tourism, supported local economic activity, and provided a starting point for conversations about the making of modern India. But a monument also raises a larger cultural question. Does remembering a leader mean celebrating his image, or understanding his ideas? A statue can communicate strength, determination and national pride in a single glance. It cannot, by itself, explain the political negotiations behind the integration of princely states, the administrative difficulties of the period or the choices leaders had to make under extraordinary pressure. Nor can one monument capture every aspect of Patel's personality and political thinking. Sardar Patel's legacy included organisational discipline, practical negotiation and an understanding that national integration required cooperation among different political interests.

Historical figures are often turned into simple symbols. One represents strength, another sacrifice, another reform. Such symbols can inspire, but they can also narrow public understanding when complexity disappears. Therefore, a balanced interpretation of Patel should neither diminish his achievements nor turn him into a figure beyond historical examination. His decisions should be studied in the circumstances in which they were made, including the challenges of Partition, the weakness of new institutions and the urgent need to establish political stability.

Museums, memorials and public exhibitions can help achieve this balance. Alongside photographs and statues, they can present original speeches, letters, historical maps, different regional experiences and accounts of the negotiations that shaped India. They can invite visitors to ask questions rather than simply receive conclusions. A monument, we must acknowledge, gives history a visible presence. Education gives it depth. Both are necessary if national remembrance is to remain meaningful. The most lasting tribute to Sardar Patel may not be another monument, but a generation of young Indians who understand why unity matters and how it can coexist with diversity. India is not held together by a single language, regional identity, religious tradition, or a way of life. Its strength comes from the ability of people with different histories and beliefs to participate in a shared constitutional system.

The Constitution provides the foundation for this understanding. The Supreme Court of India describes it as 'establishing a democratic republic governed by the rule of law, with fundamental rights, equality before the law, federal governance and freedom of conscience and religion'. These principles should not remain confined to textbooks or examinations. They should shape how students learn, debate, cooperate and respond to differences. A school curriculum inspired by Patel's legacy could bring together three connected areas, such as constitutional values, historical understanding and democratic citizenship.

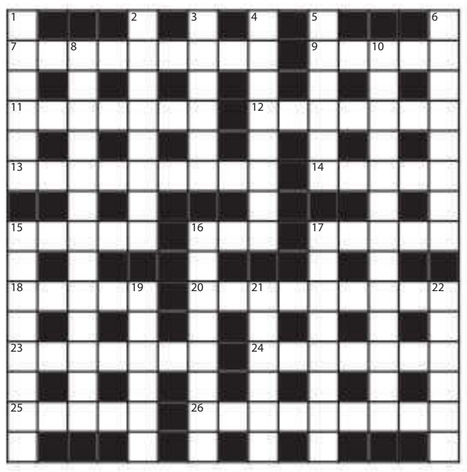
If Sardar Vallabhbhai Patel's legacy is presented only as a story of authority, students may miss the importance of negotiation and cooperation. If the Statue of Unity is treated only as a symbol of national pride, visitors may miss the complex historical process it commemorates. Moreover, if schools teach that unity means everyone must agree, they risk teaching students to follow others blindly instead of thinking for themselves as responsible citizens.

A more fulfilling understanding of Patel would recognize both determination and pragmatism, as well as administrative discipline and the need for cooperation. It would encourage citizens to take national security seriously while insisting that public power operate within the Constitution.

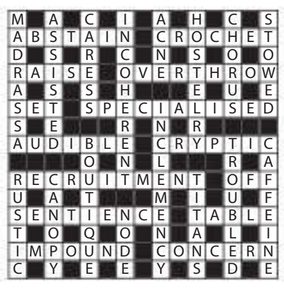
India does not need to choose between national unity and cultural diversity, or between security and democratic freedom. The challenge is to build institutions and public attitudes that protect both.

The writer is Programme Executive, Gandhi Smriti and Darshan Samiti.

Crossword | No. 293622



YESTERDAY'S SOLUTION



ACROSS

7 Perhaps add water to ferns here, wilting (9)
9 Different person subject to order, abandoned by British (5)
11 US city enveloped in love for Little Italy in the future (3,4)
12 Head off bits of film by Young Conservatives adopting new dubbing technique (3-4)
13 Began list laying out these assets? (9)
14 Commotion surrounding American element of flight (5)
15 Restrained but losing head in hurry (5)
16 Vehicle not working? Not quite (3)
17 Line is circling party venues supporting swimming (5)
18 Severe depression doing head in (5)
20 Setter accommodating pilots aboard special flying machine (9)
23 French ready with enthusiasm to dismiss a German cracker (7)
24 Learned to ignore first repeat (7)
25 Increasingly aristocratic, avoiding hard question (5)
26 Unusual heat burns–me? (9)

DOWN

1 French port receiving a quantity of chicken (6)
2 Wasting time, I exported nasty bleach (8)
3 Fixed line limiting height for Jewish settlement (6)
4 Obsessive year is involving special research (8)
5 Elects Conservative–I`m sorry about that ultimately (6)
6 Unusual stir about hackneyed items, things in the 'old hat' category? (8)
8 Evidence of an out-of-this-world domestic bust-up? (6,7)
10 Grass needing protection with snug covering in Sussex town (8,5)
15 Corner resident nearly securing spot for dance (8)
16 Lizard I left is found in lounge (8)
17 Position King overlooked in a certain European subject (8)
19 A lot of mist on a road is a concern for drivers (6)
21 Foreigners giving misinformation in answer (6)
22 Carefully examine including old film as example of literature (6)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with **The Independent, London**)

100 Years Ago

BRITISH & GERMAN CO-OPERATION

IMPORTANT TRADE CONFERENCE

(BRITISH OFFICIAL WIRELESS.)
RUGBY, OCT.

AN invitation has been received and accepted by the Federation of German Industries from the Federation of Bri¬tish Industries to send its entire Board to London for important trade discus¬sions.

The Westminster Gazette understands that the conference will deal mainly with the possibilities of cooperation between the leading export and finance houses of the two countries in markets were joint action would be to mutual advantage.

Exchanges on routine. matters have for several months past been proceeding between the British and German Federations, and the decision to hold a meeting in London was reached during the recent meeting in Berlin.

It is stated that the proposed meeting is in no sense a sequel to the recent informal conference between British and German industrialists at Romney.

BRITISH SHIPPING

IDLE TONNAGE REDUCED BY ONE-HALF

(BRITISH OFFICIAL WIRELESS.)
RUGBY, OCT.

FIGURES published by the Chamber of Shipping disclose a substantial improvement in the shipping trade.

During the past three months the idle tonnage at British ports has been reduced by one-half, the total reduction amounting to nearly 500,000 tons. This significant movement is atributed in to first instance to the demand for freights from coal importers, but it has been reinforced by a similar activity of the grain trade.

MARQUESS CURZON

BUST HANDED OVER TO OXFORD UNION

(BRITISH OFFICIAL WIRELESS.)
RUGBY, OCT.

A BUST of the late Lord Curzon was yesterday handed over to the Oxford Union by Lord Oxford. Eloquent tributes to the dead statesman were paid by Lord Oxford, Lord Birkenhead and Sir John Simon.

The Pioneer
NEW DELHI | SATURDAY | OCTOBER 31, 2026

Editor's TAKE

Patel at 151: Remembering a secularist and nationalist

The country pays tribute to the Iron Man on his 151st birth anniversary. He unified India and defended secularism, despite his differences with Nehru

At Kevadia in Gujarat, Rashtriya Ekta Diwas on Sardar Vallabhbhai Patel's 151st birth anniversary, beside the 182-metre Statue of Unity would be celebrated with much fanfare. Patel is invoked more often than he is read, and he deserves to be read whole: not as a statue, and not as a weapon.

In July 1947, Patel took charge of the States Department, with VP Menon as his secretary. With British paramountcy ending, some 560 princely states were nominally free to choose their future. Patel's offer was accession on just three subjects: defence, external affairs and communications, backed by privy purses and firm pressure. When Junagadh's Nawab opted for Pakistan, a February 1948 plebiscite returned 190,870 votes, only 91 of them for Pakistan. Hyderabad's holdout ended with Operation Polo, from 13 to 17 September 1948.

He gave the republic its administrative spine: on 21 April 1947, he called the services the "Steel Frame of India"; that date is now Civil Services Day. His secular credentials deserve better than slogans from either camp. The evidence for them is strong. He banned the RSS on 4 February 1948. In July, he wrote that its activities "constituted a clear threat to the existence of Government and the State".

In May 1949, he moved a motion in the Constituent Assembly to end separate electorates, hoping for "a true secular democratic State, where everybody has equal chance". Yet the record is also ambivalent, as Christophe Jaffrelot has argued. Patel urged RSS men to join the Congress. His government lifted the ban in July 1949 once Golwalkar accepted a written constitution. At Somnath, he said restoring the idols "would be a point of honour and sentiment with the Hindu public". His secularism was stern and unsentimental: "If I were a member of a minority community," he told the Assembly, "I would forget that I belong to a minority community."

He was not the RSS's man; he banned it. Nor was he a pluralist of Nehru's temperament. He was a Congress statesman who wanted a neutral state and unquestioned minority loyalty. However, his differences with Nehru were real. In 1946, Rajmohan Gandhi records, many provincial Congress committees nominated Patel for the party presidency, and none nominated Nehru. Gandhi asked Patel to step aside, and he did. They quarrelled over the first President, Rajagopalachari or Rajendra Prasad; over the Congress presidency in 1950, Tandon or Kripalani; and over China, where, in November 1950, Patel pressed for "a military and intelligence appreciation of the Chinese threat to India". Less than three months before he died, Patel said at Indore: "Nehru is our leader... I am not a disloyal soldier." The tale that Nehru snubbed his funeral is false. He told Parliament he was leaving for Bombay "to pay our last tribute", called Patel "a friend and a colleague and comrade above all", and was at the cremation. What do we owe him? First, the unity he forged was an invitation as much as a command. It endures only if every region, language and faith feels that the Union is theirs. Second, the neutral, fearless civil service he called a steel frame: it exists to serve the Constitution, not the party of the day.

India's missing circular economy

India aspires to become a developed economy by 2047, yet continues to export low-value scrap and import processed materials. Unless it fixes its fragmented waste-management and recycling systems, the promise of turning waste into wealth will remain more rhetoric than reality



AMITABH RANJAN



India talks eloquently about waste to wealth, yet much of its waste still travels the wrong way: out of the country as low-value scrap, into informal dumps or into incinerators, while factories import processed material to keep production lines running. This is a stark paradox; a nation aspiring to become Viksit Bharat by 2047 cannot build its future on unsegregated bins, informal kabadi networks and missed material value.

Just for instance, consider a daily essential: the disposable syringe needle. Across hospitals, clinics, diagnostic laboratories and vaccination drives, India consumes needles in crores every year. Under the Bio-Medical Waste Management Rules, 2016, used syringes must be mutilated or their needles cut and stored in puncture-proof containers; sharps are then routed to common biomedical waste treatment facilities for disinfection and final disposal. In other words, the metal in a needle, stainless steel that could, after certified decontamination and destruction of reuse risk, enter a regulated metal-recovery stream, is frequently treated as hazardous refuse. CPCB's own guidance emphasises needle cutters and final disposal through treatment facilities, not material recovery.

The scale of the challenge is not small. India generated 743 tonnes of biomedical waste, on average, per day in 2023, up from 705 tonnes in 2022, as reported by more than 4.35 lakh healthcare facilities. Even if only a fraction comprises sharps and metal-bearing devices, multiply that by 365 days and by decades of healthcare expansion, and the lost opportunity is too obvious. A needle may be small; a national practice of treating recoverable material as disposable is not.

The scrap paradox

India's larger scrap economy tells the same story. In FY 2025-26, the country recycled roughly 36 million tonnes of ferrous scrap for steel production, yet imported around 8 million tonnes, even as around 28 million tonnes came from domestic sources. The Steel Scrap Recycling Policy, 2019, was notified precisely to expand scientific scrapping centres and reduce import dependence, yet implementation remains uneven.

Vehicle recycling exposes the gap further. The government has acknowledged that India's existing end-of-life vehicle dismantling industry is largely unorganised, with recovery rates estimated at only 70-75 per cent, against global benchmarks of 85-95 per cent. That 10-20 percentage-point difference is not an abstract statistic; it is steel, aluminium, copper, plastic and rare components lost to crude dismantling, pollution and low-value exports.

> ONLY BULLET TRAINS, SPACE MISSIONS, HIGHWAYS OR SEMICONDUCTOR FABS MAY NOT TRANSLATE INTO VIKSIT BHARAT; WHAT MATTERS IS HOW INDIA CAN TURN ITS OWN DISCARDED SYRINGES, DEAD BATTERIES, BROKEN PHONES AND RUSTING VEHICLES INTO THE RAW MATERIAL OF ITS NEXT INDUSTRIAL REVOLUTION. WASTE IS NOT THE OPPOSITE OF WEALTH; POOR WASTE MANAGEMENT IS

The writer is a public policy expert based in New Delhi

The direction of trade makes the irony sharper. In 2024, India exported over 21,800 tonnes of copper waste and scrap, worth about $143 million; China alone received more than 10,100 tonnes, worth about $82 million. In the same year, India imported nearly 3.29 lakh tonnes of copper scrap worth $2.04 billion, highlighting that recoverable metal is shipped out in one form, often after minimal sorting or processing, and brought back in another form. This is not a circular economy; it is a revolving door, with India standing on the losing side.

Plastic, Electronics and the Missing Middle

The problem extends well beyond hospitals and metal yards. India generated about 41.36 lakh tonnes of plastic waste in 2022-23. Yet independent assessments based on official data estimate that only about a quarter of plastic packaging is effectively recycled, while registered recyclers had the capacity to process only about a quarter of the plastic waste generated.

E-waste shows both progress and unfinished business. In FY 2024-25, India generated nearly 14 lakh tonnes of e-waste, of which 70.71 per cent was reported as collected, dismantled, recycled or disposed of. The numbers are encouraging; however, high-value material recovery does not correspond solely to collection and processing. A discarded phone contains precious critical elements alongside copper, aluminium, cobalt, lithium, etc. An informal channel or a basic dismantling unit captures only a minuscule fraction of its worth.

Why India lags behind

There may be several structural failures, yet three prime ones may explain this deficit:

1. While accountability is formal, collection is informal. Necessary aggregation is performed by ragpickers and kabadiwalas, yet they often lack protective equipment, weighing systems, digital payments, insurance and access to formal recycling facilities.

2. A needle, a plastic wrapper and food waste mixed together destroy the value of all three. Segregation is not a civic virtue alone; it is industrial feedstock preparation. Segregation currently fails at source.

3. Recycling capacity is fragmented. India needs decentralised material-recovery facilities, authorised sharps-processing protocols, modern vehicle scrapping centres and high-standard e-waste refineries, not just more landfills with illuminated signage.

It is appropriately stated in the government's vehicle scrappage policy that this is a win-win situation for lower import costs, circularity, employment and cleaner cities. However, design should translate into delivery. Policy language must now translate into visible infrastructure, ie district-level scrapping centres, material-recovery hubs, traceable digital waste manifests and procurement preferences for recycled-content metals and plastics.

Waste-to-wealth: The new mantra

What India lacks is an integrated material economy, not announcements. Strategic resources such as coal, oil, critical minerals, etc., will have their place, yet there is a dire need for next-generation reforms to treat waste as a strategic resource. For this to happen:

- Mandate and finance source segregation in municipalities, schools, offices, hospitals and housing societies.
- Create certified recovery corridors for e-waste, construction debris, end-of-life vehicles and biomedical sharps, with traceability from generator to recycler.
- Use public procurement to create demand; highways, railways, defence, government buildings and smart-city projects should specify minimum recycled-content thresholds.
- A cooperative movement is necessary to formalise waste pickers and include them in digital payments and social-security coverage. India must realise that it is fortunate to already have the most effective recycling workforce.
- Stop exporting its cheapest materials and importing its most expensive lessons. Every needle consigned to disposal without a safe recovery pathway, every tonne of copper scrap sent abroad without recovery of value and every old vehicle dismantled in an informal yard represent forgone foreign exchange, forgone jobs and forgone industrial resilience.

Only bullet trains, space missions, highways or semiconductor fabs may not translate into Viksit Bharat; what matters is how India can turn its own discarded syringes, dead batteries, broken phones and rusting vehicles into the raw material of its next industrial revolution. Waste is not the opposite of wealth; poor waste management is.

The erosion of teacher authority



SAKSHI SETHI

2ND OPINION

Teachers have held a position of unquestionable respect for generations. Their presence represented moral and intellectual authority, their decisions demanded faith, and their words carried weight. But in today's educational discourse, an awkward topic predominates: Why are kids treating instructors with such disrespect? We might be asking the wrong question. Rather than focusing only on kids, we need to face a more unsettling truth: Have we systematically undermined the very profession whose authority we now want youngsters to recognise?

Social media, smartphones and evolving parenting practices did not start the decline of teacher authority. It started when the connection of trust in education increasingly gave way to a transaction controlled by institutional appeasement, performance metrics and expectations. Teachers are expected to exercise dwindling authority while exhibiting unending patience in many institutions. Disciplinary rulings are regularly contested, their professional judgements are questioned, and the desire to prevent parental discontent sometimes overshadows valid concerns. What message does this convey to kids? Students start to see professional authority as negotiable when they see adults confronting instructors on a regular basis without engaging in meaningful conversation or receiving institutional backing. Respect becomes contingent on convenience rather than knowledge or accountability. Paradoxically, the same society that expects orderly classrooms is frequently reluctant to give those in charge of upholding them more authority. Attention should be paid to yet another discrepancy. It is becoming more and more expected of teachers to serve as educators, counsellors, administrators, technological facilitators and emotional support providers. Their obligations are growing, yet they still have limited time and freedom to complete them.

In ceremonial speeches, we honour educators as nation-builders, but how often do our institutional procedures reflect this appreciation? Additionally, there is a risky propensity to mistake student empowerment for a lack of accountability. Encouraging children to challenge beliefs is crucial, but letting them cross boundaries is not. Independent thought should be encouraged in a progressive classroom without normalising rudeness. Similarly, fear, humiliation or blind obedience cannot restore respect. Teachers must gain students' trust by being competent, equitable, compassionate and reliable. Freedom without responsibility turns into indiscipline, and authority without accountability turns into authoritarianism. Hence, a fundamental recalibration of educational interactions is necessary for the solution. While maintaining open channels for resolving legitimate complaints, school administrations must uphold professional decorum.

Parents need to know the difference between standing up for their kids and immediately supporting whatever they do. Teachers must adopt new pedagogies without compromising who they are as professionals. Above all, students need to know that disrespect and disagreement are not the same thing. While one promotes intellectual development, the other threatens the connections that are essential to a meaningful education. A civilisation shows its values by treating teachers with dignity in routine institutional actions rather than by publicly expressing respect for them. Perhaps we should look at the examples adults are providing before bemoaning the decline of respect among students. It is unreasonable for a society to expect its students to respect its authorities when it consistently undermines its instructors. Education loses its moral base, which is considerably more vital than classroom discipline, when the teacher's voice becomes disposable.

The writer is an educator and a councillor

Daiv Vani

WISDOM FOR A MEANINGFUL LIFE

When Success Goes to the Head

Success is a gift received, and the danger begins the moment we start calling it a possession.

The Kena Upanishad tells of a victory won by the gods over the demons. Flushed with triumph, Agni, Vayu and Indra began to say, "This victory is ours; this greatness is ours". The Divine, seeing their pride, appeared before them as a mysterious being, a Yaksha, whom they could not recognise. Agni was sent first. "Who are you, and what can you do?" asked the Yaksha. "I can burn everything on earth," said Agni. The Yaksha placed a blade of grass before him. Agni used all his power, and could not burn it. Vayu came next, boasting he could blow away anything, and he could not move the blade of grass either. When Indra himself approached, the Yaksha disappeared. Then Uma, the goddess of wisdom, appeared and told Indra that the Yaksha was Brahman, and that the victory had been His.

The Gita says the same in a single verse: the ego-deluded person thinks, "I am the doer" (3.27). Our abilities, health, teachers, timing and circumstances all came to us before we could claim any of them, and none will stay unless we hold them humbly. oday, take your latest achievement and write down three people, three circumstances and one unseen grace that made it possible. Thank each of them before you celebrate yourself, and your success will stay light in your hands.

–DAIV

PIC TALK



An artisan arranges earthen lamps to dry ahead of Diwali festival, in Birbhum district, West Bengal, PHOTO: PTI

LETTERS TO THE EDITOR

Banks must pay for fraud

Apropos the news report 'Banks must pay for cyber fraud loss: SC' (October 30), the Supreme Court's recent observation on bank accountability in digital fraud cases is a vital step towards safeguarding consumers.

As India rapidly transitions into a digital economy, the responsibility for security cannot rest solely on users, particularly when sophisticated cybercriminals exploit institutional loopholes. While public awareness is crucial, banks must implement robust preventive measures, including flagging unusual transactions. The prevalence of 'mule accounts' also exposes flaws in KYC verification that allow cybercriminals to siphon off funds undetected.

Holding banks accountable for losses resulting from failures in due diligence will incentivise them to upgrade their anti-fraud systems and work closely with law enforcement agencies. However, alongside institutional accountability, addressing the fear surrounding 'digital arrest' scams remains essential. A multi-pronged approach combining stringent banking regulations, proactive police coordination and continuous public education is critical to curbing cybercrime effectively.

SANJAY CHOPRA | PUNJAB

An unforgettable name in world entertainment

The reported demise of Sir Patrick Stewart would be a profound loss to the international film and theatre fraternity. The legendary British actor has carved a special place in the hearts of audiences through his exceptional performances, commanding personality and distinctive voice. His long and distinguished career reflects his dedication to storytelling. Stewart became internationally renowned for his memorable roles as Captain Jean-Luc Picard in *Star Trek: The Next Generation* and Professor Charles Xavier in the *X-Men* franchise. His portrayal of these characters combined intelligence, courage and compassion, earning him admiration across generations. He transformed fictional personalities into enduring cultural icons.

His contribution to the performing arts extended beyond the silver screen. His association with the Royal Shakespeare Company and his outstanding performances in classical theatre demonstrated his command of Shakespearean drama. From the theatre stage to Hollywood, he established himself as an actor of extraordinary versatility and artistic depth.

His legacy continues to inspire generations of actors and admirers. His remarkable performances and dedication to cinema and theatre remain a testament to his artistic excellence.

RUKMA SHARMA | JALANDHAR

Ballot wins spark political debate

The recent biennial Legislative Council (MLC) election results across 28 seats in four states have triggered contrasting interpretations from the NDA and the INDIA bloc. MLC graduate and teachers' constituency polls do not reflect the outcome of a general election, as the voter base is restricted to registered graduates and teachers rather than the entire electorate. The Congress's lone victory in Nagpur, despite contesting 12 seats, and its failure to win any of the four seats in Karnataka, where it is in power, have dealt the party a setback. Prime Minister Narendra Modi took a jibe at Congress's performance, questioning how many seats it had won despite the use of ballot papers.

However, the Prime Minister overlooked Congress's victory in Nagpur. Following this win, the Congress and the Samajwadi Party questioned whether the BJP would have lost its MLC seat in Varanasi, Prime Minister Modi's constituency, had ballot papers not been used.

Opposition leaders argue that these results highlight the significance of ballot papers in reflecting voters' choices and interpret the victories as a rebuke to the ruling government's policies.

