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— *The Guardian*

The Ideas Page

FRIDAY, SEPTEMBER 4, 2026



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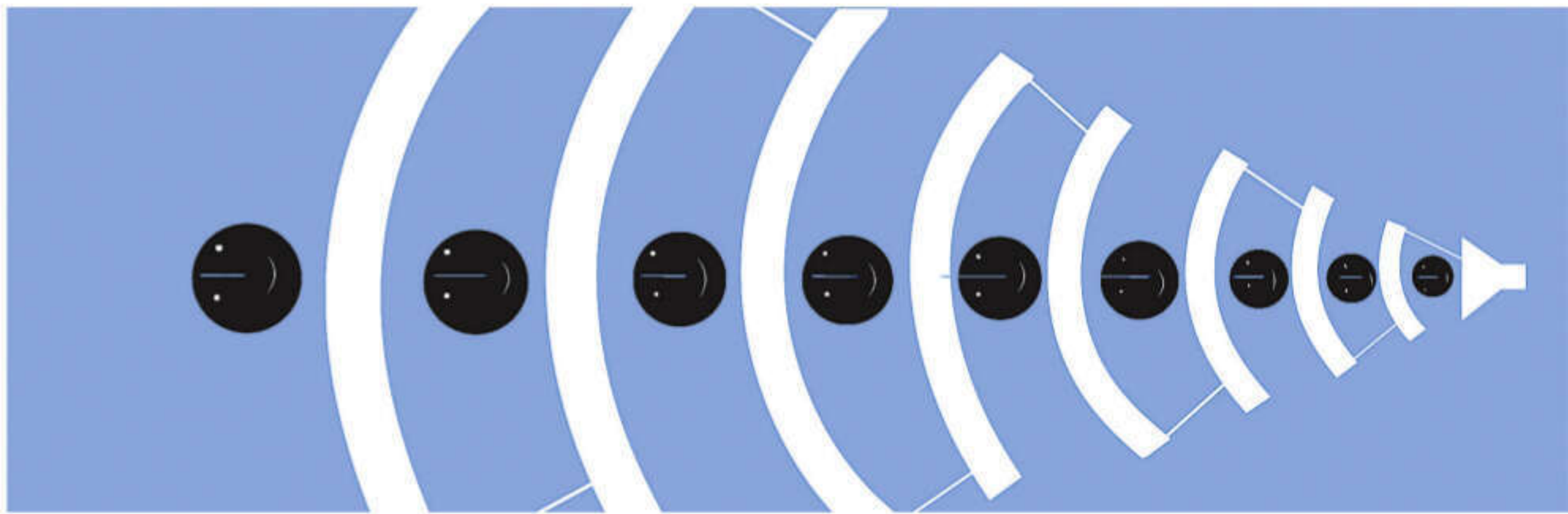


ILLUSTRATION: C R SASIKUMAR

Do Mohan Bhagwat’s speeches abroad indicate a shift in the RSS’s positioning?

Tactics change, Hindutva doesn’t



SUHAS PALSHIKAR

THANKS TO the convenient gullibility of those commenting on his speeches, Mohan Bhagwat is on the verge of becoming the new Jawaharlal Nehru. His recent “celebration” of diversity is being dutifully showcased as the RSS chief effecting an important shift. Thankfully, the evidence shows what he actually said: That diversity is decoration; it is beautification of unity. This is in contrast to the notion that diversity is not only an inseparable part of what we once understood as Indianness, but diversity actually facilitates our unity. Therefore, what Bhagwat said in North America is not a real shift but a tactical positioning of the idea of Hindutva to make it acceptable to a wider audience that adopts naivety as the method of analysis.

To be fair, Bhagwat has earlier also adopted the argument that Muslims in India are not “outsiders” and that people of all religions should live amicably. So, should we be thankful to him for this concession? Should we say that he is changing the way Hindutva is understood now, or should we put his utterances in context before we jump to certify his inclusionary credentials?