BIDYUT KUMAR CHATTERJEE | FARIDABAD

The Pioneer
NEW DELHI | SATURDAY | OCTOBER 31, 2026

The reality of obesity care: Medicines can help, but lifestyle still matters

Obesity requires an integrated approach combining lifestyle changes, balanced nutrition and physical activity. While GLP-1 medicines can support weight loss when prescribed by experts, they cannot replace healthy habits. Adequate nutrition and long-term behavioural changes remain essential for sustainable weight management



REPRESENTATIONAL IMAGE



M SRINIVAS | NEHA BAKSHI

Obesity is no longer a problem confined to high-income countries. It has emerged as one of the global public health challenges, affecting adults, adolescents and even children. According to the World Health Organization (WHO), global obesity has more than doubled since 1990. Obesity is closely linked with rising rates of diabetes, hypertension, fatty liver disease, cardiovascular diseases, infertility and certain cancers.

India is witnessing a profound nutrition transition. Once largely focused on tackling undernutrition, the country is now confronting a "double burden", where obesity coexists with undernutrition. National Family Health Survey (NFHS)-6 (2023-2024) indicates that nearly one in three women (30.7 per cent) and more than one in four men (27.3 per cent) are overweight or obese, reporting a substantial increase from NFHS-5. The trend extends beyond metropolitan cities and has now deepened its roots in rural areas. Changing dietary patterns, rising consumption of energy-dense foods, sedentary lifestyles, stress, inadequate sleep and reduced physical activity are collectively fuelling this epidemic.

Obesity is globally recognised as a chronic, relapsing and multifactorial disease influenced by genetics, hormones, metabolism, environment, behaviour and food systems. This understanding has transformed the way obesity is managed today.

The foremost line of obesity management remains diet and lifestyle intervention, including healthy eating, regular physical activity, adequate sleep and behavioural support. However, sustained weight loss can be challenging because hormonal and metabolic adaptations can increase hunger and favour weight regain. For appropriately selected individuals, particularly those with chronic and unmanaged obesity-related conditions such as diabetes, hypertension or sleep apnoea, pharmacotherapy may therefore be added by expert physicians, and this does not replace lifestyle management. Bariatric surgery is reserved for morbid obesity when all other measures fail. The goal is not simply weight loss but improved metabolic health and reduced long-term disease risk.

Pharmacotherapy using GLP-1 receptor agonists such as semaglutide mimics a naturally occurring gut hormone involved in appetite and glucose regulation. These medicines act on appetite-regulating pathways in the brain to increase satiety, reduce hunger and food intake, while also slowing gastric emptying and improving glucose control. Clinical trials have reported significant weight reduction with these therapies, making them effective anti-obesity medications currently available.

But reducing appetite is not the same as improving nutritional status. However, the growing popularity of these medicines has also led to an oversimplified public perception that obesity can now be "fixed" through medication alone. This is scientifically incorrect and harmful.

The WHO's 2025 guidance on GLP-1 medicines emphasises that these therapies should be used alongside nutrition and lifestyle interventions, not in isolation. It also stresses responsible use under the supervision of qualified healthcare professionals and procurement through authorised sources, particularly amid concerns about unsupervised use and falsified products. In India, the Drug Controller General of India (DCGI) has strengthened regulatory surveillance against the unauthorised sale and promotion of GLP-1 medicines, including action against misleading advertising and inappropriate dispensing.

These medicines may significantly reduce appetite, leading to the unintentional inadequate consumption of important nutrients such as protein, fibre and essential micronutrients. Hence, rapid weight loss without proper dietary planning can lead to loss of muscle mass, weakness, fatigue and nutritional deficiencies. In some individuals, gastrointestinal side-effects such as nausea and vomiting may further compromise dietary intake.

Nutrition management during GLP-1 therapy is therefore not optional — it is essential. Patients require guidance on consuming balanced meals with adequate protein, fruits, vegetables, whole grains and hydration despite reduced appetite. Physical activity, especially resistance training, is equally important to preserve muscle mass during weight loss. The ICMR-National Institute of Nutrition Dietary Guidelines for Indians 2024 continue to emphasise balanced diets, moderation in highly processed foods and regular physical activity as the foundation of metabolic health.

Another important concern is long-term sustainability. Research shows that weight regain is common after discontinuation of GLP-1 medicines if healthy dietary habits and lifestyle modifications are not maintained. For India, this information carries particular importance. The country is already facing rising rates of overweight and obesity alongside persistent anaemia and micronutrient deficiencies. In such a setting, weight loss without nutritional adequacy can create a new set of health problems. Hence, obesity management requires long-term behavioural change even when medical and surgical interventions are prescribed. Obesity is a chronic disease. Scientific obesity care lies in an integrated approach, starting fundamentally with lifestyle modification. Medicines provide support when indicated but do not replace nutrition counselling, healthy diets, physical activity and long-term lifestyle modification. Its treatment must therefore focus not just on losing weight but on building a healthy individual.

OBESITY IS GLOBALLY RECOGNISED AS A CHRONIC, RELAPSING AND MULTIFACTORIAL DISEASE INFLUENCED BY GENETICS, HORMONES, METABOLISM, ENVIRONMENT, BEHAVIOUR AND FOOD SYSTEMS. THIS UNDERSTANDING HAS TRANSFORMED THE WAY OBESITY IS MANAGED TODAY

M Srinivas, Member (Health), NITI Aayog, and Neha Bakshi, Consultant, NITI Aayog

Who is creating the problems we keep solving?



ACHARYA PRASHANT

During London Climate Action Week earlier this year, I was asked where an ordinary individual should begin acting against climate change. The word 'begin' carried an assumption: we have been acting all along. The environmental crisis did not arise because humanity sat idle; much of it arose from what we have been so busily doing.

An injured animal is pulled from a roadside drain and nursed back to health. Volunteers clean a polluted riverbank, and an anxious young person receives counselling and recovers. Yet the animal may have been hurt because roads and buildings had encroached upon her habitat, while the waste in the river may consist largely of products we go on manufacturing and buying. The young person's distress, too, may have a great deal to do with what family and society expected of her. Each case has been dealt with, and the conditions producing all three remain more or less where they were. We are eager to know what more we can do for the world, and far less eager to ask what we must stop doing to it.

The wrongdoer and the benefactor are not always the same person, and a general accusation against humanity must never be allowed to hide the greater power of particular industries, governments and individuals. Still, the two roles often sit close together. A businessman can damage the environment through his enterprise and restore a little of it through philanthropy, and any of us can take part in both the injury and its remedy without noticing the contradiction. What if the problem-maker himself is part of what needs solving?

It is easy to lose the distinction between measuring our efforts and measuring the problem. A food-relief organisation distributes half a million meals one year and a million the next, and its annual report declares that its impact has doubled. Hunger may also have increased, though, so that twice as many meals are now needed just to keep a worsening situation from turning catastrophic. Fewer people needing those meals would be the greater achievement, even if it made for a thinner annual report. Sincere service has to include a willingness to make itself unnecessary wherever it can. Without that, we may start out wanting suffering to end and slowly grow attached to being indispensable.

A company manufacturing disposable packaging may sponsor a river-cleaning campaign. The riverbank is cleaner when the volunteers leave. By evening, fresh waste has drifted down from upstream. The next morning they are back. No amount of effort downstream can make the cleaning last while the company keeps putting more packaging into circulation. A good deed is not a receipt that cancels what we go on doing.

Regulation matters, and reform must not wait until everyone has examined themselves. It cannot by itself end the craving for status, so a particular kind of pollution may fall while the compulsive pursuit of more goes unquestioned. Our compassion towards animals is curiously selective. An injured dog moves us, yet the suffering of a pig or a chicken may scarcely cross our minds. When I spoke recently with the philosopher Peter Singer, he acknowledged that, despite decades of advocacy, the number of animals suffering in factory farms worldwide has kept rising. He asked whether educating the self could deliver practical results. I shared a calculation from our work through the PrashantAdvait Foundation: by our estimate, we have already helped spare at least ten million animals from slaughter. We talk a great deal about the animal who suffers and very little about the human being who wants to consume her.



That wanting is learned early. A child is told she is loved unconditionally, while family conversation keeps circling back to examination results, college admissions, and earnings. Whatever her parents say about love, their conduct teaches her a condition nobody has stated, that she must become somebody to be worthy of it. Anxiety, comparison and the fear of failure follow. Then we offer counselling, meditation and stress-management techniques. Such help may be urgently needed. But why teach someone for twenty years that falling behind is a disaster, only to teach her breathing exercises so that she can bear it?

The child grows up and carries the same measure of success into society. Why does a person who has enough want more? I call the one who keeps wanting more the ego: the psychological 'I' that takes itself to be a particular somebody and identifies with the body, family, possessions, opinions, accomplishments and social position. It regards itself as deficient and approaches the world as though something out there must make good the deficiency.

When we demand from something what it cannot give, no quantity is ever enough. The inward demand for completion turns into a demand for products, status and endless growth. Meeting it consumes materials, land and energy without settling the insecurity behind it. A private insecurity ends up as a burden on rivers, forests, animals and the atmosphere. The ego does not disappear when a person takes up socially useful work; it may simply find a more respectable identity. A problem that persists can even be useful to me, because solving it again and again gives me a role, and ending it may cost me that role. If nobody depended on my generosity, who would I be? Self-examination is often presented as though it were mainly a matter of acquiring information. Usually we already know that our demands, practices and indulgences cause harm, and still we continue, because taking that knowledge seriously would mean giving up something we cherish. Seeing must be accompanied by intent, the willingness to stand by what has been seen even when it threatens an advantage, a pleasure, a relationship or an identity. I am tested less by whether I can explain why cruelty is wrong than by whether I will refuse to take part in it when taking part benefits me. None of this means waiting for some imaginary state of inner perfection before doing useful work. The wounded animal cannot wait for my enlightenment, nor the hungry person for me to be free of vanity. We measure goodness by what we add to the world. It could just as well be measured by how much avoidable harm we have stopped causing. Before setting out to save the world, should I not ask how much of it needs saving from me?

Acharya Prashant is a philosopher and author whose work centres on self-examination and its application to contemporary life

Quiet COP31: Why no one is talking about it



PANKAJ SHARMA

If you turn on the news or scroll through social media today, you might notice a relative silence surrounding the upcoming COP31 climate summit in Antalya, Türkiye, co-hosted with Australia leading the negotiations from November 9 to 20 2026. Years ago, these conferences were high-stakes political spectacles. From the monumental breakthrough of the Paris Agreement at COP21 to the urgent rallies of Glasgow's COP26, these annual gatherings were treated as pivotal turning points for humanity.

Yet, COP31 feels markedly different. Media attention has faded into a quiet dialogue, leaving many wondering: what happened to the urgency? Is the climate movement dying, or has it simply evolved? This shift partly stems from the United States withdrawing from the Paris Agreement and starting the process of leaving the UNFCCC altogether. While the US is alone in this step, its massive carbon footprint makes the move deeply impactful.

Another reason COP31 lacks the spotlight is a fundamental shift in purpose. For decades, COPs were designed to forge global consensus and establish grand targets. They were treaty-building events where world leaders gathered to sign historic pacts, pledge target years for net-zero emissions and make bold promises. Now, that legal architecture is largely finished. With the Paris rulebook mostly finalised, the UN process has moved from negotiation to implementation. Drafting target numbers generates headlines; tracking whether a country has actually built enough solar farms or cut industrial emissions does not. COP31 and its future editions have a significant role to play, with operational working sessions focused on domestic policy, climate finance and trade mechanisms.

Public interest has also been dulled by "pledge fatigue". After watching decades of agreements fail to bend the global emissions curve fast enough, the public and media have grown sceptical of high-level diplomatic engagements. This cynicism is compounded by a fragmented geopolitical landscape. The original momentum of the COP movement relied on multilateral cohesion, a belief that global superpowers could set aside differences to tackle a shared existential threat. Trade wars, energy security concerns and regional conflicts have pushed long-term climate targets down government priority lists.

However, the climate movement isn't dying; it's shifting shape. The traditional "diplomatic circus" model may be reaching its limits, but climate action has migrated away from a single yearly UN venue. Clean energy transitions are increasingly driven by economics, market forces and local policies rather than UN decrees.



National legislation, local grid transformations and climate laws are yielding faster, more enforceable results than international consensus.

Smaller, targeted alliances are tackling specific issues, such as forest protection and green shipping corridors, outside the formal UNFCCC process. The ongoing conflict in West Asia, along with the now four-year-old Russia-Ukraine conflict, has disrupted international oil and gas supplies, spiked energy prices and crowded out broader global attention. These conflicts will directly shape the political and economic agenda of COP31. Fossilflation, along with the severe vulnerabilities of fossil fuel reliance, is giving fresh momentum to transition talks, such as the co-hosts' proposed global electrification targets of "35-by-35" and cleaner energy adoption.

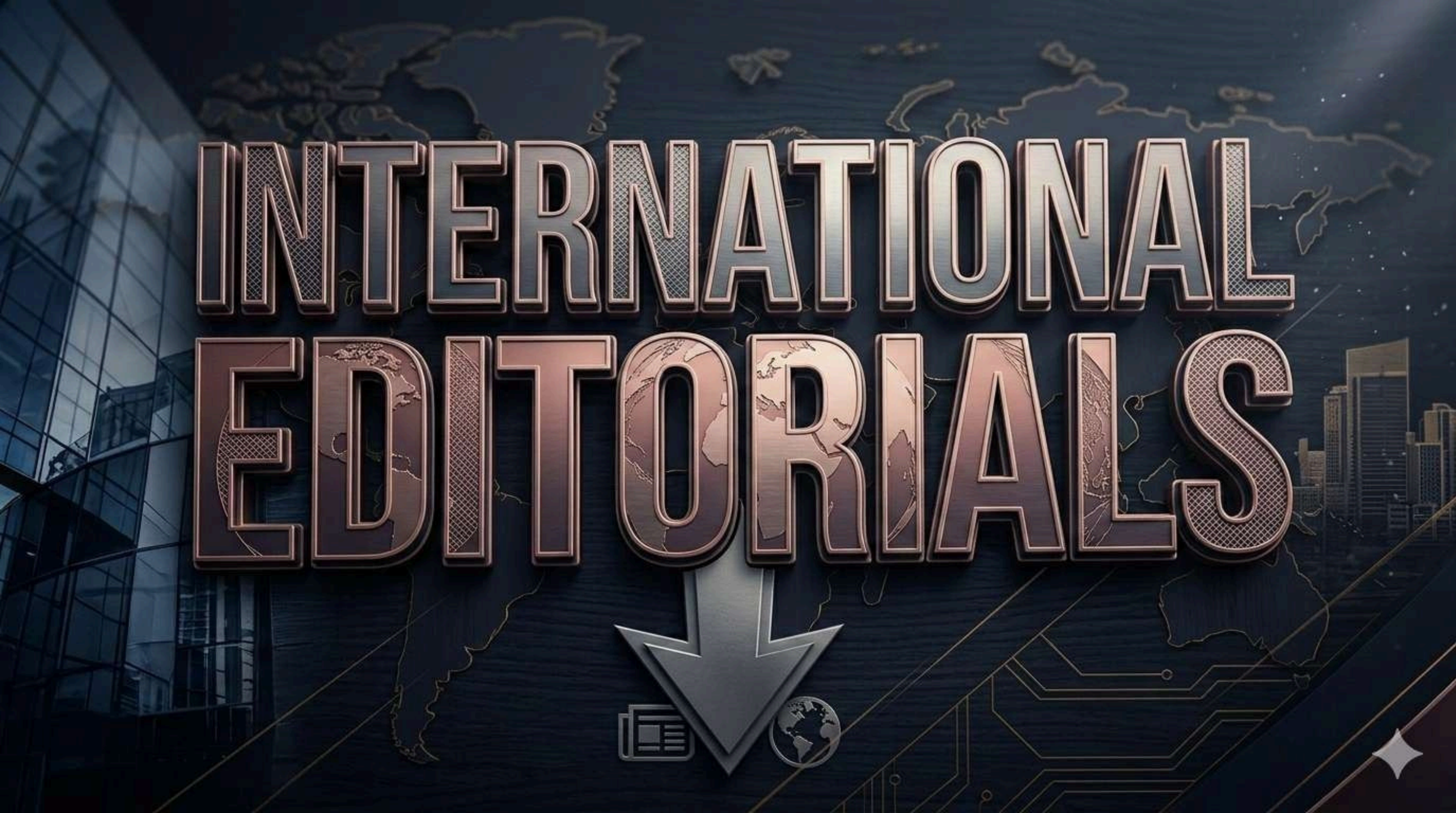
The main threat facing COP31 is not its lack of headline value, but how a lack of public visibility weakens accountability. The policymaking process is significantly shaped by public sentiment, particularly when channelled through civic engagement. Consequently, robust public demand raises the likelihood of governments prioritising climate change initiatives.

Without intense public scrutiny, governments face less pressure to deliver the trillions needed for global adaptation and clean energy transitions. Let us hope the dialogues truly pave the way for global action, as the event's motto suggests.

Conclusion

COP31 must therefore be judged not by the headlines it generates or the declarations its delegates sign, but by the action it delivers. The shift from negotiation to implementation should make these summits more accountable, not less visible. Governments must translate climate pledges into measurable progress on emissions, adaptation and climate finance, while ensuring that developing nations receive the resources needed to make the transition. The climate crisis has not lost its urgency simply because public attention has waned. If anything, the fading spotlight makes sustained public scrutiny and political accountability more important than ever.

The writer is a Senior Consultant at the Petroleum Planning and Analysis Cell (PPAC)


INTERNATIONAL
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The legacy of Christine Lagarde

After a shaky start, the outgoing president leaves the ECB in solid shape

Christine Lagarde announced yesterday that she would resign from the presidency of the European Central Bank in February, months ahead of the end of her term. Considering her tough and rather nervy start, Lagarde, only the fourth president in the ECB's 28-year history, leaves behind a central bank in decent shape.

She had big shoes to fill on taking office, following the "saviour of the euro" Mario Draghi. Some questioned the wisdom of putting a non-economist and former politician at the helm of the central bank. They need not have worried. After an early wobble — Lagarde famously said "we are not here to close spreads" during the Covid-19 pandemic a few months into her tenure, setting off bond market jitters — she developed a firm grip on monetary policy communication, helping to cement the institution's credibility.

The greatest proof of that credibility is how the ECB fulfilled its inflation-fighting mandate after the dramatic energy price shock of 2022. While it displayed the same inertia as other major central banks in moving to tighten policy, it belatedly but successfully brought inflation back to its 2 per cent target in late 2024. Though the ECB held interest rates yesterday, markets expect further tightening will be necessary to bring price growth back under control amid the ongoing supply shock from the Iran war.

To be sure, the Eurozone has enjoyed a portion of good luck too. The European economy has weathered soaring energy prices better than expected. The global stimulus from US tech investment has buoyed economic growth in the euro area too, just as monetary policy has contained domestic demand.

Lagarde has proved herself an institution-builder, and not being an economist may have underpinned this. She has listened carefully to her colleagues, and has by all accounts turned the 27-member governing council into a harmonious, collegiate body. That achievement matters all the more in a multi-country monetary union, where national allegiances can still run strong.

Given the intensifying attention financial markets are paying to the fiscal woes of France, Lagarde's home country, now may be an opportune moment to step down. On her watch, the ECB has created the Transmission Protection Instrument, a monetary policy tool to address speculative attacks on a Eurozone country's sovereign debt. She has been fortunate, however, that member states' bond markets have not been seriously put to the test during her tenure.

Market observers seem confident the central bank has the means and the will to prevent the sort of market unravelling that happened during the Eurozone debt crisis. Should a decision ever be required to use the instrument for France, however, there will be one less complication if the president is not French.

> On her watch the bank has moved to the global frontier of developing public digital money at both the wholesale and retail levels

On one of her own biggest causes, Lagarde may not have been able to push as far she wanted: the greening of monetary policy has rather fallen out of fashion in the broader backlash against the green transition. Nor has the ECB pushed as hard as it could to boost the international use of the euro.

In contrast, on Lagarde's watch the ECB has moved to the global frontier of developing public digital money at both the wholesale and retail levels. The institution is forging ahead with making wholesale central bank digital currency available to settle tokenised securities trades, and a retail digital euro is only a few years away pending a final political decision. Although not widely known, this may end up the most consequential legacy of the Lagarde years. In this, too, she leaves a stronger legacy than many of her initial critics thought she would.

Opinion Society

Capital punishment: Maga vs Catholicism

Ann Kiernan



Jack Hanson

It's surprising that any one member of the Donald Trump administration should stand out for his obvious delight in the cruel and unusual. But Pete Hegseth, US secretary of defence, distinguished himself when he announced in early October that the execution by firing squad of Nidal Hasan, the former army major who killed 13 of his fellow service members at Fort Hood in 2009, would be livestreamed for public viewing. The subsequent outrage was swift and vociferous, and even President Trump himself blinked.

The show has since been cancelled, though the killing will proceed. But the episode is a reminder that the US, uniquely among western countries, still regularly practises capital punishment — and that it does so not simply as a juridical procedure, but as a kind of political-theological self-assertion.

> America practises the death penalty as a kind of political-theological self-assertion

This potential metastasis of state power from the legal to the spiritual realm has been a particular danger for the US from its founding, though Trumpism has shot our ostensibly modern political system through with fresh mythic, not to say cultic, qualities.

Perhaps this is why so many are now paying close attention to the Roman Catholic Church, whose political significance has been elevated and energised since the election of the first American Pope, Leo XIV. The Church has been increasingly voluble in its responses to what seems like an administration — and a society — careening out of control. "This decision is a barbaric promotion of a culture of death and must be reconsidered," the president of the United States College of Catholic Bishops, Archbishop Paul Coakley, said of Hegseth's gambit.

It's a sentiment that echoes that of Chicago's archbishop, Cardinal Blase Cupich, who, this spring, condemned White House social media posts celebrating the commencement of the war against Iran as a "profound moral failure".

All of this comes at a time of renewed attention to the Church's teaching on the death penalty. Of course, there remains for many a whiff of medievalism about Catholicism as a whole, with its burning stakes and inquisitors, but the modern Church has increasingly sought to define itself as a guardian of human dignity against any violation. After decades of inching towards total condemnation of capital punishment, the catechism was officially amended in 2018 to note that the death penalty is "inadmissible, because it is an attack on the inviolability and dignity of the person, and [the Church] works with determination for its abolition worldwide". Pope Leo XIV has affirmed this teaching frequently.

Any development in Church teaching is bound to generate controversy and dissent, but the disavowal of capital punishment has produced such a howl of indignation among many rightwing Catholics — to say nothing of the anti-Catholic bile it seems to have called up among some evangelicals and fundamentalists — that it's difficult not to wonder whether their dispute is purely doctrinal.

Indeed, there is almost a sense of injured piety in the defence of state murder, as though the Vicar of Christ were overstepping his bounds in pronouncing against it. Such has been the complaint against this Pope and his predecessor by the likes of vice-president JD Vance and border tsar Tom Homan, both Catholics, who in effect told their Church's leader to stay in his lane when he dared question their decisions in matters of immigration and war-making. Always keen to split the difference between his two adopted faiths, Catholicism and Maga, Vance's initial response was simply that if the execution were broadcast, he would not watch.

The whole affair highlights a tension around American nationalism that has become ever more apparent in Trump's second term, namely whether it is possible to be an American and anything else at the same time. It's a wedge the future of Maga depends on driving, and in service of which it will appropriate and supercharge any myth, totem, ritual or altar.

It would be irrelevant to Maga that the example of much of the rest of the world has demonstrated capital punishment's practical effects on deterrence and social order to be negligible at best, and that one of world's oldest and largest religious bodies deems the practice inadmissible, were these counter examples not further proof of the uniqueness of the movement that is willing to defy them. That the sacrifice will not be broadcast this time is a partial defeat, though it may be next time. In either case, the bullets will still fly.

The writer teaches at Columbia University

Letters

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Why Burnham should embrace electrification

Your recent Political Fix podcast discussion on the Jackdaw gasfield in Britain's North Sea ("100 days of Burnham", October 23) highlighted how often energy debates are focused on upstream supply. The efforts of some to package new North Sea extraction — including the looming approval of the Rosebank oil project — as a shield for energy security distracts from where Britain's economic vulnerability really sits.

The UK's over exposure to volatile international markets is fundamentally a downstream consumption problem — locked into gas boilers, petrol vehicle fleets and oil and gas-reliant factories. While we argue over marginal drilling, we have paid over £1bn in constraint payments this year alone to switch off clean power simply because we lack the electrified demand to absorb it.

As UK Prime Minister Andy Burnham and international delegates prepare for the upcoming UN climate summit, the push to transition away from fossil fuels cannot focus solely on building renewable energy.

Phasing out oil and gas requires an equally co-ordinated plan for how economies will run on electricity instead.

Burnham will see that some progress is being made, with the COP31 presidencies of Turkey and Australia laying out a target for the world to deliver 35 per cent electrification by 2035. He and other world leaders have an opportunity in November to establish electrification as the delivery engine that improves energy security and lowers energy bills for good.

Camilla Born
Chief Executive, Electrify Britain, Ilkley, West Yorkshire, UK

US states with clean energy policies enjoy lower prices

Martha Muir's article on the impact of the Iran war in the US north-east (Report, October 23) asserts that rising oil prices are causing people to rethink their opposition to natural gas pipelines. The region urgently needs to deliver more affordable energy to the 1.8mn homes still reliant on heating oil, but the answer is not gas pipelines.

However the article fails to note that New England actually has increased natural gas import capacity in recent years, yet price relief has not occurred. Since 2016, New England has increased gas import capacity by 19 per cent, while consumption has only risen by 6 per cent. And more gas doesn't lead to affordability: for example, states using a higher percentage of natural gas for power tend to have higher electricity prices. Why is that? A major driver is international gas exports. Between 2016 and 2025, the US has increased liquefied natural gas exports by over 28 times. Gas exports tie gas prices at home to volatile and more expensive international markets, and higher export levels are expected in coming years. This energy security issue has already brought pain to north-east families, as seen in price spikes driven by conflict in Ukraine and now Iran — affecting both oil and natural gas.

But there is a way out: energy efficiency, heat pumps, and a clean and flexible electric grid. Unlike natural gas, states that have added more clean energy since 2016 have seen smaller increases in electric prices. Heat pumps can move homes away from costly heating oil with electric heating, which is between two and four times more efficient. Energy efficiency measures can further reduce energy usage and bills. Paired with clean energy, these investments offer a powerful pathway to affordability — which is why many countries have pivoted sharply towards renewables and electrification in the wake of the Iran war.

Further, clean energy doesn't cause significant pollution, which is tied to increased lung disease, cardiac disease, and dementia — driving up state and household healthcare costs. Climate pollution is leading to more frequent and severe storms, rising seas and changing weather patterns. These impacts increase insurance, storm response and food costs, with precipitation, temperature swings and drought conditions hitting families' pocketbooks.

Clean energy offers the US north-east a path to more affordable energy and a more affordable lifestyle. The prudent choice is a clean energy future — one that is less reliant on natural gas and oil, not more.

Dan Sosland
President, Acadia Center, Rockport, ME, US



Why consultancies require a bit of their own medicine

Your report on rising starting salaries at McKinsey, where I once worked, BCG, and Bain (October 29) raises a question that goes beyond talent competition. For decades, management consulting economics has depended on a broad base of junior professionals doing analytical work under the supervision of a relatively small number of senior partners. This structure has served two purposes: generating profitable delivery capacity and developing the firm's future leaders.

AI is beginning to challenge the first purpose without eliminating the second. If AI increasingly performs the analytical tasks traditionally assigned to junior consultants, what justifies expanding the same staffing structure at higher salaries?

Growing demand for AI-related consulting services may explain renewed short-term recruitment. But it does not resolve the longer-term question of whether the traditional partnership model remains the most effective way to organise consulting capabilities.

The solution may lie in separating two functions that consulting firms have traditionally combined: developing future leaders and organising analytical delivery. Firms can continue investing in their people while increasingly drawing on specialised, AI-enabled delivery capabilities beyond their own organisational boundaries, without relinquishing client relationships, professional judgment or accountability.

The future of consulting may therefore depend less on preserving the traditional pyramid than on redesigning the organisation around the capabilities clients actually need.

Vladimir Lazarevik
Founder and Managing Partner, MECE Solutions, Abu Dhabi, UAE

Europe's centrists need to 'get on their bikes'

Ben Hall ("Serbia, like Hungary, shows power of the people", Opinion, October 27) expertly compares opposition wins in Hungary and Serbia. But he seems to have missed one important point. In both countries the pro-democratic opposition devoted a lot of time and effort to visiting people in small towns and villages, sometimes on bicycles, talking to ordinary people on the way. At a time when politicians look to social media to build support maybe Serbia's students and Péter Magyar in Hungary have found that face-to-face contacts with people in the streets work better. So too in Europe, facing key elections next year, ruling centrist coalitions facing strong challenges from populist opponents should take note and "get on their bikes" as soon as possible.

Krzysztof Bobinski
Society of Journalists (Warsaw), Poland

A cautious welcome for the chancellor's founders' relief

Martin Wolf argued, in his online column published before the Budget announcement that the chancellor's main task was to make Britain look prudent, because boring beats risky excitement (Opinion, October 28).

The new founders' relief, a 10 per cent rate on lifetime gains of up to £10mn, restores the limit lost in 2020, when the old entrepreneurs' relief was cut to £1mn. It signals that those who build a business in Britain should be able to sell it and stay.

The difficulty is who qualifies. The relief is reserved for "our most successful firms", yet founders take their risk years before anyone knows which firms will be the successful ones. At the same time, business asset disposal relief is halved to £500,000, now worth at most £30,000 in tax over a lifetime.

The chancellor says three in four claimants are unaffected. The one in four tend to be the owners of established, profitable companies who have built something worth selling. Unless founders' relief reaches them, they will be caught between the two reliefs, paying more to sell the business they built than they would have a year ago.

The extended rate relief, the higher first year allowance, and greater support for businesses led by women, will help at the start of the journey.

Much now depends on where the lines are drawn. If founders' relief rewards the risk taken rather than the size of the eventual sale, this Budget will have backed founders from their first idea to their final exit.

Anthony Villis
Managing Director and Co-founder, First Wealth, London W1, UK

Red tape, not tax, is stifling Britain's entrepreneurs

As a business founder (and bloody-minded entrepreneur to quote chancellor John Healey), I can imagine you have been fighting off the letters from entrepreneurs who read Aliya Shibli's article in last weekend's FT Money ("Rise in UK entrepreneurs choosing to sell up", October 24).

Wednesday's Budget has added to this debate by introducing a so-called founders' relief. This is nice, but it isn't solving the problem. The problems I face as an SME owner at the coal face are regulatory, not tax.

For example, we submitted genuine R&D claims to HM Revenue & Customs repeatedly, only to have them repeatedly rejected. We're a laboratory for heaven's sake, and do genuine R&D, so if our claims are persistently rejected, I shudder to think how others fare.

The embattled HMRC needs a new department where our external accountant/auditor can liaise directly with the agency and have a conversation with a knowledgeable agent to solve problems quickly.

Another example is planning reform. To scale this business we need a bigger premises and this has been in planning since the start of 2026 with no sign of a decision on the horizon. We have reams of letters of support from major global customers wishing to spend with us, but the planning system is broken in a doom loop where no one wishes to take responsibility for making a decision — we're only now (eight months into the application) being asked for lighting strategies from yet another external consultant.

Why only now? Should we be successful in building our extension, it will be a significant scale up for us, and will immediately lead to a huge increase in business rates which will be levied before we have had the time to scale. How can a business scale, when at every step forward the knife of taxation is thrust between the ribs just when the business needs to take a deep breath?

As the business owner, these are the issues that erode at my mental wellbeing and every day that passes draws me closer to throwing in the towel out of frustration, despair and exhaustion.

Running a business should be exhilarating, fulfilling and rewarding. We recently celebrated our 20th anniversary of trading, I dearly hope that I can look back in another 20 years and say that we have become a regional/local success story and an asset to the area.

As a bloody minded entrepreneur, I could then happily stick it to the Treasury and say that in spite of it all, I went and did it anyway!

Abigail MacCartney
Founder of Livelab; Liberal Democrat Councillor, Oakham, Rutland, UK

Healey's Seinfeld moment

I love the irony of Will Lloyd's "There is no news" sketch ("Years after the Truss fiasco, an actual mini-Budget", Report, October 29) appearing on the front page of a 14-page print edition Budget 2026 FT supplement, albeit with four of those pages taken with adverts for financial advisers.

Surely John Healey's Budget only deserved the briefing sidebar. Reminiscent of the old Jerry Seinfeld quote: "It's amazing that the amount of news that happens in the world every day always just exactly fits the newspaper."

Phil Ingle
Kinton, Warwickshire, UK

Opinion

Rosebank is needed for UK energy supply



BUSINESS
John Gapper

Miatta Fahnbulleh, UK energy secretary, struck an unusually positive tone about fossil fuels when she announced her approval for drilling in the Jackdaw gasfield in the North Sea this month. Jackdaw would "support the country's energy security with homegrown gas this winter", she said.

Security of oil and gas supply has been less of a priority for the Labour government than showing "global leadership" in the net zero transition to renewables, a recurring theme of Fahnbulleh's predecessor, Ed Miliband. But times change and wars in Ukraine and the Middle East are focusing minds on becoming more self-sufficient.

Fahnbulleh will shortly face a tougher decision: whether to approve production in the Rosebank oilfield in the Atlantic, west of Shetland. She appears sceptical about this, noting, as she approved Jackdaw, that Rosebank was "a different proposition". Most of its oil would be transported to Europe rather than being refined in Britain.

But she should approve Rosebank and the Office for Budget Responsibility this week counted it in tax forecasts. The government can do so without breaching its energy policies or its Paris accord commitments to combat climate change. Even with Rosebank and Cambo, a nearby field that is awaiting development approval, the UK will remain a net importer of oil and gas.

Andy Burnham's government is under pressure from climate campaigners and some Labour MPs to block Rosebank, although the field already has the necessary exploration licences. They want him to keep on cutting oil and gas production in the North Sea, in contrast to Norway's expansion and Canada's energy ambitions under Prime Minister Mark Carney.

Some campaigners argue against adding to global fossil fuel production because of climate change. Uplift, a UK group, says that "no new oil and gas fields are compatible with safe climate limits." Although Paris commitments focus on a country's territorial emissions, rather than those from fossil fuels it exports, they want a moratorium.

The plea has fallen on deaf ears elsewhere. In 2015, when he was Bank of England governor, Carney warned that oil and gas reserves could become "stranded assets" in the energy transition. He is now pressing for Canada to become an "energy superpower" by increasing fossil-fuel production, although it already exports far more than it burns domestically.

> Opponents claim it is less important than the Jackdaw field, but this is an illusion

Britain does not have the same natural resources luxury. The government approved Jackdaw to lessen its dependence on gas from Norwegian fields in the North Sea, as well as imports of liquefied natural gas. It will need more than three times as much gas as it currently produces between now and 2050, and it recently struck a deal to secure supplies from Belgium this winter.

Rosebank is mainly an oilfield, although its operator Adura would produce some gas too. Since the UK's depleted refineries lack the capacity to process the oil, it would be shipped to European facilities. Its opponents claim it is thus less important for UK energy security than Jackdaw. The decision formally lies with Fahnbulleh, and she appears to sympathise.

This is an illusion. More than two-thirds of the UK's exports of crude oil to European refineries return after processing, according to the consultancy Wood Mackenzie in a report for Ithaca Energy, which owns Cambo and a minority of Rosebank. Much of the diesel and heating oil that the UK imports from Europe is "our own oil coming back," says John Underhill, director for energy transition at Aberdeen university.

It makes more sense to view UK energy security in the context of an integrated European system, given that the UK could not operate without European co-operation (as well as fuel supplies from North America and the Middle East). Even with its self-imposed restrictions, Britain forms part of the system as Europe's second-largest oil-producing country.

That should not weaken the UK's commitment to the energy transition, not least because its North Sea reserves are finite. More wind, solar and nuclear energy are essential, along with upgrading the electricity grid. But it also needs fossil fuels on the path to net zero; the question is how much domestic demand it meets itself.

Apart from energy independence, there are strong economic reasons to make more of its limited fossil fuel reserves. Higher production will generate jobs and tax revenues for a new energy wealth fund, as the budget calculates. Global leadership is nice to have but Britain lacks followers.

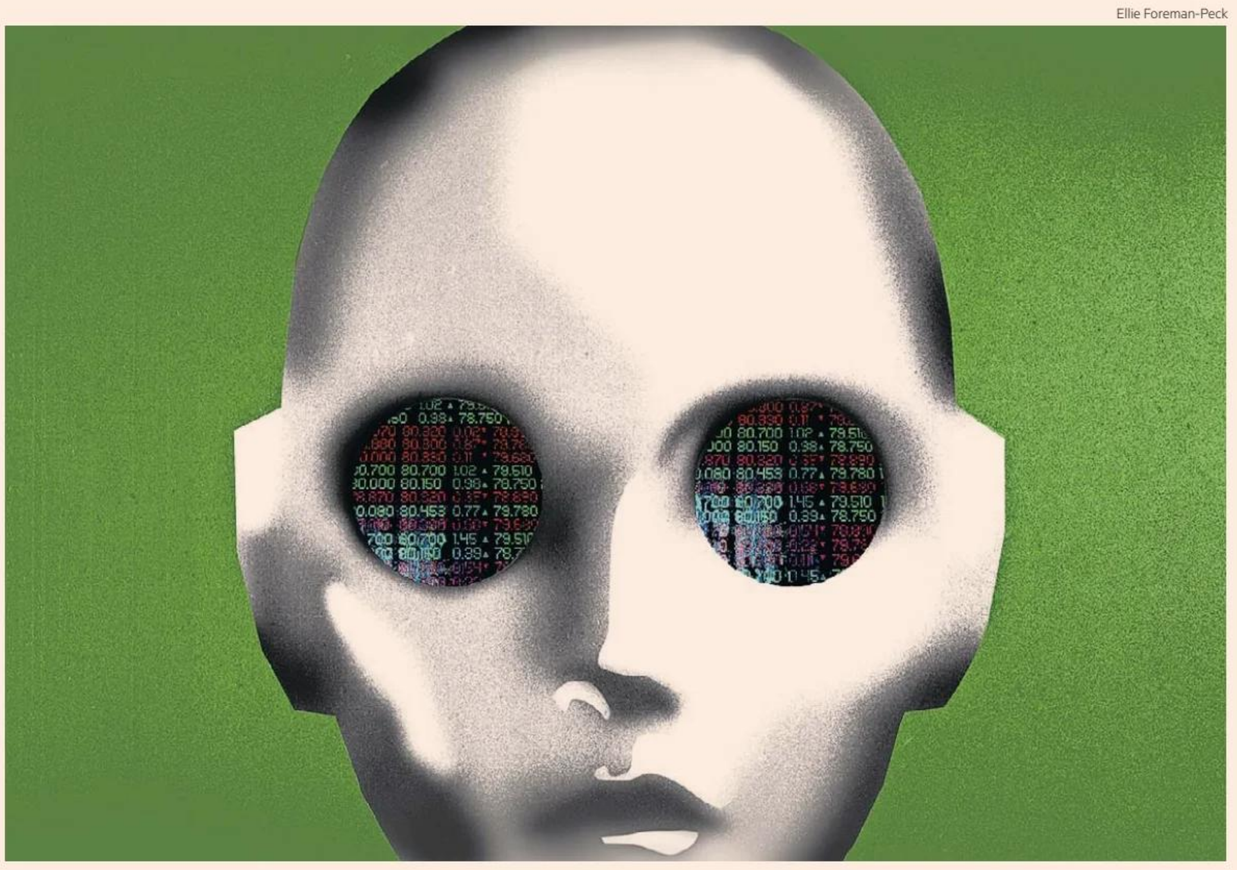
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Anthropic IPO success rests on two fears



TECHNOLOGY
John Thornhill

Ellie Foreman-Peck



The success (or not) of Anthropic's forthcoming initial public offering will be determined by which of two fears is stronger: the fear of missing out or the fear of messing up.

The first of these was neatly explained to me by a veteran financier. When I told him I found it hard to understand how any company that lost $81bn in the first half of the year could objectively be worth up to $1.75tn, he replied it was irrelevant what observers thought. The only thing that mattered was whether the market accepted the figure.

Anthropic will pitch its shares at a certain price and investors will buy them or pass. And, he predicted, most fund managers will not want to miss out on the chance to own a sliver of one of the most remarkable companies in history, irrespective of the price.

This week's publication of Anthropic's IPO prospectus certainly highlights the many ways in which the AI company is remarkable. At five years old, it is still a toddler company. But it has already released some of the world's most powerful and popular AI models, raised $141.1bn of funding and generated arguably the fastest revenue growth of any company on record. Anthropic generated $16.3bn of revenue in the first half of 2026, more than 12 times higher than in the comparable period the previous year. Its 250 biggest customers each paid more than $10mn for its Claude tools over the past year.

The company argues that the value of AI is on an "exponential" curve and that Anthropic is well placed to capture a large share of it. Like some magic sauce that peps up any dish, its AI models promise to help advance science, cure disease and boost economic growth.

"There's no end to the rainbow. There's just the rainbow," Dario Amodei, Anthropic's co-founder and chief executive, told me earlier this year, referring to the company's ability to scale its models.

Lest any investor get too carried away, Anthropic's prospectus reveals its own fears about the many ways things could go wrong, with risk factors running to 94 pages of the 335-page document.

It notes it is a public benefit corporation with a purpose beyond profit maximisation and has given its seven founders vice-like controls. It remains in dispute with the US government and has been declared a "supply-chain risk". It warns its AI systems might run out of control and cause terrible harm that could result in major liabilities. And, it breezily adds, without safeguards, AI could even pose "catastrophic or existential" risks to humanity.

Most of these risks are impossible to quantify. But at least no investor could complain they had not been warned if Anthropic does snuff out humanity, not that it would matter much by then.

Investors' more immediate concern will focus on Anthropic's incomplete section on future spending commitments. The company notes it has entered into several multiyear, non-cancellable purchase agreements for AI services and infrastructure. If future revenues do not cover these commitments, these liabilities could result in defaults and liquidity constraints.

Calculating future need for data centre capacity is a devilish business. Too little means Anthropic risks falling behind in frontier model development and failing to meet customer demand; too much and it may run out of money. For the moment, it has left its payment schedule blank. But PitchBook estimates its future hard-to-exit commitments may amount to between $450bn and $600bn before 2031.

> Its prospectus reveals the company's own misgivings about the many ways things could go wrong

Ominously, cracks are appearing in the data centre market as investors worry about the scale of investment and users question the cost and value of leading-edge AI models. In spite of the hype, AI has so far delivered "zero financial pay-off to corporate America outside of tech", Torsten Sløk, Apollo's chief economist, recently wrote.

Shares in listed neoclouds — specialist AI cloud computing companies — such as CoreWeave and Nebius, have been falling sharply and several unlisted start-ups have postponed flotations.

Elon Musk, chief executive of SpaceX, which raised $151bn in equity and debt funding earlier this year, has claimed that debt markets are now shut to companies that are solely reliant on data centre revenue. More than 200 neoclouds would see "guppy-level death and consolidation", he posted on X.

One financial analyst has calculated that the big public tech companies, private frontier labs, including Anthropic and OpenAI, and the listed neoclouds have disclosed debt and non-cancellable computing commitments of $2.1tn. That compares with $1.3tn of outstanding subprime mortgages in March 2007, which helped trigger the global financial crisis the following year.

Just as many adjustable-rate mortgages back then started with low two-year teaser rates that then rose, the AI sector's "take-or-pay" contracts could result in companies paying for capacity they never use. The industry will soon hit its own enormous reset wall.

Ben Thompson, author of the Stratechery newsletter, argues that as long as Anthropic meets its revenue projections then investors may conclude it represents "a reasonable call option on seemingly unlimited upside".

That is certainly the kind of bet that venture capital investors are in business to make, explaining why Anthropic has got to where it is today. But it is a call that more cautious institutional fund managers will be more fearful about. Even an amazing company with amazing technology does not always translate into an amazing investment when its offer is priced so high and its collateral risks are so immeasurable.

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Security through obscurity is not a good cyber defence

Tarah Wheeler

On the evening of October 11, supermarket refrigeration units across France warmed up to as much as 50C overnight. The following day, bewildered workers were greeted with aisles full of spoiled food. In several stores, fires also broke out in overheated units. Most of the supermarkets used a Danfoss central unit that controlled the freezer and refrigerator units for an entire store. That central controller was accessible remotely. Cybercriminals appear to have found a single hack that would leave every unit vulnerable.

In total, over 150 Intermarché and Netto stores, 80 Coopérative U stores, and about 80 Carrefour stores with some scattered Monoprix and E Leclerc stores were hit. At least one vulnerability researcher reported that stores in Spain, Portugal, Germany, Poland and Belgium had also been affected.

A year and a half earlier, Danfoss had deemed one line of its refrigeration controller products vulnerable to unauthorised remote login and had made software updates available. The morning after the attack, Cert-FR, the cyber security emergency response team for France, issued a public alert warning that Danfoss remote controllers of refrigeration systems were actively being targeted in an ongoing security incident.

A few days after the attack on French supermarkets, millions of websites around the world went dark. The takedown was a precautionary measure after a vulnerability was found in PHP, a web programming language that has been used for decades in business, academia, science and government. Its well-known problems with memory safety, a flaw that makes it easy to exploit, were highlighted by researchers testing cyber defences using AI tools, and patches were issued.

Both the refrigerator hack and the PHP exploit are about familiar problems with old software. Information security experts are seeing many more low-level old vulnerabilities being exploited at a high cost to those hacked.

In the case of the French fridges, Intermarché's CEO has said the attack will cost tens of millions of euros. Other hacks may do even more damage. But if they do not make the news, there is little to no incentive for those victimised to publicise how they were taken advantage of.

> A few days after an attack on French supermarkets, millions of websites around the world went dark

This is a problem because knowing the details can help cyber security experts prevent future attacks elsewhere.

Investigators at France's cyber security agency ANSSI have not confirmed how attackers got into the supermarket refrigeration units, although researchers at information security research firm Claroty found several vulnerabilities in the code for a Danfoss refrigeration model months before.

We cannot verify the path the attackers took. But there is another possibility. The day's date was being used to seemingly purposefully create a hidden administrator bypass which ignored any password the owner had set on the device and permitted full device access.

This is not a normal method of providing secure remote access to devices. In information security, we call something that is hidden like this "security through obscurity". The affected devices had not been updated. Some older devices had no patches available at all.

Industrial and commercial suppliers of devices that can start fires can no longer pretend that security through obscurity is a sufficient defence when failing to implement the most basic security practices. Consumer product safety commissions have been warning for decades that internet-connected devices that manage temperatures are likely to be in the first wave of human-harming hacks, and this is the first major hack that has caused fires in multiple locations.

Outdated, insecure software has been a problem for decades. Finding those exploits is being made easier by AI. While there is no evidence that the French refrigerator hacks used AI, PHP shows how quickly AI can put together a string of exploits that use software with well-known vulnerabilities.

The time between finding a weakness and watching as it is turned into an active exploit is collapsing from years to days. Without aggressive patching and taking security hygiene more seriously, the next 18-24 months will see more attacks against industrial and commercial equipment — and the risk of more fires.