Three things provide the context. First, Bhagwat is not an individual. He is the chief of a “voluntary” organisation that supervises a vast network of individuals and organisations that stand by and for the idea of Hindutva. His statements, therefore, must resonate with all that goes in the name of Hindutva. How do we make sense of his assertion that “if a Hindu wants an India without Muslims, he is not a Hindu” when many Hindutva forces keep villainising Muslims? Didn’t he once say that there is no need to search for a *shivling* under every mosque (2022)? That didn’t stop Hindutva politics from doing exactly the opposite. If that is the case, what he says today about Muslims being part of India also becomes meaningless. In the 1990s, too, some naïve liberals argued that Muslims should hand over the Babri mosque and, in exchange, get an assurance that no such controversies over other places of worship would be raked up. Hindutva’s history shows two things: That it is unforgiving to those it views as its enemies, and it is unrelenting in its beliefs.

The second aspect is the convenient multi-vocal articulation of Hindutva. Leaders from its brother organisations and oftentimes even functionaries and publications of the RSS keep popularising ideas that

are in contravention to the sanguine utterances of the RSS chief. That explains the insistence of many from the current regime to exclude references to Mughals from history textbooks; it explains how those steeped in RSS training refer to communities as Aurangzeb’s *aulad* and an officer of the armed forces as sister of terrorists; it explains the constant confusion created by the interchangeable use of Hindu as religion (faith) and civilisation; how Lakshmi and Saraswati are argued to be cultural symbols but at the same time, Muslims are barricaded from “Hindu” festivals. Both in propagation of ideas and in practice, this slippery multi-vocality frustrates the supposed olive branch Bhagwat wants to hold out to critics of Hindutva.

The third dimension is the continuity from the time MS Golwalkar was RSS chief. Almost every single idea of organising Indian society upheld in Golwalkar’s time is back in fashion. Tactics and expressions have changed, and the RSS leadership has certainly advanced in terms of savvy media presence and the political use of institutional power. But the question students of Hindutva must ask is this: Has Hindutva as an ideology changed? In the absence of any substantive change, it will be a mistake to pick up some statements and be satisfied that Hindutva (or the RSS) is changing.

In its century-long history, the RSS has undergone many “transformations”. The early transformation was under Golwalkar. The second was when MD Deoras became the RSS chief. He defrocked the RSS of its upper-caste limitations and opened the floodgates of Hindutva to the larger social pool of backward castes. Deoras also realised that in the post-Nehru era, there was space for intervention in the formal political arena, and encouraged a more active presence of Hindutva cadres there.

Building on that, Modi and Bhagwat have brought about the third transformation: A close partnership between the state and the Hindutva cultural behemoth. This has facilitated extraordinary opportunities for Hindutva to both become hegemonic and also crush its ideological adversaries using the state apparatus. Bhagwat can afford to sound magnanimous because his politics already enjoys hegemony, not because it needs to become more acceptable or inclusive. Most importantly, those eager to find virtue in his utterances must remember that we are not dealing with Bhagwat the person, howsoever soft spoken and accommodating he might sound. We are dealing with politics in a deeper sense: Of combining a mammoth project of hegemony that seeks to strengthen itself with the unforgiving authority of the state.

The writer, based in Pune, taught Political Science



RAKESH SINHA

RSS SARSANGHCHALAK Mohan Bhagwat’s speeches, including the one in New York, carry a message for both domestic and foreign audiences. First, he has redefined the RSS’s positioning regarding minorities, especially Muslims, which has been used as a weapon to question its legitimacy in secular democracy. Second, and more importantly, Bhagwat critiqued the philosophical basis of neoliberalism, which increasingly legitimises conflicts and immorality to gain wealth and coercive superiority. In this context, he said that India’s ultimate ambition is “to be a *vishwaguru* rather than a superpower”. Finally, he didn’t confine himself to the controversies around the RSS but spoke at length about the idea of India and presented the RSS through that lens.