The writer is an information security researcher and chief security officer at TPO Group

Housebuilding is the best way to tackle the cost of living

Tim Leunig

Andy Burnham and John Healey have made the cost of living central to their pitch. But this week's Budget again showed that they are ignoring the most plausible approach: increasing housebuilding to bring down rents.

The typical British renter spends three times as much on rent as on food, and five times as much as on energy. It is worse in London, where renters typically spend 40 per cent of their incomes on rent. London flats are small and post-rent incomes are low. These two facts mean that high salaries often translate into low living standards.

This affects all of us. The government spends around £6bn a year on housing subsidies for Londoners alone, money we all have to find via taxes. There are less obvious costs too: businesses face high rents in London, and skilled individuals can't afford to move there, constraining the growth of our most successful city. National income — and tax revenues — are lower as a result.

London's high cost of housing can be explained simply by supply and demand. The capital's population has grown by 1.6mn people this century, and supply hasn't kept up, constrained by planning rules that prioritise golf courses over housebuilding.

It is reasonable to ask whether new private housing, aimed mainly at people on relatively high incomes, will lower rents more generally. The prime minister suggests not, hence his very expensive and largely unfunded pledge to create the "biggest council housebuilding programme" since the 1950s. The government's private admission that it has given up on its targets suggests that they do not consider private housebuilding to be best way to lower rents.

> The government spends around £6bn a year on housing subsidies for Londoners alone

But the evidence is clear. Recent research from Finland, for example, shows that while people who move into new flats are indeed relatively well off, such moves kick off a classic house-moving chain. The majority of people who can now move — presumably to somewhere better or cheaper — have lower than average incomes. Many of these are adult children previously stuck at home with parents or moving out of shared flats. So long as enough new homes are built, the laws of supply and demand mean lower prices and greater choice at all price points.

All this happens at no cost to the government. Imagine that England actually hit the current housing targets for five years. A University of Reading model shows that rents would fall about 2 per cent more per year than they would otherwise. In absolute terms, London would see the biggest falls. The rent on a typical two-bed flat in Lambeth would, for example, fall by over £250 a month within that time. To look at it another way, a £250 rise in disposable incomes from lower rents is approximately equivalent to wage rises doubling over the same period.

Building this number of houses would also increase both national income and tax revenues, as construction is a very domestically oriented sector. Government spending — particularly on extraordinarily expensive and terrible temporary accommodation — would fall as housing became more readily available. The rise in tax revenue and fall in spending would improve the government's fiscal position by at least £1bn a year from cheaper housing in London alone.

In recent years, planning reform in places as diverse as Auckland, Austin, Minneapolis and California has increased housebuilding, lowering prices: models for Britain to copy.

Housing policy failures have hit Londoners hardest. But sorting it out will benefit every postcode by increasing tax revenues and reducing pressures on public spending. Every politician, no matter their aspirations, should see sorting out London's failure to build more homes as their top priority.

The writer is an economist and former adviser to two UK chancellors. This article draws on research with Rob Blackie and David Lawrence

Opinion

The A.I. boom looks a lot like the housing bubble

There are signs the artificial intelligence boom is going bust. If it does, the consequences could rival the 2008 financial crisis.

Jennifer M. Harris

Artificial intelligence is fast becoming the largest investment in U.S. history. As the money pours in, the companies involved are resurrecting bad old habits eerily reminiscent of the shenanigans deployed in the run-up to the financial crisis.

There are already signs that much of this investment may go bad. If it does, the consequences could rival what happened in 2008.

We know far too little about the financial plumbing propping up this surge. What little we do know looks remarkably like the tactics once employed by Wall Street firms like Lehman Brothers, the storied 158-year-old bank that collapsed in 2008, setting off a panic that ultimately cost taxpayers nearly $700 billion in bailouts in today's dollars and nearly nine million Americans their jobs. Now as then, companies are hiding large amounts of debt off public balance sheets. Firms responsible for protecting our pensions and our insurance are again risking our money by snapping up complicated financial products backstopped by assets of uncertain value. A small group of companies are buying and selling large amounts of a hot product to one another, inflating demand for the product and obscuring the risks of the system in a web of complexity. The accountants and credit-rating firms that analyze the situation — and that are financially beholden to the debtors — are deploying shaky excuses to declare it all fine.

There are a few differences. With more U.S. funds in A.I.-heavy stocks than in homes, a crash could destroy more wealth than the 2008 financial crisis did. And the Trump administration, reportedly eager to prevent a bust, is making changes that inject new opacity and more risk into the situation.

There are already signs the nascent A.I. industry may not soon generate the trillions of dollars required to pay off all the huge debts it is incurring. Earlier this month, The Financial Times reported that the projected annual revenue at A.I. lab OpenAI was about $50 billion at the end of September, 28 percent lower than had previously been believed. Figures reported by The Wall Street Journal this month suggested that revenue growth at Anthropic, OpenAI's chief rival, was softening. Markets are getting nervous, with the tech-laden Nasdaq falling over 5 percent over the last two weeks.

Anthropic and OpenAI are already so entangled in the U.S. economy (and in its national security) that if they sink, Washington will need a plan. Done right, any rescue would come with real safety guardrails, real insurance that we won't cede control of the technology to China and real service to the public interest.

Lehman Brothers was born in 1850 as a cotton brokerage in antebellum Alabama. The A.I. chipmaker Nvidia was born in 1993 in a booth at a Denny's in San Jose, Calif., and Meta in a Harvard dorm in 2004. And yet the financial circumstances surrounding those companies share an uncanny resemblance.

Start with hidden loans. A Wall Street Journal analysis in August concluded that the nine largest tech firms, Nvidia and Meta included, have managed to accrue $3 trillion of debt, or roughly 10 percent of the entire U.S. economy, off their balance sheets. Keeping the debt off the books (and away from the figures investors and regulators watch most closely) makes it easier for those companies to spend enormous sums constructing the data centers that drive A.I. — centers they believe will both improve the technology and satisfy an expected takeoff in demand.

Back in 2008, Lehman, too, accumulated lots of debt, primarily from buying subprime mortgages; those loans, which were targeted to home buyers with thin or imperfect credit histories, were the hot product of its day. The firm similarly avoided scrutiny by shuffling the debts off its balance sheet. When those mortgages went bad, so did Lehman, and its sudden demise nearly took much of the banking system with it.

Such worries may explain why tech stocks have been taking a beating, and bond markets — normally where investors go for shelter amid financial turbulence — are volatile.

Within days of its failure, Washington committed hundreds of billions of dollars to stabilize the financial system, and the Federal Reserve backstopped trillions more. Still, the rescue wasn't enough to stave off the worst recession since the Great Depression. Millions of jobs and trillions in household wealth evaporated.

Now you might ask: Didn't Congress pass legislation to prevent another crisis from occurring? Yes, but that law, known as Dodd-Frank, applied largely to lenders, which means banks and bank-holding companies. It left private creditors, back then a relatively small slice of the finance world, virtually untouched. In 2018, Congress, worried about the potential impact on small businesses, loosened rules to allow many private creditors to stretch their balance sheets. It ignored objections that money, like water, would always flow to the least regulated corners of finance.

Enter Silicon Valley. A.I.'s biggest players seized on the loosely regulated private credit industry to help finance their data center spree.

Another throwback to the bad old days of 2008: the way the A.I. firms and their main suppliers are buying and selling the technology and its infrastructure to each other, lending large sums to one another to fund the deals.



CHUAN MING ONG

Nvidia disclosed commitments and guarantees of over $530 billion to its own customers in July — more than triple the amount it was lending just three months earlier. Analysis by the asset manager Sona found at least 176 circular financing deals in the A.I. ecosystem that were worth $3.6 trillion over the past three and a half years.

Back in the housing bubble, major Wall Street firms came up with numerous complex ways to borrow from their rivals, with proceeds going to purchase even more subprime mortgages. The result made demand for those loans look greater than it actually was, and it built a financing web so tangled that it became difficult to parse any one firm's exposure. As Lehman's collapse later showed, such confusion meant that a problem anywhere can soon become a problem everywhere.

Then how about the fact that accounting firms, those given the job of calling out any warning signs, appear asleep at the wheel once again? Ernst & Young, which signed off on Lehman's questionable accounting tactics before its collapse, is now being accused of offering more tautology than real comfort in its latest approval of Meta's unusual accounting moves to fund its very expensive A.I. push. Everything is all fine, essentially, because Meta said it is.

Those are the similarities. Now for the differences.

This presidential administration, reportedly worried that any A.I. slowdown will beget a broader economic one (which, in turn, could worsen its political standing), is propping up the boom. Its measures likely goose the available money in the short term but will worsen the pain of any correction. President Trump wants to allow Americans to invest their retirement savings in private credit funds, ensuring they will lose directly if these data center deals go bad. The Securities and Exchange Commission has made it easier for data center owners and their lenders to slice and repackage this debt, which is exactly what banks did to subprime mortgage debts in the housing bubble. The S.E.C. is also proposing rules that allow newly public companies to disclose even less than they already do.

HARRIS, PAGE 10

This year, yet again, I'm dressing as grapes

Every Halloween since 2009, I've adorned myself with balloons. I'm committed to the bit.

Michael Linares

Unlike the rest of you, I'm not agonizing over a Halloween costume. I know what I'll be. I know who I am: Grapes.

I've been Grapes every year since 2009 — nearly two decades. I don't expect that I will stop, either. It's a lifelong commitment to the bit. Grapes gives the feeling of Cronenbergian body horror: a freakish solid with near-liquid bounce.

The first time I dressed as a bunch of grapes, I was 21 and new to New York. I didn't know what I was looking for, only that it had to be quick and easy, a bit of a gag, and within my Balthazar-server budget. I wanted armor — friendly up close, spooky at a distance; perceived but not seen. I was a weird queer brown kid navigating a new social world. I wanted attention, but not follow-up questions. I didn't yet believe I had anything to say. I needed a costume that read as defiant, not sexily gay — a category I felt excluded from.

So, post-breakfast shift, I went to the Balloon Saloon in TriBeCa (an upscale emporium for, you guessed it, balloons). Out I came with the bags of sinewy latex that would become my exoskeleton.

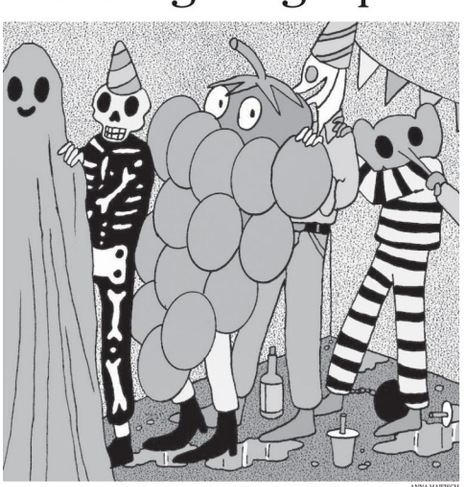
A quick tutorial: Grapes as a costume is just green felt and 15 purple balloons safety-pinned to a long-sleeve shirt in an inverted pyramid. It is decidedly D.I.Y., impressionistic, hard to bungle. That first year, I wore an all-purple American Apparel outfit, but I learned it hardly mattered — your body underneath the balloons becomes invisible. I roll a sheet of felt into a cone and pin it to a hat; another rings my neck. The big to-do is blowing up the balloons, which was infinitely easier when I had five roommates, though I eventually got it down to 10 minutes solo. Each balloon gets a pin through the lip. (Keep your back and bum balloon-free so sitting is possible.) Start at the top and work your way down the front: 5, 4, 3, 2, 1. By the second row, the operation becomes untenable: you'll start pricking yourself and popping precious inventory. But by the third row, the magic sets in. The scaffold turns into structure, and the ghost enters the machine. Grapes is in the room with us now.

The first few years, Grapes was pure joy. Everyone was happy to see me. Children bopped me, dogs booped me. Straight men leaned out of cars to say, "YO, GRAPES!" — a welcome catcall rather than a menacing taunt. With the same costume every year, I could sit out the annual rat race to yassify a new profession (sexy data center worker?) or embody the most niche queer reference (Elizabeth Holmes, or the "dancing bird automaton"?). I refused to make it new.

Some years I told people I was Bacchus, or Sour Grapes, or the Grapes of Wrath. But I never stuck with the conceits. The worst part of any costume is having to explain it. Even at 21, I was tired of explaining myself — my race, my sexuality — of making myself neat in someone else's mind. I wanted to overflow matter-of-factly. With Grapes, I could. I was Grapes, plain Grapes.

Grapes is great at parties. The first balloon crosses the threshold and suddenly everyone has a role to play. Fellow guests must see that this new being can get a drink, make way for its many bathroom breaks. All Grapes can do is smile and shrug and hope to be taken care of. People pause conversations; crowds part. I wave to the world from inside my balloon bumper car, buffered against social anxiety.

Grapes makes the awkwardness literal and unavoidable, and somehow lets me be more myself. I can take a night off from self-protective extroversion — from meeting everyone more than halfway. Now they have to come to me. Surviving the night as Grapes is a testament to the miracle of human cooperation, like crowd surfing or voting.



ANNA HAIFISCH

Here's a thing I learned: Grapes is a divining rod for sadists. I'm not talking about the innocent boppers or mischievous jostlers — I honor both. I'm talking about poppers. Poppers are otherwise normal people who are overcome with the urge to maim Grapes. They are sleeper cells activated by the sight of sweet, bulbous me. They cannot be avoided, and rarely can they be reasoned with. Most are strangers. Some are not.

Poppers can be anywhere, and they might look like normal people — they shop at the Park Slope Food Co-op; they live on my block; I still run into them at Christmastime and at Shabbat. But Grapes remembers who popped them. There are things Grapes cannot unsee.

There were years when Grapes began to feel like an albatross around my neck — or 15, pinned to my body. Eating was impossible; going to the bathroom was risky. I had to ride contorted in the back seat of cabs, and forget about a seatbelt. Wind could ruin me. Sometimes the store ran out of purple balloons and I had to go as jet-black caviar (2018), or I had nowhere to go but a Zoom chat (2021), or I had somewhere to go but it was more of a grown-ups-drinking-wine vibe (2024). Some years I just was not in the mood, but I pressed onward (2016, 2023, 2025). There was no opting out.

To don the same costume every year is to defy the relentless passing of time, and to see how I've changed in turn. In early photos of Grapes, I can see how much I needed the armor. In later ones: I have more confidence and calm, more wrinkles. I forgive poppers now. I carry extra balloons. Today, under all that purple, I want to be seen, not just perceived. I have plenty to say, and I can take all the questions. I wonder how I'll ripen and sour in the next 20 years of Grapes.

Like any piece of endurance art, Grapes took on different valences over time. It was funny, then less funny, then mundane, then ironic, then post-ironically sincere, then, God willing, funny again. I could tell what kind of year it was by people's eyes. As I tumbled out of cars or jiggled upstairs, I might catch the wide-eyed excitement of a party host or the slow blink of an exasperated friend. Recently, I told my partner I'd be his plus-one to a fancy (plainclothes) soiree falling on Halloween — as Grapes. He looked at me witheringly. I am now uninvited.

The trail from "YO, GRAPES!" to "Oh, Grapes" is shorter than you'd think. Luckily, it is a loop.

MICHAEL LINARES *writes about culture and technology and is the vice president of product for NYT Cooking.*

OPINION

The New York Times
INTERNATIONAL EDITION

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‘You Can See Everything,’ all shadows and mirrors

Eve Sneider

As Heisenberg pointed out, you can’t watch something without changing it. Observers are never neutral.

In a new documentary, “You Can See Everything,” Lance Oppenheim and Nathan Fielder take this idea and bolt in a new direction. While their film is nominally about the noted Silicon Valley fraudster Elizabeth Holmes and her partner, Billy Evans, it has a much more universal message: Every person has a unique perspective, and that makes it impossible for anyone to produce a narrative that is absolutely true.

This is surely part of the reason for the movie’s rave reception and wild popularity. There is something titillating about being drawn into the action, about watching and even about wanting to watch. In our media ecosystem, the reaction to something is often a story unto itself. We look to one another — on Twitter, Twitch streams, podcasts, group chats — to make sense of what is right in front of us.

In the film, Mr. Oppenheim (and a small crew) films Mr. Fielder watching Ms. Holmes and Mr. Evans; we, as the viewers, watch all of them watching one another. The filmmakers are being manipulated by Ms. Holmes and Mr. Evans, but they’re also manipulating their subjects — and us, their audience. There’s no gotcha moment, exactly. Everything is a performance. Everyone is implicated.

There is artifice present in any work of nonfiction, and in every aspect of our lives.

Reviewers have praised the movie for being “of this moment” and for capturing “what a decade of post-truth has done to us.” Meanwhile, critics of the film and of Ms. Holmes’s role at the company she founded, Theranos, have taken issue with Mr. Fielder and Mr. Oppenheim’s relative lack of interest in the actual facts of Ms. Holmes’s criminal case. Each camp wants its own take on Ms. Holmes and this movie to be the right one.

But the genius of Mr. Fielder and Mr. Oppenheim’s approach is that once the idea that truth is slippery has lodged in your mind, you can’t really get rid of it. This sleight of hand has commandeered the attention of viewers in sold-out theaters across America And it’s a move that was pioneered by Janet Malcolm, a writer and longtime New Yorker journalist who also took flak for proposing that the truth is unknowable, especially in so-called nonfiction.

Ms. Malcolm, whom Mr. Oppenheim has named as a favorite writer of his, made a career out of interrogating the limits of any one individual’s perspective. She wrote nonfiction that openly wrestled with the ethics of the genre, complicating the notion that a journalist can be an authority on someone else’s story. She often placed herself in her work as a character, in part to expose the skewed power dynamics and inevitable unscrupulousness of telling “true” stories.

Undoubtedly the most famous example of this — and the work of hers that most obviously shares DNA with “You Can See Everything” — is the two-part New Yorker story “The Journalist and the Murderer.” When it was published in 1989, it sent shock waves through American journalism. (Those were different times.)

The story explored the unlikely and ill-fated relationship between Jeffrey MacDonald, a convicted triple murderer, and Joe McGinniss, a journalist who befriended Mr. MacDonald while reporting on him. Trouble arose when Mr. MacDonald, who stood to share some of the profits from Mr. McGinniss’s book, discovered that the person he was collaborating with portrayed him as a psychopathic killer. Mr. MacDonald, who was found guilty of killing his then-pregnant wife and their two young daughters, was far from a sympathetic character. Yet readers of Ms. Malcolm’s book were prompted to question Mr. McGinniss’s actions. Ms. Malcolm used this episode as an allegory: Journalists, by their very nature, cannibalize other people’s words to tell their own stories.

Ms. Malcolm’s peers and critics responded to “The Journalist and the Murderer” with shock and anger. She was chastised for asserting her point of view about the case while also trying to situate herself above the fray. (It didn’t help that she neglected to mention in the piece that she, too, was battling a former subject — Jeffrey Masson — in court.) But by positioning herself this way, Ms. Malcolm did two important things: empower her readers to take their own perspective seriously and go further, implicating them in the dubious ethics of attempting to tell a “true” story.

In the explosion of think pieces and online discourse surrounding “You Can See Everything,” a similar effect is at work. I have spent the past eight years, on and off, poring over Ms. Malcolm’s papers, reading and rereading her work, trying to better understand her thorny, convoluted, occasionally maddening, utterly singular perspective. In the intensity and strangeness of Mr. Fielder’s gaze especially, I recognize how captivating it is to be invited to pay such close attention — the kind that elicits multiple interpretations.

“You Can See Everything” is a chronicle of Mr. Fielder’s Sisyphean efforts to understand what he is seeing and why he sees it that way. We watch Mr. Fielder peer at Ms. Holmes and Mr. Evans from the shadowy corners of their San Diego-area home, observing them doing things that normally don’t merit close observation, like beating eggs. Mr. Fielder meets Ms. Holmes’s unnervingly wide blue eyes with befuddlement. We can see him thinking: Is this all an act, or what? It’s a fun twist, watching the comedian famous for making other people uncomfortable squirm.

In the second part of the film, after Ms. Holmes begins her prison term, the story takes a new shape. To compensate for the fact that they no longer have access to their purported subject, the filmmakers call on Amanda Seyfried, who played Ms. Holmes in Hulu’s “The Dropout.” Having Ms. Seyfried act out interactions with Ms. Holmes that Mr. Fielder could not film is a clever narrative trick that exposes the filmmakers’ attempt to make sense of what’s in front of them. When the actress asks Mr. Fielder whether his own feelings are getting in the way of depicting Ms. Holmes honestly, those of us in the audience are hit with yet another reminder that we probably shouldn’t believe everything we’ve seen.

No nonfiction story ever mirrors life one-to-one, and Mr. Fielder and Mr. Oppenheim’s ambitions appear to lie elsewhere — less in journalism and more in provocation. “You Can See Everything” follows in the tradition of Janet Malcolm to say something that is, on a cellular level, true: There is artifice present in any work of nonfiction, and in every aspect of our lives.

You can’t will that away. But you can try to understand how you are warping what you see; in the end, that’s probably more interesting.

EVE SNEIDER *is the author of “The Absent Woman: The Genius of Janet Malcolm,” forthcoming in November.*



PHOTO ILLUSTRATION BY THE NEW YORK TIMES; SOURCE: PHOTOGRAPH BY A24/EVERETT COLLECTION

Europe is on edge. It won’t stop.

JÄGER, FROM PAGE 1

cratic capitalism.” In the talk, he described a malaise of Europe’s fiscal state that had been building since the end of the 20th century. Against a backdrop of declining growth rates, Mr. Streeck argued, governments were caught between the barricade and the bond market, with no effective remedy in sight.

Mr. Streeck’s diagnosis has lost little of its pertinence in 2026. If anything, the crisis he detected appears only to have deepened. After freer monetary policy in the 2010s, interest rates are again rising across the West, pushing up borrowing costs for governments. Europeans hungry for increased public spending and better services are likely to be disappointed. Austerity, never fully terminated, is instead set to return in full force.

In fact, additional stresses have now been added to Mr. Streeck’s stack. In 2011, European states were not yet under pressure to raise money for rearmament, and hostilities in Ukraine were three years away. The Israeli-American war on Iran, with all its inflationary effects, appeared a grim speculation. Climate crises and Chinese competition seemed more inchoate than immediate. What the historian Adam Tooze has called the “polycrisis” — or the set of overlapping crises that stalk European polities today — was not fully installed.

The move to rioting and looting suggests aims that have less to do with social rights or public provision.

The repertoire of protest has shifted, too. In 2011, enthusiasts for new social media platforms were quick to call the revolts in Europe and North Africa “Facebook revolutions,” seeing them as predominantly digital uprisings. The label seemed cheap at the time, more a marketing ploy on behalf of tech companies eager to advertise their democratic credentials than a faithful description. Most of all, it obscured that unions and neighborhood networks had played as important a role in gathering people as the platforms.

The label appears less cheap today. Jean-Luc Mélenchon’s leftist party, France Unbowed, was able to mobilize tens of thousands of students and teachers to shut down the nation’s high school system. Yet much of the protest activity was launched outside of the left’s official circuits — instigated through TikTok or chat apps. The same is true in Brussels, where union officials have had difficulty keeping up with online calls to assemble. Crucially, the current generation of protesters are natives, not novices, to these platforms, having grown up in the social internet.

As a result, many of the protesters operate outside the purview of traditional organizations such as unions and parties. This undoubtedly grants the demonstrations their liveliness and scale, yet it also lends itself to a lack of discipline. To outsiders, participants and nonparticipants are more difficult to parse, befitting more thoroughly decentralized movements. Even more formal groups like the Yellow Vests in France, who joined in protests last weekend, are prey to operational looseness.

The move to rioting and looting, what’s more, suggests aims that have less to do with social rights or public provision. To analysts such as Ivan Krastev, the background for these uprisings is a wider sense of futurelessness, also palpable in continental anxieties about migration and demographic decline. In this dire setting, riots express a zero-sum mentality in which participants feel that the building of durable collective power is improbable and direct action is more promising.

Such hopelessness is deepened by a labor market in which degrees seem meaningless, as artificial intelligence is set to dissever the structure of Europe’s working lives. Whereas the mass mobilizations of the 20th century took place in a hopeful future conditional, the time horizon of contemporary protest has shrunk to more immediate aims: increased funding, the seizure of goods. “Tout comprendre, c’est tout pardonner,” as the French say. Yet a certain youthful nihilism, in the face of such somber prospects, is hard to qualify as irrational.

Political prediction always exudes a whiff of astrology. Even if a Serbia-style scenario is hard to envision, Europe’s current upheavals will undoubtedly have short-term effects, perhaps jerking French public opinion to the right or swaying Spanish voters to the left. Yet whatever the protests’ consequences on the level of formal politics, their root conditions — fiscal retrenchment, digital entropy, grief over a future annulled — are unlikely to recede. It is hard to believe the protesters will either.



CRISTINA DAURA

ANTON JÄGER *is a researcher at KU Leuven in Belgium and the author of “Hyperpolitics: Extreme Politicization Without Political Consequences.”*

The A.I. boom and the housing bubble

HARRIS, FROM PAGE 9

Another difference: This time, taxpayers are more clearly on the hook, because private creditors are more directly attaching A.I. debt to the financial products we need. Take annuities, which are often relied on by retirees. Because many Americans rely on such insurance products, their policies are usually guaranteed by the state should an insurer go bankrupt. Right now, private creditors like Apollo are funding the debt boom in part by tapping the money sitting in companies like Athene, the $470 billion insurer Apollo controls. Should the A.I. boom go bad and Athene go under, Apollo knows the state (i.e. taxpayers) will be on the hook for much of what it owes policyholders. (Athene’s opaque disclosures make it hard to know how much of its assets are in data centers.)

Private-capital-backed firms now own nearly 20 percent of the entire U.S. life insurance industry, with assets of nearly $1.5 trillion.

As bad as the financial crisis was, it began with a small slice of mortgages of a still-diversified economy. This time, the sector at risk is the U.S. economy’s growth engine. A.I.-related investment fueled an estimated one-third of the country’s recent economic growth, and the handful of companies most exposed to the A.I. build-out now comprise roughly one-third of the entire S&P 500.

In other words, the U.S. economy is fully hostage to an A.I. build-out laden with increasingly worrying financial engineering, all riding on a wager — that demand for A.I. will keep growing, that customers will soon be willing to pay what the technology actually costs to produce and that firms will manage to build the infrastructure required to supply it. Recent estimates indicate that A.I. would need to generate as much as $3 trillion annually in perpetuity to return the capital extended. That’s 9 percent of the U.S. gross domestic product, or twice what Americans spend on food.

Already, a closer look at the fundamentals of OpenAI and Anthropic, the most critical players in this bet, appears to be perhaps even worse than the headlines suggest. Right now OpenAI expects to lose $280 billion by 2030 even assuming revenues grow tenfold over the same period. And both OpenAI and Anthropic have already slashed prices 40 percent to 50 percent from early summer, perhaps because China’s Deep Seek, the leading “open weight” A.I. model, reportedly nearly matches their latest models’ performances at about 1.4 percent of the cost. Far less expensive open weight models have roughly doubled their share of token volume this year, according to OpenRouter, a service that tracks A.I. usage across all major providers. Prices and market share are shrinking; costs are not.

Such worries may explain why tech stocks have been taking a beating, and bond markets — normally where investors go for shelter amid financial turbulence — are volatile. Many of those private creditors — a sector that has grown sharply amid the A.I. boom, to between $2 trillion and $3 trillion — are showing classic signs of financial distress.

The U.S. economy is fully hostage to an A.I. build-out laden with increasingly worrying financial engineering, all riding on a wager — that demand for A.I. will keep growing.

A final difference from 2008: The government deficit has reached historic highs. The reality is our government has little money to rescue all the major players should this boom go bust. Yet national security demands will never allow the United States to cede the technology to China. So if the A.I. bet starts to falter, a range of voices, including those of Palantir’s chief executive, Alex Karp, and privacy advocates, have suggested that the government take over frontier or cutting-edge A.I. The technology would join America’s other big-ticket national security expenses, such as aircraft carriers and warheads, which for the most part, are critical to our military and security arsenal but lack commercial viability.

The government could separate the technology into its two constituent parts: Innovation would move to a national lab with safety protocols like the ones that govern nuclear weapons; a computing arm would run on a meter and operate similarly to a utility. A careful reorganization would help lessen the chaos of a crisis, thus softening any recession, and prevent our most formidable adversary from taking over the industry. Obviously, such a plan would raise plenty of hard design questions. But the basic aim is simple: Our most powerful A.I. models, which are perhaps proving too expensive for any private firm to build, could then answer to democratically elected leaders and be pointed more clearly to public good than to quarterly profits.

The necessary authorizing legislation could ensure the independence of this new national lab from undue political interference and also detail civil liberties and privacy protections fit for an A.I. era in a way we never got around to with the internet revolution a quarter-century ago. And as long as we’re at it, perhaps Congress and U.S. regulators can reassess the choices that landed Americans where we are now.

There’s an old chestnut in finance circles that crises take longer, and then happen faster, than you think. With so many echoes of 2008, shame on us if this one catches anyone by surprise.

JENNIFER M. HARRIS *directs the Economy and Society Initiative at the William and Flora Hewlett Foundation. She was an economic official in the Biden White House.*



JEENAH MOON/REUTERS

Figures reported by The Wall Street Journal this month suggested that revenue growth at Anthropic, OpenAI’s chief rival, was softening.

CORRECTION

Maureen Dowd’s column on Monday misidentified the subject of a quote in Shakespeare’s “Hamlet.” Hamlet spoke of Gertrude’s lust for her father, not for Claudius. It also mischaracterized Elizabeth Holmes’s net worth; she was the youngest self-made female billionaire, not the first.

FROM READERS

Africa’s progress

Re “Africa’s map is changing. It’s all a trap,” by Richard Poplak (Opinion, nytimes.com, Oct. 26):

The campaign to Correct the Map was never simply about the misrepresentation of the continent’s geography, but rather about power, perception and Africa’s right to define itself.

Mr. Poplak’s essay illustrates why that matters, because when he describes Africa as increasingly “spectral, and its people more vulnerable,” he proves our point: Even as Africans build industries, infrastructure and new economic opportunities, the continent remains almost invisible in the global imagination. That is the distorted perception we set out to challenge.

He overlooks the African Continental Free Trade Area, the recent launch of the Africa Credit rating agency and regional industrialization initiatives. He appears to confuse the absence of a single, unified vision of Africa with the absence of African agency.

Mr. Poplak does not mention the impact of Nigeria’s Dangote refinery, Benin’s growing textile industry, Guinea’s new railway corridors and Zimbabwe’s new lithium-processing plant. These are just a few of the countless projects, people and policies transforming Africa.

The problem is not a lack of agency among Africans or a misplaced map campaign. It is the persistent failure to recognize the continent’s progress.

MOKY MAKURA,
LAGOS, NIGERIA
The writer is the executive director of Africa No Filter and a founder of the Correct the Map campaign.

A.I. mirrors us

A.I. is being programmed by humans. There is no way for humans to devise a being that does not mirror our own character, which is a mix of nobility and corruption. Consider: A.I. models are trained on information gathered from human sources.

Technology is all about human empowerment. Every advance empowers us both to do good and to do evil, and will be used for both purposes.

THOMAS ALDERMAN,
SPRINGFIELD, ORE.

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OPINION

Are Wages Keeping Pace?

By Mickey D. Levy

With the U.S. economy growing at a healthy clip and unemployment low, many people ask: Are workers paid appropriately? The buoyancy of the stock market, high home prices and the soaring wealth of artificial-intelligence innovators make the question even more urgent. On a topic so central to fairness and living standards, it's important to use data that carefully measure and evaluate compensation. In particular, the benchmarks we look to need to account for inflation and reflect worker productivity.

Pre-Covid data, when adjusted for inflation, show that wage compensation—total wages and salaries plus supplements such as employer contributions to pensions and savings plans—closely tracked productivity gains. The 2020s have been a different story. Wages have increased significantly, but persistently high inflation has undercut those gains, so real wages haven't kept pace with worker productivity. No wonder surveys show Americans losing confidence in the economy.

Another measure that is getting a lot of attention but is highly misleading is the labor-compensation share of gross domestic product. It shows how much wages have fallen relative to GDP. Critics compare the labor-compensation share with the ratios of profits and returns to capital to GDP, which are rising. But such comparisons mix apples and oranges.

It's natural and unsurprising that the labor-compensation share of GDP is falling while profits and returns to capital are rising. Thinking through the data, particularly what GDP measures and what it doesn't, helps to explain how rising profits and returns to capital are complements to worker compensation and enhance economic well-being. Yet this measure of wage compensation to GDP is widely used to suggest that companies and capitalists are getting ahead at the expense of workers.

The short answer is no. The problem, however, is inflation, not asset values.

GDP measures what is produced in the U.S. by both domestic and foreign companies. In its most familiar form, GDP covers spending, including consumption and business and residential investment (largely spending on new construction and improvements) and government purchases (not transfer payments like Social Security) plus exports minus imports. When businesses increase such investment, it adds to GDP and lowers the ratio of wages to GDP but is clearly a positive for the economy and enhances workers' productive capacity.

It's important to keep in mind what GDP doesn't include. While U.S. workers are compensated for their contributions to domestic production, U.S. businesses' activities overseas, involving overseas employees and production that generate profits and boost returns on capital, are largely uncounted in U.S. GDP. Among S&P 500 companies, an estimated one-third of employees work abroad and one-third of revenues and an even higher share of profits are generated overseas. Smaller firms have less international activity. Goods produced overseas by subsidiaries of U.S. businesses are counted in GNP (gross national product) but not GDP. Goods produced overseas by non-U.S. firms also largely fall outside of U.S. GDP, but they too may add significantly to the well-being of U.S. consumers and provide net benefits to U.S. workers.

Apple Inc. is a good modern example of a U.S.-based company that relies heavily on overseas production and global supply chains. Nearly all of Apple's iPhones, laptops and other hardware are made and assembled overseas by companies that aren't subsidiaries of Apple. Those Apple products sold internationally (60% to 65%) don't show up in U.S. GDP. The 35% to 40% of Apple goods that are purchased in the U.S. have little impact on GDP, as imports largely offset domestic consumption. But they have boosted Apple's profits, and its capitalization now exceeds $5 trillion. The economic benefits to U.S. consumers and Apple's 80,000 domestic employees and many other U.S. workers are obvious.

U.S. workers' far larger concern is the persistent inflation that has raised the consumer-price index more than 30% since late 2019. For many working households, prices of necessities have risen even faster. Food prices are up more than 34%, and the cost of child care and preschool more than 31%. Gasoline prices are up 54%, and automobile insurance and maintenance combined are up about 50%. For the 34% of households that don't own their dwellings, rental costs are up 34%. Taxes, too, cut into take-home pay. Wages may catch up, but the persistent inflation makes it an uphill struggle.

Employment gains and low unemployment help, but the Fed's excessive monetary easing has contributed to persistent high inflation and the increased value of long-lived asset prices, benefitting homeowners and stockholders. The Federal Reserve's consecutive zero rates and extensive purchases of mortgage-backed securities in 2020-21 helped boost housing values more than 50%, but that raised costs for renters and put home prices out of reach for many potential buyers. Note that the Fed's target of 2% inflation means prices will still rise but at a slower pace. The Fed should achieve its 2% target. After that, however, it should seriously reconsider its notion that 2% inflation amounts to price stability.

Mr. Levy is a visiting fellow at the Hoover Institution and member of the Shadow Open Market Committee.

The Days of the Graveyard May Be Numbered

HOUSES OF WORSHIP *By Faith Bottum*

The rituals of grief are enduring, their meanings familiar across many cultures: We remember those who have died, we mark the places where their bodies lie, we sense that our relationships with those we love don't end when their lives do, and we pray for their condition in the afterlife.

Catholics remember the dead on All Souls Day, Nov. 2—the second day after Halloween, the day following All Saints Day. We visit the places where the dead rest, bringing flowers and standing before the names etched in stone. There in the graveyard, we pray for them and ask them to pray for us in the afterlife.

But what happens when those places disappear? America is rapidly drifting away from traditional burial. The norm has increasingly become cremation. The National Funeral Directors Association reported that 63.4% of Americans who died in 2025 were cremated, and the rate is expected to rise to 82.3% by 2045.

The old, earthy connection of death to a particular location—the tie of grief and memory to physical place—is loosening. Only 20% to 40% of cremated remains are buried or interred at a cemetery, according to the Cremation Association of North America. Our memories of the dead may be more accessible than ever, preserved in photographs, social-media posts and digital archives. But as we abandon the graveyard, we risk losing not only a tangible connection to the dead but also a sense of awe, sacredness and spiritual connection.

According to the National Catholic Register, from 2001 to 2024 the number of Catholic funerals fell 30.3%, even while the Catholic population rose 9.3%. Meanwhile, according to a 2023 report by the U.K.'s SunLife, 68% of funeral directors have seen a drop in the number of traditional religious funerals. The number of funeral homes has been steadily declining, down about 13% from 2004 to 2021, according to the National Directory of Morticians Redbook.

An estimated 26% of American households have the cremated remains of a loved one at home, according to a 2022 study by the Cremation Association of North America. These households have held the remains for an average of more than 6½ years, and many have no firm plans for their eventual placement. "They start maybe on the mantel and move their way to the closet," says Robert Seelig, CEO of Alba Ministries.

Mr. Seelig runs the All Souls Remembrance Program, which inters cremated remains in a cemetery for anyone of any faith, free of charge. "In the past 10 years, we've done about 20,000 of them," he says. "I see this a lot, where people that have remains at home feel a weight on their shoulders. And so there's a lot of closure with coming in and having a ritual."

Cremation is on the rise, but we still need physical memorials to those we have lost.

Without ritual tied to a place, grief is distorted and our living connections to the dead have no structure. The remains drift to closets and storage spaces, and we pass to later generations the question of what to do with them.

"If you can take mom or dad home after they pass on, it actually feels good," says Mr. Selig. But only for a while, and then what? "We're not really learning how to deal with that grief."

This isn't a case against cremation, which the Catholic Church recognizes as legitimate and reverent. It is rather a worry about the national trend away from interment. Fewer burials mean less demand for plots and headstones. It can also mean less maintenance revenue that helps sustain these grounds. Cemeteries are the living landscapes of collective memory, and without new generations of graves, they grow increasingly disconnected from contemporary life.

"I believe we will open new cemeteries in the future," Mr. Seelig says. But "they may look and feel different from the ones that were built 200 years ago." Columbaries are likely to become more popular, with QR codes placed on memorials to link visitors to digital archives of photographs, videos and other records of a person's life. We're likely to see an increase in mausoleums and indoor memorial spaces. Cemeteries need not take up hundreds of acres, since mausoleums can contain thousands of cremated remains in much smaller space. But "people do want to see beauty in the cemeteries," Mr. Seelig says, "whether it's statuary or art—kind of a sacred space, a sanctuary."

We need socially recognized places to grieve—places that last beyond the first few weeks after death. "You're not really allowed to go to Yosemite to grieve the loss of your wife who was scattered there," says Mr. Seelig. "It's a national park, it's got a different purpose."

As All Souls Day approaches, we might consider what is lost when the dead are dislocated. In Christian faith, the practice of burial is tied to the promise of resurrection, which gives the physical body an importance—a dignity and a meaning—even after death. A cemetery is more than a resting place. It's a landscape of grief, a physical expression of love, and a reminder that those who have died remain part of the world of the living.

Ms. Bottum is an assistant editorial features editor at the Journal. She edits the Houses of Worship column.

New Energy for the U.S. Virgin Islands

By Robert Gordon

When the Trump administration announced this summer a collaboration to produce and export crude oil from Venezuela, one asset quickly came into focus: an idled oil refinery in the U.S. Virgin Islands.

The St. Croix Refinery's proximity to Venezuela makes its reopening a particularly attractive prospect. If the administration and Congress take a broader view, restarting the refinery could deliver far greater benefits to the U.S., its taxpayers and Virgin Islands residents. As potentially the territory's largest employer and taxpayer, the refinery could serve as the economic engine of the territory.

But the U.S. Virgin Islands are mired in an existential financial crisis. The territory is saddled with more than $1.5 billion of bond debt and some $4 billion of unfunded public pension and retiree healthcare liabilities—staggering obligations for a population of some 90,000. In addition, according to a January 2025 report by EY-Parthenon, the territory's Water and Power Authority is virtually insolvent, antiquated and unreliable.

A solution to the territory's fiscal crisis and what to do with Venezuelan crude.

Restarting the refinery alone wouldn't resolve the territory's financial crisis. Pairing the restart with a formal restructuring under the Puerto Rico Oversight, Management, and Economic Stability Act of 2016, or Promesa, could give the U.S. government a lasting remedy to the perpetual financial burden and homeland-security threat that the territory poses to the U.S.

The Virgin Islands' financial crisis reflects a broader lack of local governmental accountability. Since it serves as a point of entry to the U.S. mainland, there have been reports of cocaine entering from the Virgin Islands and illicit materiel flowing out of there. Numerous reports have also documented gross mismanagement by territorial agencies of large sums of federal hurricane recovery money.

Promesa was enacted by Congress to address precisely this type of systemic economic and financial distress in a U.S. territory. Under Promesa, the president, in consultation with the leaders of the House and Senate, appoints an oversight board with broad powers to remediate the distress, among other things by undertaking a financial restructuring and introducing fiscal best practices and sound economic policies.

The refinery needs a stable workforce, reliable power and accountable government to succeed. The territory needs the same things, along with debt relief, more jobs and a stronger tax base, to rebuild its economy. Restarting the refinery should be part of a broader recovery effort, pairing private investment with financial restructuring and government reform under Promesa.

To advance the territory's recovery, protect U.S. taxpayers and strengthen border security, Congress should amend Promesa to authorize the appointment of an oversight board to any U.S. territory. The administration should then seize this emerging opportunity by appointing a board for the Virgin Islands in tandem with reopening the refinery.

Mr. Gordon is a partner at the law firm Boies Schiller Flexner LLP.

BOOKSHELF | By Jack Butler

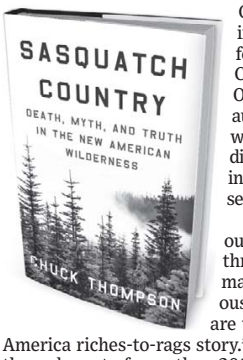
A Wilderness Of Speculation

Sasquatch Country

By Chuck Thompson
Counterpoint, 272 pages, $27

Bigfoot attacked Skamania County, Wash., in 1924. Several Bigfoots, actually. Or so the legend goes. A group of miners had built a cabin near Mount St. Helens. One of them allegedly encountered a solitary Bigfoot, or Sasquatch, and shot it. That night, six or seven fellow man-apes, perhaps as tall as 9 feet, sought revenge and attacked the cabin. "Throughout the night, the beasts rained massive stones upon the structure, pounded its walls, and stomped the roof," Chuck Thompson recounts in "Sasquatch Country." The next day the men found "large footprints" outside their dwelling, in a gorge thereafter christened Ape Canyon.

If you enjoy such stories, "Sasquatch Country" may not be for you. Despite his book's title, Mr. Thompson, a journalist who has worked for CNN and Columbia Insight, is up to something else. "I began this project with no personal interest in Sasquatch and no plan to include much of the myth in this story," he writes. His project, rather, is an examination of the deaths of two hikers, Dean Pommerville and Eric Straughter, in the 1.3 million acre Gifford Pinchot National Forest in December 2024. Much of the forest is located in Skamania County, on the north side of the Oregon-Washington border. The author explores both the mountain wilderness in which the hikers died and the media wilderness in which their deaths would be sensationalized.



Mr. Thompson, an experienced outdoorsman, is a steady guide through the tricky terrain of Skamania County. Formerly prosperous from logging, the county, we are told, "embodies the classic rural America riches-to-rags story." With private logging jobs there down to fewer than 200 today from around 700 in the 1990s, tourism and recreation have had to fill the gap. And that depends somewhat on Bigfoot, which the area has long embraced as a mascot. "Skamania County has Sasquatch on its mind. Pretty much all the time," Mr. Thompson writes.

What does this have to do with the deaths of Pommerville and Straughter? Mr. Thompson recalls how, immediately after the discovery of the hikers' bodies, media outlets suggested that the two men had been out hunting Bigfoot. But neither these reports nor the sheriff's press release on which they were based provided any evidence. The latter simply asserted that they were "searching for Sasquatch."

Through a chance connection with Pommerville's wife, Chris, Mr. Thompson became interested in the story behind the Sasquatch clickbait. Both families denied the Bigfoot connection. "Something wasn't right," he writes.

As Mr. Thompson tries to untangle the story, he paints a biographical picture of the two men. He learns that Pommerville, 59, and Straughter, 37, had something of a father-son relationship. The two met while working at the distribution center of a local grocery chain. They hiked together regularly, often in an area Pommerville knew well. They weren't loons.

On Dec. 24, 2024, the two set out for what they expected to be a modest hike. Straughter had just lost his job. A short wilderness jaunt with Pommerville on a pleasant Christmas Eve afternoon might have been an attempt to lift his spirits. The author's reconstruction of the pair's final hours is informed speculation. But it's eminently plausible that the sudden onset of a winter storm, with low temperatures and cold precipitation, transformed a modest hike into a punishing ordeal for which the two men were unprepared.

When the bodies of two hikers in the Pacific Northwest were discovered, the media and local authorities put forth an unhelpful suggestion.

Mr. Thompson skillfully combines investigative journalism with wilderness exploration. He describes Pacific Northwest forests—which logging has depopulated of their natural stock and repopulated with rows and rows of identical trees—as having a "hall-of-mirrors effect" that can bewilder hikers. Yet Pommerville and Straughter likely weren't lost. "At least until the cold impaired their cognitive functions, they knew exactly where they were," the author writes. Search-and-rescue volunteers discovered Pommerville's body three days later, and Straughter's the day after that, some 2 miles from their vehicle. But 2 miles can add up out there. Mr. Thompson retraces the doomed hike on a sunny September day. By the end of it, he's drained. "Doing it in winter, with snow, rain, and wind," he writes, "seemed superhuman."

Mr. Thompson's account is a sympathetic portrait of a community he describes as struggling. He has less ire than you might expect for certain exposé-ready targets, such as the earnest, beleaguered county sheriff, Summer Scheyer. This despite the fact that Sheriff Scheyer promulgated the initial spurious press release. Others, such as the hiking and camping community, with their "clubby smugness," are clearer targets. The book's greatest antagonist is modern media. Readers may groan at Mr. Thompson's portentous announcement that "to understand how macro developments in the news industry contributed to the spread of misinformation about Dean Pomerville and Eric Straughter's deaths, the ground-level impacts of the economic upheaval require review."

Readers may also struggle to get through the author's arguments for how police departments have won their long struggle with media institutions, and how the division of labor in newsrooms has changed for the worse. His extended media critiques, some of them warranted, quickly grow tiresome. It's worth remembering that there's no Eden from which journalism today has fallen. How, after all, did the legend of Ape Canyon arise in the first place, if not through media sensationalism?