Bhagwat inaugurated the global role of the RSS through people-to-people dialogue. The RSS has a foreign department to understand the culture and politics of different nations and has branches of the Hindu Swayamsevak Sangh (HSS) abroad. The RSS, it seems, now want to expand that footprint.

An ossified perception about the RSS creates hurdles for its progressive socio-economic role. Here, Bhagwat’s observation that a Hindu would lose his Hinduness if he seeks to oust Muslims from India deserves serious discussion. This becomes difficult because of the unthinking professional critics of the RSS dubbing his words as doublespeak, citing anti-minority statements by some political leaders. The RSS leadership has refused to be a part of this coarse conversation.

The RSS has wrongly been perceived as a rigidly doctrinaire movement. Unlike other ideological movements that remain tied to the words and actions of their architects, its founder K B Hedgewar consciously became part of a collective leadership. Despite being the sole founder of the organisation, he ensured there was no “Hedgewarism”. This privileges flexibility and instils confidence in the leadership to interpret his ideas in new contexts. Such nimbleness is missing in communist and socialist movements.

Bhagwat’s approach to the Muslim question is consistent with his prede-

cessors. For example, Hindu Mahasabha leader B S Moonje was rebuked by Hedgewar and Martand Jog for his argument in a public meeting in Nagpur in 1930 that the British should not leave India till it was ensured that Muslims would not dominate politics. Moonje wrote in his diary, “They said that the Hindu-Muslim question is our internal affair which we will settle out. And the British have to go first.” Hedgewar’s successor, M S Golwalkar, surprised both friends and foes of the RSS when he said in his interview to the RSS daily *Motherland* on August 23, 1972, that personal law was justified as long as it did not endanger national unity.

This makes it obvious that there is a fundamental difference between Hindutva as perceived both by friends and foes and the variant theorised by the RSS. The former is a political consolidation for the Hindus. It was espoused by the Hindu Mahasabha. The RSS and Hedgewar faced resistance and criticism for their approach, which is civilisational. Bhagwat has assertively championed this legacy. There is a space for Hindus’ anger, given the role of the Mughals and Muslim League in the past. But this anger is not a path to resolution and instead creates what Antonio Gramsci called a “war of position”. Such elements do little to fight the social and cultural divides that are reasons for a fractured Hindu social order and a weak Indian polity. The RSS is the only social movement that is committed to creating a meaningful “meeting pot” (not a melting pot).

For the last few decades, extreme elements from both sides — egged on by social media — have contributed to making the RSS seem, erroneously, like a radical outfit. Some anti-RSS elements have been more than unfair when they compare it to the White supremacist Ku Klux Klan. Unfortunately, parties that claim to be secular have often projected the RSS as a parallel to the Muslim League. It is this perception that has travelled outside India.

Bhagwat’s aim is not to perpetuate the status quo but to convey to minorities that Hindus’ unwavering conviction about multiculturalism should lead to cultural flexibility among them, as they become part of India’s spiritual democracy. Unwillingness to depart from institutionalised prejudices is among the major challenges before the evolution of secularism in India. The Bhagwat doctrine is an opportunity for them to have further dialogue with the RSS to ensure the success of India’s secular democracy. Will they?

The writer is a former BJP Rajya Sabha MP

US settlement with Meta is a start. India must protect itself



SIGNAL TO NOISE

BY RAJEEV CHANDRASEKHAR

ON AUGUST 26, Meta agreed to pay up to \$17.1 billion to resolve child-harm claims brought by a bipartisan coalition of attorneys general across the United States, its territories and the District of Columbia. It is one of the largest consumer-protection settlements in internet history. More importantly, it marks a turning point in the debate over whether social-media platforms knowingly exposed children to harm in pursuit of growth and profit.

The case placed Meta’s design choices under legal scrutiny: How its products encouraged prolonged use, how teen safety-features were presented to the public, and how the company understood the risks its platforms created for young users. Meta denies wrongdoing. But the settlement demonstrates that voluntary self-regulation is no substitute for enforceable accountability.

Under the proposed settlement, Meta must adopt stronger safeguards for users under 18, including default time limits, restrictions on nighttime use, limits on notifications during school hours, enhanced age-assurance measures and independent compliance oversight. These are not cosmetic changes. They go to the core of how Facebook and Instagram are allowed to operate for minors.

If American children now receive court-backed protection from harmful platform design, why should Indian children not receive the same assurance of safety?

This settlement does not mean that Meta has solved the problem. A company that generated \$201 billion in revenue in 2025 can absorb \$17 billion paid over 10 years. That Meta stock was up 5 per cent after the settlement proves that this settlement has little or no punitive impact on the company. The mandated safety reforms are meaningful, but overdue. Most critically, the settlement protects American children under American law, through American prosecutors. It does not cover India’s 350 million young users. The same platforms operate here. The same recommendation systems shape what children see. The same incentives reward attention, engagement and prolonged use. Yet India has not seen comparable legal action, compelled disclosure or court-supervised reform.

That is not because the harm is less serious in India. It is because our debate on platform harm has remained episodic and inconclusive. A tragedy occurs, outrage follows, a platform issues a statement, a parliamentary question may be asked — and then silence returns. American litigation broke that cycle. India now needs a legal process capable of compelling the same disclosure.

Disclosure was the most important outcome of the US case. Court-compelled discovery forced Meta to produce internal research, design documents and communications about child safety — under oath, in public, and subject to cross-examination. A serious legal action in Indian courts would compel answers to questions like:

What does Meta’s internal research show about mental-health impact on In-

dian teenage girls? How does the recommendation engine behave in Hindi, Tamil, and Bengali for a 14-year-old at 11 pm? How many Indian children under 13 are active on platforms that legally prohibit their membership? What is the scale of child-sexual-abuse material affecting Indian users, and how is it reported? In the US alone, 7.5 million materials were under internal review.

Were the same addictive design features applied to Indian users? If yes, Indian users have been subjected to harm with no protection.

The answers exist — in Meta’s servers, internal research databases and executive communications. The only way to obtain them is through the courts. India has the legal foundation to act: The Consumer Protection Act, 2019, the IT (Intermediary Guidelines) Rules 2021, the Protection of Children from Sexual Offences Act (POCSO), the Juvenile Justice Act and the Constitution of India. We need not wait for new legislation.

The Safe, Trusted and Accountable framework developed by Prime Minister Narendra Modi’s government in 2021 — of which I was a part — was designed for this

purpose: To ensure that platforms operating at scale bear legal responsibility for the consequences of their design choices. The conduct alleged in the American cases fails that standard.

India needs to coordinate a national legal strategy. The National Commission for Protection of Child Rights should launch a formal inquiry with discovery powers, compelling platforms to produce India-specific

safety research, algorithm documentation, data on underage users, and internal-harm research.

Affected families in India can approach consumer forums and high courts directly, too. Parliament must pass legislation creating a statutory right to algorithmic disclosure — requiring platforms to reveal, to a designated Indian authority, their content moderation policies, recommendation engine parameters, and child-safety research for Indian users. Last, state governments should file coordinated consumer protection and child-safety suits against these platforms in Indian courts. A single pioneering state can trigger a national movement.

The US settlement is a beginning. For too long, global platforms have operated in India with less scrutiny, weaker oversight and lower public awareness than they face in the West. They have profited enormously from India’s young users while bearing little legal accountability.

The settlement is America’s answer to what social media has done to its children. India must now find its own answers. The shadow debate must end. The harm is real. The platforms know it. Legal tools exist. It’s time to act decisively to make all platforms safe, trusted and accountable.