Yet Mr. Thompson's commitment to uncovering the real story behind the deaths of Pommerville and Straughter, and rehabilitating their reputations, remains admirable. He shows us that, if we're looking for danger today, we don't need Bigfoot. For all man's pretensions, the natural world remains cruel and threatening. And man remains eminently capable of harming his fellow man—even after death.

Mr. Butler is the deputy editor of WSJ Opinion's Free Expression newsletter.

Coming in BOOKS this weekend

Property values and the American homeowner • A raid on Romania • Visions of J.R.R. Tolkien • Gouverneur Morris and the Constitution • Character sketches of the ancient world • Grant Wood's 'American Gothic' • & more

OPINION

REVIEW & OUTLOOK

The U.S. Investment Boom Arrives

It's hard to recall a time with such a large disconnect between how Americans feel about the economy and the data. The Commerce Department on Thursday reported that GDP grew 3.4% in the third quarter thanks to surging business investment and buoyant consumer spending. So why are Americans so glum?

GDP comes in strong at 3.4% and would be stronger without tariffs and mass deportation.

By objective measures, the economy is firing on most cylinders. Consumer spending remains healthy and contributed 2.52 percentage points to the third-quarter GDP increase. Even if consumers fume about higher prices, they aren't tightening their belts. Spending on motor vehicles, household furnishings, restaurants and travel increased.

Business investment accounted for 1.78 percentage points of third-quarter GDP and grew at the fastest rate in 15 years, aside from the Covid lockdown bounceback in 2020's third quarter. The AI boom is the main driver, but deregulation and the 2025 tax reforms, especially 100% business expensing, have also provided a lift.

Information processing equipment made up roughly half of the investment increase, while intellectual property (IP) chipped in 0.47 percentage points. IP investment slowed during the last two years of the Biden Presidency after business tax expensing for research and development ended in 2022. The 2025 GOP tax bill restored it. IP investment has increased at an average annual rate of 9.7% in President Trump's second term, versus 4% in the last two Biden years. Pro-growth policy matters.

Investment in equipment and technology boosts productivity, which will ultimately lift wages. Productivity slowed last decade, partly from sluggish business investment in the Obama years, but looks to be regaining its historical stride. Labor productivity has increased at an average 2.25% annual rate since January 2025, compared to 1.3% from 2010 to 2019.

Net exports subtracted 3.32 percentage points from top-line GDP growth owing to increased imports. But this is a deceptive artifact of the national accounts, since imports flow into consumer spending and investment. Imports of computer chips, gas turbines, copper and more help fuel the investment boom.

Mr. Trump says the strong GDP growth is evidence his border taxes are working. Sorry, no. Tariffs are a drag on growth. Investment in manufacturing plants declined 4% in the third quarter and has fallen 36% in his second term. Border taxes have increased uncertainty and business costs, which make it harder for manufacturers to invest.

While the President might point to a new steel plant owing to his 50% steel tariffs, how much investment isn't happening because of tariffs? U.S. steel prices have increased 52% over the past year and are about two-thirds higher than in Europe. That's a killer for U.S. makers of appliances, machinery and electric power equipment.

The other major drag on growth is housing, which subtracted 0.12 percentage points from third-quarter GDP. Higher interest rates are the main culprit, but the silver lining is that the housing slowdown has freed up workers for other projects like data centers. Construction firms say they struggle to find workers because of an aging workforce and deportations.

Nearly two-thirds of builders said immigration enforcement is affecting their workforce, compared to 13% a year ago, according to a John Burns Research and Consulting survey. Immigration raids have forced beef processing plants to reduce production. One result: Higher beef prices. The raids have also become a liability for Kansas GOP Sen. Roger Marshall.

"These ICE operations are having a massive chilling effect on the legal, documented, skilled workers that put beef on the table and keep the cattle supply chain moving," cattle industry groups in Texas, Oklahoma and Kansas warned last month. "These types of disruptions will lead to higher beef prices for consumers."

Therein lies the main source of voter unhappiness: Inflation. The personal consumption expenditure (PCE) price index, the Federal Reserve's preferred inflation gauge, fell to an annualized 2.1% in the third quarter. But the inflation hangover from the Biden years plus tariffs, combined with the surge in gas prices from the Iran war, have voters in a sour mood.

* * *

The U.S. economy in Mr. Trump's second term is in many ways a story of what might have been. Deregulation, AI and tax cuts have led to an investment and productivity boom, but inflation and antigrowth tariffs and mass deportation are diminishing what could be a broader prosperity. The GOP may pay a political price next week.

Trump Scores on Methane

President Trump on Tuesday reminded Americans why they voted for him. "I'm officially terminating Biden's expensive and unnecessary methane regulations to save consumers and energy producers $45 billion in costs," he announced at a rally in Lubbock, Texas. More deregulation, fewer tariffs, please.

The EPA overturns a costly Biden rule on natural gas drilling.

The Trump Environmental Protection Agency is moving to rescind a suite of Biden rules that would have squashed small oil and gas producers. The Biden team generally required producers to invest in expensive equipment and capture natural gas that incidentally comes up alongside oil production because flaring it emits CO2.

This meant producers would have to transport the gas to markets or put it to other productive use by, say, generating electricity onsite. Large producers typically seek to capture and sell incidental natural gas that burbles up, and they have a strong financial incentive to do so. But it's often not economic for smaller producers in the fracking fields.

Permitting can also make it difficult to build or connect to a gas pipeline. The Biden mandates were ironically pushed by the same crowd that is trying to block gas pipelines and shut down natural gas power plants. Their overarching goal: Keep more oil and gas in the ground.

The EPA estimates that roughly 77% of oil wells in the country are "marginal," meaning they produce 15 barrels a day or less over a year. These account for 5.6% of U.S. oil production. Most owners of marginal wells are small, with 65% owning 10 or fewer. Many are located on family-owned property with royalties from production helping pay the bills.

The Biden rules would have forced many marginal wells to close. The Trump EPA estimates that its deregulation will add 210 million barrels of oil and 1.41 trillion cubic feet of natural gas supply through 2050. Economic benefits could be significant in places like Lubbock and Kansas, where about 45% of wells are classified as marginal.

Officials such as EPA Administrator Lee Zeldin are doing yeoman work rolling back regulations that raise costs for American businesses and consumers. Alas, many Americans don't know about it because the President prefers to talk about his border taxes that raise costs and are unpopular. Go figure.

Warning the International Court of Justice

The President of the International Court of Justice, Yuji Iwasawa of Japan, kept mum at the United Nations on Thursday on the question that may upend his court. *The Gambia v. Myanmar*, the case in which the ICJ is poised to lower the threshold for proving genocide, merited only a passing mention. By contrast an asbestos problem in the court's building received three paragraphs.

ICJ judge Yuji Iwasawa's jaunt to New York belies the danger he's courting.

Make no mistake, *Myanmar* is atop Mr. Iwasawa's mind. Mike Waltz, the U.S. Ambassador to the U.N., made sure of that last week. The ICJ's looming move, Mr. Waltz argued in a public statement, is being prepared in *Myanmar* "so that weakened and false [genocide] standard can later be weaponized against American and allied soldiers whenever they raise a finger against terrorists that hide behind civilians."

The court is now on notice. "As our actions against the ICC demonstrate," Mr. Waltz continued, "we will not allow globalist, faux-judges to weaponize the law against our troops, undermine our sovereignty, or put American lives at risk." On Oct. 9 the U.S. sanctioned the International Criminal Court, which prosecutes individuals rather than adjudicating disputes between states as the ICJ does.

Both courts in The Hague have been under pressure from the international left to expand their remit to handcuff Western policy. The difference is that Mr. Iwasawa and the ICJ have already seen what happened to the ICC when it crossed the line from law to politics. Does he want to do the same, and put his court in similar peril?

U.S. concerns are well-founded. As Andres Munoz-Mosquera, chief legal adviser to NATO's Supreme Allied Commander from 2014-25, explained in these pages, "A new and malleable [genocide] standard could become a precedent through which virtually any military campaign involving substantial civilian casualties is recast as a genocide claim." The result would be to "undercut democracies' ability to fight terrorists and autocrats."

That's the goal. Everyone knows why the global left wants to redefine genocide, and it has nothing to do with Myanmar's mistreatment of the Rohingya. That can be found genocidal with no change in legal standard. The change would be needed only to help South Africa's case against Israel—where the evidence falls far short—and then to hold over the U.S. as a threat.

We hope Mr. Iwasawa and fellow judge Bogdan Aurescu of Romania enjoyed their trips to New York this week. Unless something changes to avert U.S. sanctions, it could be their last. As Mr. Waltz made clear, their court's credibility and its future are at stake.

LETTERS TO THE EDITOR

Can McConnell Shift Trump's Russia Policy?

Sen. Mitch McConnell is spot-on with his analysis of the situation in Ukraine ("Coddling Putin Won't Bring Peace to Ukraine," op-ed, Oct. 26). Vladimir Putin, in his barbaric quest to satisfy a dream, has managed to have approximately half a million of his own soldiers and countless more wounded. Even more important are the hundreds of thousands of Ukrainian casualties—military and civilian.

Many Americans agree with Sen McConnell. We simply don't understand how President Trump and others in the White House believe they can deter Mr. Putin. Perhaps someday his own people will have the courage to have him removed. Until that happens, Mr. Putin will remain a serious threat to several other nearby countries.

GARY FLYNN
Carlsbad, Calif.

Thank you, Sen. McConnell, for your insightful synopsis of President Trump's misguided Ukraine policies. It seems inconceivable that Mr. Trump can believe the course he has set is in the best interest of the U.S and our allies. Why can't Mr. Trump see what seems so obvious to the majority of the Western world? The stakes couldn't be higher and a deliberate and rational response to this important situation is required. Is our president up to the task?

ERIC WEISS
Juno Beach, Fla.

Sen. McConnell underscores how President Trump's "obsequious accommodation of Russia" emboldens Mr. Putin while harming American interests.

I can appreciate that some Republicans regard cutting deals with Mr. Putin as economically prudent and politically pragmatic, reasoning that lower diesel prices could bolster Republican prospects on Nov. 3. But this shortsighted pragmatism ignores the long-term consequences Sen. McConnell details.

It is high time for conservatives in the White House and Congress to set aside misguided pragmatism and remember the law of causality. The freedom of Ukrainians today—and Americans tomorrow—demands it.

T. MICHAEL SPENCER
Washington

I appreciate Sen. McConnell's op-ed. I hope that he stays safe—Mr. Putin does not like public criticism or interference with his plans.

PHILIP DURGIN
West Henrietta, N.Y.

Don't Let Them Take Your Hard-Earned Cash

Allysia Finley's warning deserves a double exclamation point ("Democrats Think You're 'Rich'—Now Fork It Over," Life Science, Oct. 26). When I started work for $2 an hour as a teenager in 1972, I had no inkling that decades of toil and sacrifice could make my future family "rich."

The slow-motion train wreck of the midterms is happening in part because petulant consumers are mad enough about Joe Biden's persistent inflation (while ignoring President Trump's permanent lower taxes) to vote against their own interests. My late father would have advised, "Don't cut off your nose to spite your face."

Democrats would like nothing more than to enact confiscatory taxation, open borders, $10 gasoline, unlimited low-quality healthcare and many other bad ideas. Mainstream voters who are thinking of staying home, or casting a protest vote, had better think again.

J. CRAIG COLLINS
Long Beach, Calif.

Ms. Finley's column is an excellent reminder of the left's desire to tax for "fair shares" that are never specified in their rants.

Democrats would like to build a system wherein people's earnings are directed to Washington, rather than the earner, where politicians can take what they want, or "need," to fund their often foolish desires. Washington's appetite for our money is endless so earners would net less and less, but that is the cost for our freedom, we are told.

RICHARD KLITZBERG
Princeton, N.J.

How Do We Trust and Verify College Degrees?

While John Masko's op-ed correctly identifies the split between artificial intelligence's use in undergraduate and graduate studies, another AI-induced fissure within higher education is equally significant ("AI Splits the American University in Two," Oct. 22). This division isn't about whether students use AI. It is about whether institutions can verify that their graduates possess the abilities their credentials imply.

The central issue of AI in higher education is verification. Confirming student competence in the AI era requires redesigned assessments, supervised demonstrations, oral exams and defended portfolios. These methods are labor-intensive and come with high costs. Few universities are equipped to address this crisis in degree verification.

The divide AI has created in higher education extends beyond teaching and research. It also separates institutions that can afford to verify their degrees from those that can't.

VINCE WILCZYNSKI
Old Lyme, Conn.

Mr. Masko twice references Dartmouth's Sian Beilock his op-ed wherein he argues for the separation of AI research from undergraduate education.

But since former Dartmouth President John Kemeny introduced a requirement that all students, even in the humanities, develop a basic understanding of computing, the college has successfully engaged undergraduates in the learning that comes from scholarly research.

TIM DREISBACH
Downingtown, Pa.

Homeless in the MAGA Age

Regarding Rahm Emanuel's "Democrats Need McCain-Romney Republicans" (Oct. 22): I voted for Mitt Romney three times—twice as a write-in to protest against Donald Trump. I'm the kind of homeless alienated Republican who Mr. Emanuel had in mind when he said Democrats need Republicans like me.

But I can't see myself voting for Democrats because there isn't a tax the left won't embrace, a tax increase they won't endorse and a new welfare program they won't cheer.

There also isn't a spending cut, except for defense, that Democrats will endorse. They have no fiscal discipline and will spend America into bankruptcy like France is now facing. Democrats won't do anything to save Social Security and are increasingly weak on national defense. So-called moderate Democrats always give in to the far-left wing of the party.

The left accepts only extremism on abortion and thinks men pretending to be women should compete against women in sports. I could go on. I am thoroughly anti-MAGA, but I hope Mr. Emanuel gets the point.

ANTHONIE H. WOLLER
Beaverton, Ore.

The Echoes of French Unrest

Regarding Tunku Varadarajan's interview with Bernard-Henri Lévy ("France 'on the Brink of Civil War,' " Weekend Interview, Oct. 24): France has a history of settling political issues in the streets without analyzing the root causes of the discontent. Out-of-control spending, significant debt, shorter work weeks and generous benefits deemed inadequate are the real issues rather than simply Palestinian flags.

Mr. Lévy is correct that similar unrest is headed to America. Perhaps following the financial example of France and other European countries is why we are now trillions in debt and running out of Social Security and Medicare funding.

JAMES SYNK
Hilton Head, S.C.

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Pepper ... And Salt

THE WALL STREET JOURNAL



"Remember when the weather was a segment and not a top story?"

OPINION

Transgenderism and the Democrats

By Hadley Arkes

In the old "Uncle Remus" stories the "tar baby" was a decoy, a doll made from a mixture of tar and turpentine by the crafty Br'er Fox to catch the elusive Br'er Rabbit. Once the doll was touched, Br'er Rabbit couldn't let go.

Transgenderism has become the tar baby for the Democrats: a thing they can't let go, can't help promoting and defending even when it costs them dearly. In the presidential election of 2024, the issue worked with an unanticipated power for the Republicans: "Kamala is for they/them, President Trump is for you."

The party can't seem to get over its attachment to this bizarre, esoteric and deeply unpopular cause.

A super PAC supporting Vice President Harris estimated that ad had swung the race about 2.7 points toward Mr. Trump among voters who saw it. The unaccountable luck for the Democrats is that this issue has been curiously muted this electoral season. Yet there is every reason to believe that this question has a resonance for many people that easily rivals—or even overrides—the concern for "affordability."

David Crawford and Michael Hanby have argued in these pages that the political drive for transgenderism demands that we absorb a new metaphysics, a radically new understanding of the way we are constituted as human beings. What is a young boy compelled to ask himself when he is told he must respect his father's judgment that he is now a woman, or his sister's claim to be a boy? Can the boy be sure he wasn't born into the wrong body?

In 2024 the California Legislature permitted schools not to notify parents that their children had decided to "transition" into a new "gender." The U.S. Supreme Court enjoined such policies in a March 2026 emergency ruling *(Mirabelli v. Bonta)*. The teachers unions, the National Education Association and the American Federation of Teachers, have come out firmly in defense of the "privacy interests" of children and against parents' rights to know what the schools are doing to their children.

It's easy for voters to tune out complicated policy issues like deregulation, healthcare financing and antitrust law. In contrast, transgenderism can't help but draw the concern of ordinary people once attention is paid: disfiguring surgeries and hormones with lifelong effects; males easily defeating or injuring women on the sports field; invasions of privacy and sexual assault in women's bathrooms, locker rooms and prisons. And only an intellectual can deny the obvious truth that sex is immutable; it isn't "assigned at birth" but intrinsic to one's body, with the differences penetrating to the cellular level.

And no issue has drawn out as fully the differences that separate a conservative administration from its opposition on the left. The Biden administration at nearly every turn sought to sweep away any barriers in federal policy to the promotion of transgenderism. In striking resistance, the Trump administration has sought to counter and reverse these policies across a broad front.



EVELYN HOCKSTEIN/REUTERS

House Democratic Whip Katherine Clark speaks at a 2025 rally.

In a stream of executive orders and regulatory actions, the administration has defined sex as strictly binary, male and female; required newly issued passports to reflect the holder's actual sex, with no "X" option for "unspecified or another gender identity"; restricted the use of public money for "transitioning" surgery; overturned the Biden administration's interpretation of Title IX, which prohibited schools from restricting bathrooms and locker rooms to actual males and females; and has brought lawsuits against states that allow men to participate in women's sports. An executive order issued on Inauguration Day even requires federal agencies to use the word "sex" rather than the euphemism or equivocation "gender."

The knock on the Trump administration is that it has sought to do so much through executive orders, which could be overturned when the Democrats next control Congress or the White House. Yet the administration has sought to work through the Congress to change the laws, only to find those moves thwarted by Democrats in the Senate.

In December 2025, the House voted 215-201 to block federal reimbursements for Medicaid and for state funding of transgender surgeries and hormone treatments for minors. In March 2026, the administration backed an amendment to penalize educational institutions that allowed males to participate in female sports. Democrats in the Senate kept the amendment from overcoming the filibuster and getting a final vote. In May, the House voted 217-198 to bar schools from confirming in their records the transgendered identity declared by children without parental consent. All votes in opposition to both House measures came from Democrats.

To sum it up, the Democrats can't help themselves. No matter how much the broad public abhors the promotion of transgenderism in all of its forms, the Democrats resist even the simplest moves to scale it back. The passion for sexual liberation, with no constraints of nature, is baked into the Democratic DNA. And so the issue is teed up with perfect aptness for the midterm election.

The question may be posed with a practical relevance to James Talarico in Texas, Abdul El-Sayed in Michigan and every other Democrat running for Congress: Will they join the Democratic caucus in their near-unanimity on this issue if their party gains control in Congress? For it is virtually certain that the party would move at once against every one of these initiatives from the Trump administration. Nothing in heaven or earth will overcome the willingness of the Democrats to fall on their swords on this issue.

Mr. Arkes is founder and a co-director of the James Wilson Institute on Natural Rights and the American Founding and a professor emeritus of jurisprudence at Amherst College.

Anthropic's IPO Will Be a National-Security Win for Taiwan



POLITICAL ECONOMICS
By Joseph C. Sternberg

The biggest loser from Anthropic's planned stock-market listing: China.

The artificial-intelligence behemoth this week published its prospectus ahead of an initial public offering expected next month. The company could raise as much as $100 billion selling shares to the public. A valuation between $1.5 trillion and $2 trillion is possible.

The long risk disclosure in the prospectus—which makes for trippy reading overall—is terrible news for Beijing. Many business risks that Anthropic enumerates seem to validate China's growing heft as an AI innovator. Anthropic identifies competition from cheaper open-weight AI models as a commercial threat, and China is a leading developer on that front.

But then there is the paragraph on Taiwan. Anthropic notes that it is heavily dependent on chips manufactured exclusively on the island by the Taiwan Semiconductor Manufacturing Co. and no one else.

The U.S. company discloses to prospective shareholders that its business therefore faces risk from "potential disruption from geopolitical tensions between Taiwan and China" and "vulnerability to any interruption in Taiwan's power grid, water supply, or other critical infrastructure." Not to put too fine a point on it, but "accordingly, any restrictions or delays on the supply of advanced chips out of Taiwan or TSMC would adversely affect our business, financial condition, and results of operations."

By the way, Anthropic notes that several other East Asian companies are essential to its success. SK Hynix and Samsung, both of South Korea, receive a mention for manufacturing high-performance memory products.

The biggest risk Anthropic perceives on this front is that the companies might not be able to manufacture computer memory as quickly as Anthropic would want it. But one can't help but notice that both companies also are vulnerable to risks associated with broader regional instability, such as would be caused by a Chinese attack on Taiwan. Both also are vulnerable to risks emanating from North Korea, Beijing's client state.

Understand that this isn't a warning only to Anthropic's potential shareholders. It's a warning to Beijing.

The Chinese Communist Party for decades has claimed democratic Taiwan as Chinese territory. The question preoccupying Asian and American strategic planners is whether or when Beijing might try to effectuate that claim through force, and what form such force might take. Anthropic's prospectus covers all the bases—invasion, but also blockade, cyberattack on infrastructure and so on.

Reliance on the island for AI chip production puts it among America's top foreign policy interests.

It has long been understood that a Chinese attempt to take Taiwan would be disruptive to the global and American economies. This fact has generally been perceived on both sides as a form of leverage for Beijing.

The theory is that Washington would be so wary of inflicting permanent damage on the American economy that it eventually would accommodate whatever facts Beijing is able to create on the ground in Taiwan. Implicit in this view is an assumption that Taiwan simply doesn't matter that much to America—that it makes little difference whether our imports from the island come from "China" or "Taiwan," and that we can eventually replace Taiwan as a trade partner anyway. This is the main reason anyone would doubt Washington's determination to assist Taipei in thwarting a Beijing attempt to exert control over the island democracy.

The AI boom changes that calculation in several ways, as crystallized in Anthropic's public offer. First, it is now obvious that Taiwan's manufacturing capacity is essential to America's ability to remain in the lead on AI.

The U.S. has tried to diversify away from the island, not least by encouraging TSMC to build plants in America. But the AI boom is running far ahead of those efforts. Anthropic's risk assessment is a warning that the reality for American AI now is quite literally "Taiwan or bust." And as Anthropic hints elsewhere in its prospectus, it matters a lot to U.S. national security whether the company's supply chain runs through a friendly democracy or a large strategic rival. As for Anthropic, so too for America's other leading-edge tech companies.

Meanwhile once the company's shares are listed, they quickly will find their way into the retirement portfolios of millions of middle-class American voters. Whither Anthropic, so too the rest of the AI boom that has become so important to Americans' household wealth. This inevitably amplifies the political clout of the executives leading such companies. American households are about to become more directly, and more obviously, invested in Taiwan's security than has ever been the case before.

That might sound like even more Chinese leverage, but the opposite is true. Beijing's leverage vis-à-vis Taiwan always rested on the notion that the island was too small to be worth a significant expenditure of U.S. resources to defend. Taiwan has now become too important to a leading U.S. industry for Washington to ignore.

Anthropic's public offering and the broader AI boom create a compelling new "why" for American deterrence in the Taiwan Strait. Now we wait to see what "how" Washington devises.

Baseball Is Over, and I Miss It Every Year

By Joseph Epstein

Long, cold and gloomy is the winter before us. Long and cold because I live in Chicago, gloomy because I won't have any baseball to watch again until the end of March. Running to 162 games, followed by extended playoffs ending in the World Series, baseball provides a longer season by game count than any other American sport. Yet it still isn't long enough for me. As soon as the World Series ends, I miss it already.