The writer, former MP, former minister of state for Electronics & Information Technology, Government of India, is BJP Kerala state president and MLA for Nemom. He begins a fortnightly column. Views are personal

LETTERS TO THE EDITOR

Selective FIRs

SUBJECTING STUDENTS to police investigations and prolonged judicial proceedings in fabricated cases merely because their ideology differs from that of those in power is indefensible and undemocratic (“Thank you for quashing the FIRs, but there’s a question”, *IE*, September 3). How does one account for the years lost before justice is delivered? Across India, countless undertrials remain incarcerated for years awaiting trial. In such circumstances, telling an accused that the High Court and Supreme Court remain open to them is hardly reassuring.

Tushar A Rahatgaonkar, Dombivli East

THE CJT’s observation that the determination of criminality has to be seen with the object and purpose for which

the students gathered, not simply by participation in an unlawful act, distinguishes the Jantar Mantar protest on the question of accountability, making the verdict appear selective (“Thank you for quashing the FIRs, but a question”, *IE*, September 3).

Madhusree Guha, Kolkata

Mass deletions

THAT 13 crore voters have had their names omitted from the draft rolls so far reveals a troubling bias in the SIR process (“There’s a new solution for India’s population problem — SIR”, *IE*, September 3). As the bulk of those excluded come from the ‘absent’ or ‘shifted’ categories, the question that arises is: Where have all these people gone? Or, why was there no corresponding increase in the number of voters in other states?

Kamal Laddha, Bengaluru



ASHOK KHEMKA

A FORMER finance secretary recently challenged the Q1 FY 2026-27 growth figures of 7.8 per cent in real terms and 10.3 per cent in nominal terms, suggesting that the corresponding growth rates were actually around 2.6 per cent and below 2.5 per cent. His calculation, however, has a methodological flaw: It uses the old-series nominal GDP of Rs 86.05 lakh crore for Q1 FY 2025-26 as the denominator against the new-series figure of approximately Rs 80 lakh crore. One cannot calculate a meaningful growth rate by mixing two incompatible statistical series. On this point, the Ministry of Statistics and Programme Implementation (MoSPI) is right. But that does not dispose of the more substantive question.

Under the old 2011-12-base-year series, nominal GDP for Q1 FY 2025-26 was officially

On GDP, what critics should ask

estimated at Rs 86.05 lakh crore and Q2 at Rs 85.25 lakh crore — a first-half total of Rs 171.30 lakh crore. Under the new 2022-23-base-year series, Q1 was revised to roughly Rs 80 lakh crore and Q2 also to approximately Rs 80 lakh crore. The first-half estimate has fallen by around Rs 11 lakh crore, or about 6.5 per cent. This enormous revision is concentrated in the first two quarters. There is an obvious reason this deserves scrutiny. The old series was discontinued before comparable Q3 and Q4 estimates for 2025-26 were published. So, there is no complete old-series annual estimate against which the new series can be reconciled quarter by quarter. MoSPI should open that window.

A new national-accounts series incorporates new data sources, wider coverage, improved indicators, methodological changes and revised approaches to measuring prices and volumes. It can, and should, change historical estimates when better information becomes available. But there is a crucial distinction that must not be lost.

Changing the base year primarily changes the measurement of real GDP. Nominal GDP is measured at current prices. Therefore, the fact that the base year has changed from 2011-12 to 2022-23 does not, by itself, explain the reduction. There may well be legitimate statistical reasons for the revision. But they need to be quantified.

MoSPI should publish a simple reconciliation bridge showing, in rupees, how the old estimate became the new one. For both Q1 and Q2, the public should be told how much of the revision is attributable to: Revised source data; changes in sectoral coverage; methodological changes; revised estimates of taxes and subsidies; changes in price indices and deflators and other statistical adjustments. The same exercise should be undertaken for GVA. If manufacturing, trade, financial services, agriculture or any other major component accounts for a significant part of the revision, the numbers should show it. That would settle the argument. It is equally important not to fall into

the opposite trap. A downward revision of GDP is not a loss of GDP. The economy has not become Rs 11 lakh crore smaller. Better data can lead to downward revisions.