Of all the American sports, baseball, though seeming the simplest, is, I believe, the subtlest. Its very structure lends itself to suspense. In what other sport can a last-place team sweep four games in a row from a first-place team? Not in football, nor basketball nor soccer. In what other sport does what Aristotle called *peripeteia*, or reversal of fortune, occur so frequently, often within a nine-inning game?

The young, I have read, are bailing out on baseball, finding it too slow for their impatient taste. Many prefer soccer, a sport I find akin to hockey in slow motion played not on skates but in slippers. The slowness is part of the fascination of baseball, even though recent attempts have been made to speed up the game. Much of the drama of baseball inheres in its slowness. Your team is up by a run in the eighth inning, while the other team has the bases loaded with only one out, and your manager calls for a pitching change, leaving you with three or four full minutes to worry about what will happen next. What does can rarely be predicted.

Not having to go into an office, I may have watched on television as many as 100 Chicago Cubs and White Sox games this past season. What a great waste of time, I hear readers mutter. Really? Would my time have been better spent listening to politicians or professional opinionators on such shows, as I like to think of them, as "Meet the Pest" and "Disgrace the Nation"? I think not.

As a child, I played baseball before the onset of Little League. We simply met at the schoolyard and chose sides. I was never a power but what was called a punch hitter. I played shortstop on the gravel schoolyard grounds with a first baseman's trapper's mitt bought from Montgomery Ward. If we didn't have 18 kids, we played no right-field hitting and, sometimes, pitcher's-hands out.

The game's reversals of fortune provide drama and suspense, leaving a void during the off season.

Baseball wasn't popular in my high school—not in the way that basketball and football, which drew large crowds, were. I took a pass on it and instead played on the frosh-soph basketball team and lettered in tennis. I didn't really come back to baseball until roughly 20 years later. Because of two years in the Army and later working in Arkansas, I missed out on the great years of Sandy Koufax.

Today I am astonished at the extraordinary skill of the Major League players—at the gold-glove fielding, the 100-mile-an-hour pitching, the power hitting. Japanese players have further improved the game. Shohei Ohtani, who both hits and pitches for the Dodgers, may well be the greatest athlete ever to have played the game.

And the money! The minimum salary for a full season in the Major Leagues is more than $700,000, with more than half of current players earning that. Others bring in sums beyond astonishing. Mr. Ohtani is under contract for $700 million with the Dodgers, receiving $2 million annually for the first 10 years and $68 million a year after that. Even players who seem to me quite average earn salaries of $8 million to $12 million a year. Consider that starting pitchers work 1 day in 5, and on that day rarely play for more than two hours. Financially, contemporary Major League players are among the favorites of the gods.

Donald Trump says the most beautiful word is "tariff." Henry James thought "summer afternoon" the most beautiful words. My favorite words are "pitchers and catchers report"—to spring training. After the 2026 season has ended, I long to hear those words ring out again.

Mr. Epstein is author, most recently, of "Never Say You've Had a Lucky Life."

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Notable & Quotable: El-Sayed's Background

Zach Kessel in WSJ Opinion's Free Expression newsletter, Oct. 29:

If elected, [Abdul] El-Sayed will have automatic access to classified information. . . . But if he were required to apply for a security clearance like many unelected government employees, he'd likely have a tough time receiving one.

Standard Form 86 . . . asks applicants to list relatives. . . . That would include the two relatives whose histories have sounded the most alarms over the course of Mr. El-Sayed's campaign: his mother, Fatten Elkomy, and his father-in-law, Tayeb Jukaku.

Ms. Elkomy worked at the Islamic American Relief Agency (IARA) from 1999 through at least 2004, when the group was designated by the Treasury Department's Office of Foreign Assets Control for allegedly funneling money to Hamas and Osama bin Laden. In 2007 the Justice Department charged IARA's U.S. operations with illegally transferring funds to Iraq. Court documents name Ms. Elkomy 14 times, including eight wire transfers she participated in that went to the group's Iraqi branch.

IARA pleaded guilty . . . in 2016. Ms. Elkomy was not a named defendant in the case.

Mr. Jukaku has been associated with the Islamic Society of North America since at least 2007 and led the Michigan state chapter of the Council on American-Islamic Relations from 2005-10. Federal prosecutors in the Holy Land Foundation terror-financing case listed ISNA among groups that "are and/or were members of the US Muslim Brotherhood" and named both ISNA and the national CAIR organization as unindicted co-conspirators.

Though the evidence prosecutors cited largely predated Mr. Jukaku's earliest documented relationship with the groups—he claims he can't remember when he joined ISNA—he was involved with ISNA and CAIR in 2008, when the Holy Land Foundation case ended in convictions for five of its leaders.

Mr. El-Sayed denies any familial ties to the Muslim Brotherhood. Both ISNA and CAIR have disputed their inclusion in the Holy Land case.

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EDITORIALS

Detroit automakers, it's past time to catch up with the Chinese

The Big Three domestic automakers reported financial results this month and, as usual, tried to put the best spin on their numbers. As General Motors Chief Executive Mary Barra wrote in her letter to shareholders, "GM is performing well."

How do you say "Yeah, right" in Chinese?

One of the most important economic engines for Illinois and the rest of the Midwest is getting badly outclassed in global markets. Faced with poor sales at home, China's automakers are cashing in seemingly everywhere outside of China.

Everywhere, that is, except in the U.S.

America's Big Three automakers have become dependent on trade barriers that keep out Chinese cars. The result is a less competitive U.S. auto industry, and a U.S. population unable to buy well-made Chinese vehicles for sale at a fraction of U.S. prices elsewhere. Consumers outside the U.S. are moving on from GM, Ford and Stellantis. China is remaking the car business without them.

It's not too late to shore up this strategically important sector, which accounts for hundreds of thousands of American jobs and a significant share of Gross Domestic Product. U.S. automakers have stumbled before and still managed to recover.

This time feels different. The Big Three's biggest strength is producing gas-guzzling pickup trucks and large SUVs. Those command high profit margins today, but they're heavy polluters and costly to fuel and maintain. It's a niche that's likely to decline.

Market share for the automotive industry can be calculated in more than one way, but any way you slice it, the explosive growth of Chinese brands stands out.

The non-partisan Center for Automotive Research pegs Chinese carmakers' share of the global market at 25% as of 2025, up from 14% in 2020 and practically zero not that long ago. The Big Three global share has dwindled to just 12%, CAR reports. Analysts expect the Chinese share to keep growing and the U.S. share to dwindle even more.

The milestones keep piling up: In Europe, Chinese car brands for the first time passed popular Japanese brands in the number of new registrations last quarter. In Mexico, despite a substantial tariff, vehicles made in China accounted for 17% of deliveries in the first six months of 2026, up 30% from the year-ago period.



A truck carries BYD cars outside the automaker's factory in Zhengzhou, China, on March 25, 2025. BYD is China's largest electric-vehicle maker. **GILLES SABRIE/THE NEW YORK TIMES**

The Big Three's biggest strength is producing gas-guzzling pickup trucks and large SUVs. Those command high profit margins today, but they're heavy polluters and costly to fuel and maintain. It's a niche that's likely to decline.

The average price of a new car in the U.S. clocks in at $50,000. Chinese electric and hybrid models routinely sell for half that amount just south of the border in Mexico, and even less elsewhere. Detroit can't compete with the Chinese on price.

So far, EVs have proven less popular in the U.S. than hybrids, which combine electric- and gas-powered engines. Detroit's automakers, particularly GM, were slow to recognize the staying power of hybrids, leaving foreign competitors such as Toyota with a significant advantage.

More fundamentally, U.S. manufacturers have been slow to reduce costs, develop new models and increase reliability. That happens when an industry is selectively shielded from market forces.

At the same time, the Big Three have been aggressive in funneling cash to Wall Street investors through dividends and stock buybacks. GM recently announced a massive $20 billion buyback program, after having just completed a $6 billion buyback.

Short-term-minded shareholders love it. But it's a call to arms for a United Auto Workers union itching to go on strike again when contracts expire in 2028. UAW President Shawn Fain called the GM buyback program "legalized mass looting."

That's rich coming from the guy who led strikes a few years ago against the Big Three that resulted in today's incredibly generous labor contracts — one more reason why the companies are at a competitive disadvantage.

Fain is correct, however, that the automakers should be investing more to shore up their futures rather than lining the pockets of investors. (Stellantis, by the way, had to suspend its dividend because of financial setbacks).

Apart from President Donald Trump's protectionism, U.S. economic policy hasn't helped Detroit. The abrupt end of support for electric vehicles under Trump pushed the companies to take massive losses that continue today. Trump's tariff attacks against trading partners disrupted supply chains and his Iran war has done a number on fuel prices. Inflation is making the U.S. car business a lot tougher.

What should the U.S. be doing? Shielding Detroit from competition can't go on forever. Chinese automakers have benefitted from massive industrial subsidies and low environmental standards, as well as intellectual property theft. They didn't get the edge they have today by fighting fair. But they weren't dumb, either.

What's most needed is consistent support for American competitiveness. Generic policies like research-and-development tax credits can help, but more detailed, specific policies would help more. The U.S. should reinstate subsidies for electrification of vehicles, for instance, and coordinate its trade policy with Canada and Mexico to better manage the threat from Chinese automakers.

Writing in the Washington Post last week, Ford boss Jim Farley pointed out the need to train Americans in skilled trades. A shortage of blue-collar talent is holding back the economy, and government could do a lot more to correct the shortfall.

The U.S. badly needs to wise up and use its economic power to support advanced industries before they become irrelevant on the global stage. Stupid isn't working. It's time for America to get smart about its industrial future.

Illinois Lockbox was always lousy idea. 10 years later, it's hitting Cook County's budget

In 2016, the Tribune Editorial Board urged voters to reject something called the Illinois Transportation Taxes and Fees Lockbox Amendment arguing that "a constitutional amendment would take away the flexibility required if there's an unexpected drop in revenue, a serious emergency or a crushing recession."

Alas, voter mistrust of Springfield politicians was so high that a majority of voters proved unable to be persuaded that fiscal discipline — not a restrictive constitutional amendment — was the right solution.

Now, taxes paid at the pump, fees collected at driver's license facilities and more go into a budget lockbox, and the money can't be spent on anything other than road construction, mass transit and other explicit transportation-related costs.

While we understand the instinct to put Springfield in check, it's clear that Illinois got played by the unions and road builders backing the lockbox measure, and the legacy of this amendment is now having ripple effects that are hitting local budgets following, you guessed it, "an unexpected drop in revenue."

Just look at Cook County.

Leaders are proposing closing a $550 million budget gap by reducing the county's budget by 4.2%, a belt tightening that deserves recognition. But on top of an expected drop in federal funding, the transportation lockbox is creating an estimated $258 million annual hole in the county's general fund, even as the restricted transportation revenue continues to accumulate.

Cook County officials told us in our office that $535.8 million in restricted money has accumulated in the Transportation Fund. If restrictions were lifted, we heard, the county would use this money to "cover costs related to the administration of laws related to traffic, railroad, and motor carrier laws or for the safety of highways, roads, streets, bridges, mass transit, intercity passenger rail, ports or airports."

Whether those expenditures qualify under the amendment is now a matter for the courts. Meanwhile, the money continues to pile up. The county's budget projects that the restricted balance could reach $1.8 billion by fiscal 2031.

This is maddening. Of course there is blame to go around, and fiscal conservatives would likely find much over which to blush in the county's $9.7 billion budget proposal. We Cook County residents know that our governments live in a perpetual state of budget shortfalls.

But it's impossible to ignore the challenge at hand. That this restricted pot will continue to grow is a massive problem. Cook County has litigation pending on this front, but the outcome is uncertain.

We've long known this lockbox would create problems and have been suspicious of it on many accounts. Remember, lawmakers let this amendment get to the ballot even as other popular issues, such as term limits and redistricting reform, have been blocked before voters ever got a say. There's a reason road builders and related unions poured millions into passing this thing back in 2016: job security. Now that they've successfully lobbied to put restrictions on transportation spending into the Illinois Constitution, the industry is using the courts to enforce those restrictions against a county facing a substantial budget shortfall.

As we wrote before the 2016 lockbox vote, if the consensus among lawmakers was that the road fund shouldn't be raided, then they should've simply stopped raiding it. Instead, they locked down the money.

This is not to blithely defend Illinois lawmakers' track records on budgets, nor is it an endorsement of raiding funds because politicians can't curb their addiction to spending. Rather we see it as a matter of simple common sense.

Unfortunately, for the foreseeable future, we're stuck with the lockbox. We can only hope the county finds a lawful way to regain some fiscal flexibility.

Here's a good rule of thumb for Illinois voters: When Springfield politicians eagerly offer you a constitutional amendment, ask who stands to benefit. There's usually a catch.

ON THIS DAY 71 YEARS AGO THE UTILITY TAX

The city council's committees on finance and utilities have approved a 5 per cent tax on every Chicago telephone, electricity, and gas bill. Before long, the city council as a whole will vote on this proposal. If it is approved, every householder and business establishment in Chicago will have new taxes to pay.

In the city hall they call this the utilities tax, as if it were going to be paid by the telephone company, the gas company, and the Commonwealth Edison company. In fact, it is just another sales tax, this one to be collected by the utility companies from their customers, just as the grocery collects the sales tax from its customers. ...

The Tribune gravely questions the city's need for the new tax. ... The plain fact is that neither the mayor nor anyone else in the city hall has shown a clear need for this money.

The city has now begun to receive the revenue from the new half cent sales tax. ... In fact, the improvement is considerable and it has been growing, inviting the conclusion that the city's revenue from this source will be close to 25 million dollars in 1956. ...

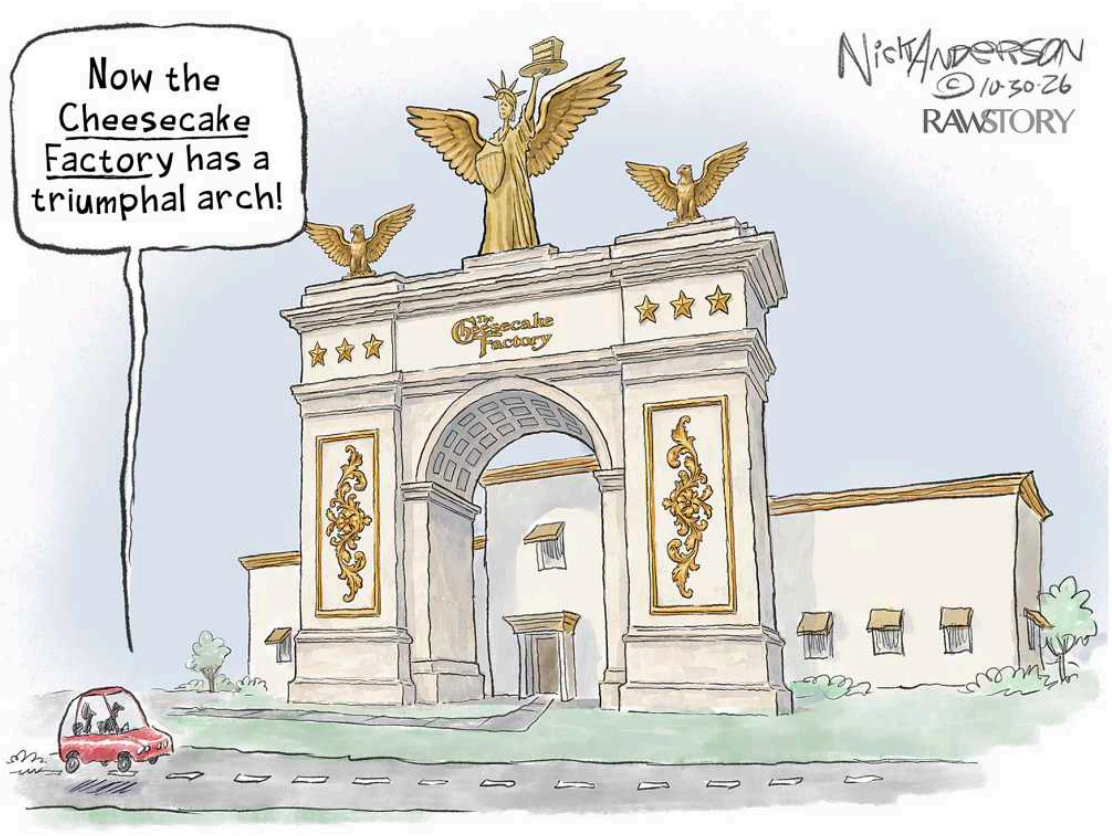
Once a utility tax is adopted, it will be here to stay and the people of Chicago will pay it, month after month and year after year, quite probably at rising rates, whether the city needs the money or not.

It is quite certain that if added revenue is placed in the hands of the city administration, the mayor and his colleagues will find ways to spend it. One way is to load the payroll with more names. The waste is compounded when high wages are paid to loafers. Still another way to exploit the taxpayers is to yield to every demand for wage increases from the union bosses, who appear to be more influential than ever in the city hall these days.

Voting the utility tax will invite all these practices. When Mr. Daley has shown that he can spend his new sales tax revenues wisely and if he then can show that he needs still more money, he can ask for it. In our judgment it would be a mistake to vote it now.

Tribune editorial board, Oct. 30, 1955

EDITORIAL CARTOON



NICK ANDERSON

OPINION

Mayor's budget will drive investment away, hurt small businesses

By Stuart Loren
SPECIAL TO THE TRIBUNE



A copy of the budget recommendations sits on a desk after Mayor Brandon Johnson gave his address on Oct. 21 at Chicago City Hall.
BRIAN CASSELLA/CHICAGO TRIBUNE

Over the next several weeks, Chicago's City Council must decide how to close an $882 million gap in Mayor Brandon Johnson's 2027 budget. Much of the debate will center on his two largest business taxes: Increasing the city's lease tax on software and equipment from 15% to 20%, projected to raise $234 million, and charging employers $25 a month per employee once they reach 125 full-time workers, raising another $102 million.

Neither tax may seem large against the city's $6.5 billion main operating budget. Both, though, raise the cost of adding a job here. The mayor claims his budget invests in working people. But working people need somewhere to work, and in Chicago, they are having a harder time finding it. Unemployment hit 5.9% in August — the highest among the nation's 25 largest cities. Taxing jobs is a curious way to bring that down.

As I wrote recently, Chicago cannot make structural progress on its finances without a growing economy. That growth depends on employers choosing to hire and invest here. To see how these taxes affect that decision, I modeled what three companies at different stages and sizes would pay in state and local taxes in the 25 largest American cities. Chicago already is the most expensive of the 25 for all three, at close to twice the average. This budget would make it costlier still.

Start with a national professional services firm with 2,000 employees in the city — the kind of employer behind 1 in 7 private jobs in Chicago. Based on industry benchmarks, an office that size buys $18.9 million a year of software and cloud services. Chicago already taxes that at 15%, or $2.8 million; the proposal takes it to $3.8 million, more than three times what the average city would charge. The head tax adds another $600,000. A firm like this with offices in multiple cities now has more reason to invest outside Chicago.

Now take a technology firm with 150 employees, the very type of firm the city is trying to attract, deciding where to put its next 20-person team. At industry norms for a firm that size, the team costs $1.04 million to set up and runs on $613,000 a year of software. It clears $627,000 before tax. Chicago's lease tax and head tax alone would take $129,000 of that, against an average of $33,000 across its large peer cities. Holding all other costs equal and discounting five years of profits at 10%, the project is worth $848,000 here versus $1.21 million in the average peer city. A gap that size makes the investment less likely to happen here.

Lastly, take a young food and beverage producer, based here in the country's largest food manufacturing center. It employs 22 people and generates $3.4 million in revenue, the industry average at that size, but is not yet profitable. Short on cash, it leases its equipment, which costs $160,000 per year. The head tax does not reach it, but this budget would raise its lease tax from $24,000 to $32,000. Sixteen of the 24 other largest cities exempt those leases. Instead of fighting for a homegrown industry, Chicago is fighting it.

In fact, Chicago's own taxes exceed what companies pay in state and local taxes combined in the average city. And that burden has grown quickly, with the lease tax climbing from 9% two years ago to a proposed 20%, on top of an effective commercial property tax rate of 3.36%, the highest of the 25.

Does any of this change behavior? Leading studies find a clear link between higher state corporate taxes and lower employment. As for the head tax, 2024 research on state payroll taxes finds that increases cut hiring. That research looked at annual increases of $200 to $600 per worker — recall Chicago's head tax is $300. Where implemented, employment growth slowed. And as for the lease tax, tariffs are instructive. Federal Reserve researchers found that manufacturers whose input costs rose most under the 2018 tariffs employed 2% fewer workers than those least affected. Chicago's lease tax risks the same effect.

None of this has moved the mayor. His administration says the head tax would reach only 3% of the city's businesses. But it would hit more than a quarter of private jobs, and the lease tax reaches almost every business. Taxing employment always has been a blunt way to raise money, albeit less risky when moving involved more friction. Today, it is easier than ever to move jobs or add new ones elsewhere. This mayor is betting companies won't.

That's a reckless bet with our economy already underperforming, having grown at just a third the U.S. rate since 2019. Before raising taxes, Chicago first should explore non-tax revenue options, such as charging for expedited permits and licenses, or pricing services closer to cost. The city also should consider opening up bidding to private garbage haulers for a service now losing $147 million a year — more than the head tax is projected to raise. Chicago can't afford losses like that and should run its operations efficiently before imposing ideologically driven taxes.

It's no accident the mayor named this his "Fair Share" budget. With these taxes aimed squarely at businesses, there's no question whose share he means. The sad irony is the working people he claims to fight for will be the ones bearing the heaviest cost.

Stuart Loren is a managing director at Fort Sheridan Advisors, where he manages client investment portfolios and is responsible for market and economic analysis. Formerly, Loren was a corporate lawyer in Boston. He lives in Chicago with his family.

Democracy can be surprising, as elections around the world show



Elizabeth Shackelford



Supporters of candidate Luiz Inacio Lula da Silva react to the vote count news on general Election Day on Sunday in Sao Paulo, Brazil. **ALEXANDRE SCHNEIDER/GETTY**

On America's Election Night 10 years ago, I was a diplomat with the U.S. mission to Somalia in Mogadishu. We were hosting a watch party with local political, business and civil society leaders. U.S. elections offer a chance to showcase how democracy works and to share American values, so these watch parties are a public diplomacy staple at embassies all around the world.

With the later time zone, our party kicked off around 4 a.m. By sunrise, it was clear Donald Trump would be the next president, and I was concerned about what this meant for America's relationship with the world. But, as a U.S. official, I couldn't share my concerns publicly. I represented the U.S. government there, not myself. As guests looked to me and my colleagues for a reaction, I searched for the right words and settled on a truth that wasn't very reassuring at the time: "Democracy can be surprising!"

It is one of the risky and beautiful things about democracy. A wave of ordinary people can come together, organize and choose their government, for better or for worse. When it works as it's supposed to, the people retain the ability to change that government, or not, depending on which party or person they believe is more likely to deliver. When democracy works, nothing in an election is a foregone conclusion.

Just this week, two countries showed us how this is done. Brazil and Serbia proved to the world that, even on an uneven electoral playing field, a mobilized public can prevail. Success in each case hinged on having enough public engagement to drive voter turnout to levels sufficient that the people could overcome the advantages of big money, Big Tech and entrenched power.

In Brazil, President Luiz Inácio Lula da Silva showed the world that trends are not destiny. Seven straight presidential elections across Latin American in the past 18 months have seen swings to the right. In five, an incumbent was ousted by a public dissatisfied with the status quo. Youth movements across the globe also have rejected geriatric politicians who had long dominated politics, accusing them of being hopelessly out of touch with the problems young people face. Lula, an 81-year-old incumbent and a fixture of Brazil's left for decades, looked doomed.

And yet, even after falling short of his opponent, Flávio Bolsonaro, in the first round of voting, Lula surged ahead in the runoff to win by more than 4 million votes. The possibility of a win by the far-right son of a former president convicted of attempting a coup was apparently a strong motivator.

Lula prevailed despite widespread efforts by the Trump administration to undermine his government. He overcame Meta's restriction of his social media accounts and promotion of his opponent's. His supporters even faced public transportation disruptions that Lula's coalition claimed were intentional suppression by powerful mayors who supported Bolsonaro. Lula overcame these obstacles with sheer people power, thanks to a 10 million-person-strong digital army organized over WhatsApp focused on getting his campaign message out.

Some big business interests are not pleased with this outcome, since Lula has promised to hold Big Tech to account and to protect the Amazon from deforestation. But this is a clear win for humanity. As renowned climate activist Bill McKibben put it, "I bet (Lula's win) shaves a tenth of a degree off how hot our earth eventually gets, which will save millions of lives."

On the very same day in Serbia, people power ousted an autocrat who had dominated the country's politics for 14 years. The movement that brought down Aleksandar Vučić was launched in 2024 when a railway station roof collapsed, killing 16 people. Students blamed rampant state corruption, and their mass protests persisted in the face of violent repression. The students turned their activism into a political movement and put forward a list of candidates to compete in the parliamentary election this year. They came up against an entrenched regime that had spent its years in power exerting control over media, the judiciary and other state institutions key to obstructing political opposition. This meant their path to electoral victory faced an uphill, unfair fight.

It took almost two years of organizing and commitment, but just like the defeat of Viktor Orbán in Hungary earlier this year, their victory Sunday was proof autocrats still can be ousted as long as elections are still happening.

The hardest part for both movements may still lie ahead. Governing is difficult, and both countries face economic struggles and dissatisfied electorates. Every government in a democracy must eventually go back to face the people and be judged on whether it delivered.

It has been U.S. policy for 80 years to promote democracy around the world to ensure that very fact. Right now, this is our payoff. Even as Americans face efforts to disrupt the vote here, this idea has taken root in populations elsewhere who fight for it.

These movements offer hope. Americans who are concerned today about the rampant corruption of our political system and capture of our economy should take note, show up and make sure their voices are heard in our own elections next week.

Elizabeth Shackelford is a foreign affairs columnist for the Chicago Tribune and a distinguished lecturer with the Dickey Center at Dartmouth College. She was previously a U.S. diplomat and is the author of "The Dissent Channel: American Diplomacy in a Dishonest Age."

OPINION

VOICE OF THE PEOPLE

Editor's note: Here is a selection of letters from our readers on their most notable Halloween memories. We will publish more of readers' letters on Friday and Saturday. Due to the significant volume we received, several letters will appear online only, also on Saturday.



MICHAEL RAMIREZ



A child trick-or-treats dressed as a pumpkin on Halloween in the Roscoe Village neighborhood of Chicago on Oct. 31, 2024. **TESS CROWLEY/CHICAGO TRIBUNE**

It began with a pumpkin

Many, many full moons ago, Carolyn and I were two individuals living separate lives, following paths to develop our respective careers, and we were in the early stages of exploring a new relationship together.

To borrow from the announcer's opening lines of each episode of the popular sitcom "The "Goldbergs," it was 1980-something. I returned home from a business trip and had a date with Carolyn to carve a pumpkin at her apartment a few days before All Hallows' Eve (aka Halloween).

We carved the pumpkin, which, when finished, had a particularly endearing grin on its face; we lit the inside with a candle; and then later, we shared our first kiss. From that point onward, a life together was set in motion.

Now, we look back to that haunting night as one of the most significant in our adult lives. With all sincerity, it was love at first light.

Postscript: We still have part of the stem and some of the seeds from that jack-o'-lantern. I set them in liquid acrylic that became a surprise paperweight gift to Carolyn for another special occasion.

That pumpkin has never stopped giving.
— *Mark Grenchik, Chicago*

Scaring up a bag of treats

When I was a 10-year-old girl in a small Minnesota town, Halloween began the day before, when it was necessary to put together as scary a costume as possible. Perhaps an old black dress from a local rummage sale would do, and by adding a mask, my disguise would be complete.

The next day, the much anticipated date of Oct. 31 arrived, and along with my best friend, our nightly adventure began. Before long, our paper bags were filled with our favorite treats: homemade popcorn balls, fudge, cookies, bubble gum, caramel apples, little wax bottles filled with colored juice, an assortment of mixed candies and, if we were lucky, maybe a store-bought candy bar or two.

The last house on our list belonged to our neighbor, an elderly couple with no children. Even though neither my friend nor I claimed them as relatives, we nevertheless called them "Aunt Hattie and Uncle Fred." It was, however, Halloween, and so before we were given a treat, we were expected to offer a song or two, after which we were happy to put a homemade cookie in our bag of treats and a shiny nickel in our pockets.

Unfortunately, the Halloween night curfew sounded too soon, and it was time to say good night to my friend and begin the walk home. The night was not complete, however, until I spread the contents of my bag on the kitchen table, took a bite or two from a favorite treat, and then carefully emptied the rest into a cardboard box that I secretly secured under my bed for future tasting.

In this way, I kept Halloween alive for a few more days.
— *Marion Kuehl-Robbins, Winfield*

Halloween Monsoon Game

Halloween 1994 was especially memorable for me. The Bears were playing the Packers at Soldier Field, and at halftime, the Bears were honoring Gale Sayers and Dick Butkus. Of course, I was taking my 9-year-old daughter trick-or-treating in our new neighborhood.

And then the rains came. I planned on taking Sara out trick-or-treating and finishing well before the game started, but it rained, so we waited. And the longer we waited, the harder it seemed to rain. As I looked at her staring hopefully out the window, I asked her: Do you want to try to go around the block at least? Of course, she jumped for joy, so we grabbed an umbrella and headed out. The umbrella was quickly rendered useless as the winds were blowing hard. We made it down the block on one side and then back the other side before giving up.

The best part was that since there were no other trick-or-treaters out, the neighbors dumped handfuls of candy in her bag, and she ended up with more candy than she would have on a nice evening going all around the neighborhood!

Unfortunately, once I got home and got situated for the Bears game, it was a fiasco in the rain. The Bears were blown out by the Packers in what was drubbed the "Halloween Monsoon Game." Sayers and Butkus bravely stood in the pouring rain for their jersey retirement and gave memorable speeches wearing sport coats.

The smile on Sara's face more than made up for what became a long drought of Bears losses to the dreaded Packers.
— *Ken Stead, Aurora*

Serenading our neighbors

Having aged out of trick-or-treating, I was feeling bummed one Halloween. My dad, grabbing his guitar, suggested we go around to our neighbors and provide a musical treat; our group included our neighbor Bonnie who had a lovely solo soprano voice and my mom and me on alto.

Each neighbor was so pleased and surprised by the uniqueness of our treat. Many invited us inside, but we explained we had to move on. The uniqueness of it all made for the best Halloween a 14-year-old could have.
— *Barbara Duncan, Des Plaines*

Halloween for kids in need

It was 1973, and with permission from the director of nursing at the University of Chicago hospitals, Wyler Children's Hospital had the first dress-up Halloween parade. It was magical!

Our patients' joy was matched by the doctors, nurses and healthcare personnel that day, many of whom were in costume.

My favorite — a well-liked doctor in a big diaper and baby bottle being pushed in a pediatric crib throughout the patient units. Another doctor sang karaoke; the kids loved it. (And so did we.)

Pediatric staff members bring Halloween, Christmas, Easter, New Year's Eve and even the Tooth Fairy to hospitalized sick kids.

Reflecting on this very special Halloween from over 50 years ago, I am reminded that it is a calling to care for sick children. And dedicated pediatric staff always step up for them.
— *Elizabeth Butler Marren, retired pediatric nurse, Chicago*

Kindness lasts a lifetime

Many years ago in the waning hours of Halloween night, a small crying girl knocked on our door. She had been trick-or-treating all afternoon. A boy pushed her over and stole her candy.

My wife brought her into the house and told her to hold open her empty bag. She filled the girl's bag to the top with all our remaining candy.

Many years later, we were at a wedding reception, and that small girl, now a full-grown woman, recognized my wife and ran over with a big hug. My wife is gone now, but a simple act of kindness can last a lifetime.
— *Stan Wojewski, Wonder Lake*

Let no parachute go to waste

Our neighbor was the manager of the local airport, Porter County Regional Airport in Valparaiso, Indiana. He had brought home a damaged and unrepairable parachute. For Halloween one year (it must have been in the 1960s), his youngest son climbed the tree in their front yard and suspended the parachute from its branches. Then, sacrificing his own trick-or-treating time, he put on a jumpsuit and climbed into the harness of the parachute, his feet not touching the ground.

When kids came to trick-or-treat, they assumed it was just a yard decoration — until he moved and spoke and scared the bejesus out of them.

Those who were brave enough to return to the front door were rewarded with their treat.
— *Gertrud Scheller Lee, Valparaiso, Indiana*

Just desserts for robbers

When I was 5 years old, my two older sisters, 8 and 11 years old, and I went down a residential street with paper bags in hand. We didn't get much candy at home because there were seven kids in the house and money was tight.

In broad daylight, two teenage boys snatched our trick-or-treat bags from our hands and ran. We went home and told our dad what happened. He said we needed to go down to the corner by the junkyard filled with wrecked cars. (This was also the place where we walked our dog.) He told us to fill those bags with what we found in the weeds and go back to where our candy was stolen.

Mission accomplished. Same boys.
— *Cecelia Kubik, Willowbrook*

Deprived on my last outing

My most memorable Halloween experience occurred during the final time I collected candy as a kid. It was slightly after dusk in the early 1970s, and I was living in Mount Prospect. I went solo trick-or-treating with my plastic pumpkin container when three older boys approached me and demanded my goodies. I wasn't threatened by the "weapon" one of them flashed, a can of shaving cream, but by the fear of the force of their fists on my face.

Reluctantly, I handed over the pumpkin and went home. Hopefully, the caramel apple I received contained a razor blade. (Just kidding.)
— *Alan Michael Richter, Chicago*

A special time in Roseland

I grew up in Roseland during the 1950s. Halloween was a special time for all of the kids in the neighborhood. We went trick-or-treating all over in homemade costumes, our parents never worrying about our safety. Our block was unique because two or three houses invited us in for hot cocoa or cider and doughnuts or apples. We always felt secure.

Now, at 84, I remember those years with great fondness.
— *William Tracy, Chicago*

It pays to listen to Mom

I was 5 and my sister 6 when our mom drove us to the Ridge Park gymnasium in Beverly for the annual Halloween costume parade. Dressed in green hula skirts over our pink ballet leotards and dime store orchid leis, we sheepishly followed Mom to the gym.

She stopped for a moment in the parking lot to show us how to move our arms in a slow and graceful wave from one side to the other.

"And girls, just make sure you smile at the judges during the parade," Mom directed.

If I had misgivings before I entered the gym, they were greatly amplified when we arrived inside. Robots, Barbie dolls, Supermans, T-rexes and princesses began to form in a circular line around the perimeter of the gym. As the scary music began, I looked down at my grass skirt with disdain and wished I could hide behind the Raggedy Ann in front of me.

But then I remembered what Mom said.

With undulating arms and plastic smiles, my sister and I dutifully filled her orders. As we walked the line, we never took our eyes off the judges in the center of the parade circle. Relieved when the music stopped, I was ready to head for the doors. But wait. What did I just hear?

"And the third place prize goes to the hula dancers!

Since that day, I have never forgotten the power of a smile. Thanks, Mom.
— *Mary Ann O'Rourke, Barrington*

A sky dancing with light

Our first Halloween in the new state we moved to, Minnesota, we lived outside the limits of a small town. Our preschool kids were so excited to trick-or-treat that they wore their costumes for weeks before Halloween night.

The day before, temperatures dropped, and snow covered everything. They were disappointed to wear coats over their orange costumes, yet we ventured forth. It was cold, so we took a shortcut back. The sky lit up with green and blue waves: "The sky is dancing!"

It was not the Halloween they wanted. It was better.

To this day, blue and green are our grown kids' favorite colors.
— *Jelmir Atkins, Sycamore, Illinois*

My role in my mom's costume

My family's Halloween story of 1951 centers around my mother dressed as Santa while taking my older sister trick-or-treating. Little kids would run to greet her. I only know this through stories I was told years later because she used me to fill out the belly of her costume.

I was born the next day on Nov. 1!
— *Rick Kozma, Woodridge*

Well disguised and devised

Every Halloween, my brother's neighborhood in Woodridge gathers in his garage to celebrate the holiday and hand out candy to trick-or-treaters.

Two years ago, I unexpectedly returned early from a trip. Armed with a new mask, I dressed like a hobo and decided to surprise everyone at my brother's Halloween party. I drove my daughter's car, parked a distance from his house, grabbed an old store bag and strolled up the driveway.

I headed straight for the table loaded with bowls of candy and helped myself to several handfuls. Suddenly, the conversation stopped. Everyone stared at me, wondering which neighbor had shown up in such an unusual costume.

I said nothing.

Instead, I walked around the table and helped myself to the cheese and snacks on their plates. Then I reached for a can of beer, but someone quickly snatched it from my dirty hand.

People asked me questions, but I stayed silent, determined to stay in character.

As I finally started to leave, my brother and another man stopped me. My brother looked me in the eyes. Suddenly, he announced, "It's my sister!"

My brother thought I was still away and hadn't seen my daughter's car. I had fooled everyone — including my own brother!
— *Janet Wilmoth, Lisle*

'Thriller' of an appearance

I lived in Las Vegas in the mid-1990s with my kids. We were at the Adventuredome in Circus Circus on Halloween night, and on the stage was a group of teenagers about to perform "Thriller." Then Michael Jackson appeared with his kids!

Those poor little ones on stage were terrified, but he was so nice to them. He took pictures with their families, danced with them and joked. By the way, he was also a great tipper and asked the server's name.

I'll never forget how special it was watching him dance "Thriller" with those kids.
— *Kristin Deneal, Springfield*

Condiments for laughs

A couple years ago, I kept two bowls inside my door, one filled with treats and the other overflowing with mustard and ketchup packets. When older trick-or-treaters would ring the doorbell, I'd offer them the packets as a joke. After a couple seconds of letting them go wide-eyed, I'd bring out the real bowl. Got lots of laughs, and one boy actually preferred the packets. I heard him bragging to a couple trick-or-treaters who were coming up behind him, "Look, this guy gave me mustard and ketchup!"

As an aside, I had pretty good treats in the real bowl — packages with mini-chocolate chip cookies. Another boy saw the premium treat choice and said earnestly, "You're a great man!"
— *Gary Katz, Long Grove*

Bridge's diary: Middle class blues in Muscat



BREGJE VAN BAAREN

The writer is a freelance contributor

A week of Muscatian encounters with people, in real life and on screen, as shared by the writer whose name many Omanis often pronounce as "Bridge".

Al Hail, late last Saturday afternoon, in a quiet corner of a farm garden. "I have been feeling a bit depressed. I just really hate being 'poor'!" sighed my beautiful local friend, who is a little neurotic and never one to understate a feeling.

She sat across from me at a picnic table that had cracked under the cruel summer sun. Our phones were inside the house. We both like and fear technology, and do not always want Siri, social media, or bots "listening in" on our conversations.

"She deserved to be seated next to a future king," my guest suddenly mumbled as she stared at the weekend edition of this newspaper lying on the table. It featured a picture of His Majesty King Charles III and His Majesty Sultan Haitham bin Tarik as they met in the UK earlier that week.

As Muscat is essentially just a small town, she was referring to a friend of a friend named Dina Macki, the charming chef and entrepreneur of Omani-Zanzibari roots, partly raised in the UK, who had dined with these Royals and their future successors during that same visit.

My friend kept quiet for a while. I took in her strikingly pretty face, now with a worried look on it. It was a different version of the face I had seen on social media years ago, before I knew her personally, when she was trending in Oman because of her artistic talent. She now has an administrative job she is loyal to but does not particularly seem to enjoy.

As we sat there, still not talking, she watched a butterfly circle overhead while absent-mindedly using her left hand to pet Lucky, our adopted stray black cat, who always seems to think he is a dog.

It felt as though we were in one of those podcasts for women, as I sat there waiting for her to unburden herself.

She looked at me again with her brown eyes, which now almost turned translucent in the sunlight. She was wearing a summer dress with short sleeves since we were in a free zone, while my tanned friend is one of the very few locals I know who likes to sit in the sun.

She returned to her original topic. "I mean, we count our blessings, Alhamdulillah, thank God, and I know it is wrong to use the word 'poor', especially when we know what is happening to people in Gaza and Sudan."

"But my husband and I both work so hard, and still, by the end of each month, after paying the school fee instalments, the children's activities and the supermarket bills, and going to the beach once a week for peace of mind, we are left with only a few rials in our accounts."

"I guess I just meant cash-strapped, especially with prices these days, which I feel are mostly due to these stupid wars in the region and Europe."

I knew what she meant, as she is not alone. There are a number of Omani families whose incomes look good on paper but who are feeling the squeeze of rising living costs.

There are a number of Omani families whose incomes look good on paper but who are feeling the squeeze of rising living costs. And I feel like they have always existed

These families invest most of their money in their children's education, extracurricular activities and fresh food, only to find that, by the end of the month, little is left in savings.

"People sometimes ask me why I did not send my children to a government school, because they are free, to save money. They keep saying that the Thanawiya can lead to places at good universities around the world, and I know this is true. But, as you once said, everyone learns differently, and that route is not necessarily right for every child."

"I feel IB suits my kids better, also partly because we speak English, Arabic and Swahili at home. They are now internationally minded learners who think critically and research independently, and as you said, universities worldwide recognise IB as rigorous preparation."

"I mean, I am grateful that we do not have to pay high taxes like my friends in Europe, or like you did after your father died. And two of my kids got scholarships, although one not in the field and country he wanted."

"I guess most of my Omani friends and family believe in complaining peacefully. I mean, we are not like those crazy looters in the streets of Paris who had to be stopped by that big guy with the long grey hair. Pierre was his name, I think," she added.

"Most of the middle class in Muscat are like me, complaining and feeling grateful all the time, and all at the same time," my friend said, suddenly laughing again.

PHILIPPINE ISLAND USES NATURE TO COMBAT RISING SEAS

PAM CASTRO

For years, residents of a flood-prone Philippine island north of Manila have elevated their homes atop layer upon layer of concrete, only to see floodwaters threaten them again.

Burdened by strong storm surges, land subsidence and rising seas exacerbated by climate change, the 3,000 residents of tiny Pamarawan Island have turned to bamboo poles and discarded oyster shells to build a barrier aimed at weakening waves and managing floods.

The unusual approach offers a nature-based alternative for a country still grappling with a multibillion-dollar scandal that drove public fury over substandard — and at times non-existent — concrete flood-control projects.

"We were terrified whenever there were typhoons. We couldn't sleep at night," fisherman Edgar Javier said on a recent visit, recalling how strong waves once brought down one of his home's concrete walls. The project began when the city government of Malolos, home to the island, launched a study with a Dutch engineering consultancy.

"(Concrete infrastructure) projects won't suffice," Mayor Christian Natividad said.

While the project, the first of its kind in the country, initially faced resistance from officials and residents working without a blueprint, Natividad said they had "nothing to lose". "It's like you accept daily flooding or you do something else with risk," he said. "I chose risk."

By May last year, workers, many of them residents, had begun installing bamboo poles packed with brushwood along the coast. They are designed to slow water flow and trap sediment, with the goal of gradually raising the seabed and supporting mangrove growth.

When journalists visited the site, workers were building an oyster-shell breakwater about 100 metres offshore. Under the searing heat, men in caps pounded wooden stakes used to secure coconut-fibre bags filled with shells on an artificial shore first created with sea sand.

"This breakwater's main purpose is to lessen the impact of the wave before it can reach the community," project manager Lyana Galang said, adding that the oyster-shell barriers work in concert with bamboo sediment traps. ***— AFP***

Research projects aim to boost quake resilience



DR ABDULLAH ANSARI

The writer is with Earthquake Monitoring Center at Sultan Qaboos University

TWO major research initiatives undertaken by the Earthquake Monitoring Center at Sultan Qaboos University (SQU) have generated important scientific outcomes for improving earthquake preparedness, building safety, economic-loss reduction, and long-term urban resilience in Oman.

The projects, M-Rafeeq: Multi-Criteria Risk Assessment Framework for Enhancing Earthquake Preparedness for Urban Environment and Risaalah: Rapid Visual Screening and Seismic Assessment of Al Seeb's Lifeline Assets for Health, were funded through the Deanship of Research at Sultan Qaboos University and focused on complementary dimensions of seismic risk in the rapidly developing the Wilayat of Al Seeb.

The M-Rafeeq project investigated earthquake risk across the urban and residential environment of Al Seeb. Rather than considering seismic hazard alone, the research integrated earthquake hazard, local ground conditions, structural vulnerability, population and asset exposure, critical infrastructure, preparedness, and potential economic consequences within a unified assessment framework.

A particularly important component of the project was the assessment of potential economic loss associated with earthquake damage. Structural damage represents only one part of the total impact of an earthquake. Repair and reconstruction costs, business interruption, temporary displacement, disruption to roads and utilities, and interruption of schools, healthcare facilities, and other essential services can greatly increase the overall economic burden of a damaging event.

An important outcome of the projects has been the translation of scientific research into information that can support government authorities, municipalities, urban planners, healthcare administrators, schools, and communities

Complementing this urban-scale work, the Risaalah project, focused on the seismic vulnerability, risk, and resilience of hospital and healthcare buildings in Al Seeb. Hospitals are among the most critical facilities in any city because their functionality becomes even more important immediately following a disaster.

Damage to healthcare buildings, medical equipment, lifeline systems, or access routes can significantly reduce a community's ability to respond at a time when medical demand is at its highest. Risaalah therefore examined not only the structural condition of hospital buildings, but also broader factors influencing their resilience, including non-structural components, lifeline systems, site conditions, facility criticality, and emergency preparedness.

Together, M-Rafeeq and Risaalah created a broader picture of seismic risk by addressing both the residential and urban building environment and the critical healthcare infrastructure upon which communities depend during emergencies.

The projects were undertaken by a multidisciplinary team from the Earthquake Monitoring Center at Sultan Qaboos University, with Dr Issa El Hussain, Dr Abdullah Ansari, and Majid Al Musalhi serving among the main project team members.

The research also benefited from international scientific collaboration involving researchers and institutions from South Korea, Japan, and Norway, strengthening the exchange of expertise in earthquake engineering, seismic risk assessment, infrastructure resilience, and disaster-risk reduction.

Dr Abdullah Ansari has played a leading role in expanding research on the seismic safety and resilience of critical infrastructure in Oman. His wider research experience spans Oman, India, South Korea, and Japan and includes studies related to buildings, transportation infrastructure, underground structures, metro systems, tunnels, bridges, and other critical engineering facilities.

His earlier research has also addressed seismic risk associated with major Himalayan tunnelling and infrastructure projects, providing experience that is increasingly being applied to the challenges facing rapidly developing cities and infrastructure systems.

The outcomes of M-Rafeeq and Risaalah are particularly timely as Muscat enters a new phase of urban expansion. Major developments such as Sultan Haitham City and Yiti, together with future residential, commercial, transportation, healthcare, and public-service projects, will significantly increase the concentration and value of urban assets.

The research demonstrated why seismic risk information should ideally be incorporated at the planning and design stage, rather than considered only after development has been completed.

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