Over three years from 2022-23 to 2025-26, nominal GDP rose by about 32.8 per cent and 32.3 per cent under the old and new series respectively. The cumulative real GDP growth is also broadly comparable, though somewhat lower under the new methodology.

Official statistics deserve confidence, but confidence is strengthened by transparency, not demanded in its absence. It is wrong to calculate current growth by combining an old-series denominator with a new-series numerator. But it is equally unsatisfactory to dismiss questions about a massive revision simply by invoking “change of base year”. Statistics become credible when an independent reader can understand, reproduce and interrogate the numbers.

The writer was an IAS officer. Views are personal

NO TRANSHIPMENT SHOULD HAPPEN IN INDIA: GOYAL

‘India should avoid becoming a conduit for unethical trade’

Ravi Dutta Mishra
New Delhi, September 3

COMMERCE MINISTER Piyush Goyal on Thursday said that India should not become a trade conduit for goods originating from another country and should aim for genuine value addition.

Goyal said that India’s “country of origin” certificates should carry weight.

“No transshipment should happen in India. We should not become a conduit for anything unethical. We should be trusted partners of the world. We don’t want to become like Vietnam, which brings goods from one country and exports to another country after marginal value addition,” Goyal said.

The statement comes on the heels of a US report accusing over 40 countries, including India, of acting as a “shadow transshipment network” designed to hide the true economic origin of goods produced in China.

The White House, as per the report, on August 14 categorised the “shadow network” into three tiers, with countries such as India, Mexico, Canada, and the European Union forming tier 1 where illegal transshipment risk is “embedded” within massive legitimate trade flows. While “closely integrated” countries with China such as Vietnam, Malaysia, and Thailand were categorised as tier 2, smaller economies such as Cambodia, Panama, and the UAE with “weak customs enforcement” were classified as tier 3.

The report claimed that tariff revenue is the most obvious loss from illegal transshipment and that when China-linked goods enter the US through



India should aim for genuine, not marginal, value addition, according to Commerce and Industry Minister Piyush Goyal. ANI

third countries, they widen the effective trade deficit, displace domestic production, reduce GDP growth, and lower associated federal tax receipts.

The US has imposed an additional 10% tariff on several countries, including India, from July 24.

Goyal will visit the US in late September to attend the G-20 Trade Ministerial in Milwaukee and hold bilateral talks with USTR Jamieson Greer.

Goyal also said that the details of the Bilateral Trade Agreement (BTA) with the US will be announced once Washington offers preferential terms compared to the country’s competitors.

He also said that India’s nine free trade agreements (FTAs), spanning economies representing about \$60 trillion of GDP, would provide preferential access to nearly two-thirds of global trade.

He said the other FTAs that India would conclude over the next few months and couple of years, including those with Canada, Mexico, Chile, Mercosur,

SACU (South Africa Customs Union), GCC (Gulf Cooperation Council) and Israel, together with efforts to review ASEAN, Korea and Japan trade deals would give India access to 75% of global trade at a rate lower than its competitors.

India has implemented trade pacts with the UK, Mauritius, Oman, UAE, and Australia.

“(Trade pact with) New Zealand will go live soon and thereafter (FTA with) EU, the 27-nation bloc, will go live. And as soon as the US can give us the preferential rate, in comparison to our competition, we will finalise the BTA and announce the final details,” he said at a workshop on free trade agreements, organised by the commerce ministry.

In February, India and the US announced finalisation of the framework for the first phase of the pact, but changes in the tariff landscape in the US have led to further negotiations between the two countries on the pact.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

After slow start, IPO mkt comes back to life

Akash Mandal
Mumbai, September 3

THE INDIAN IPO market has heated up again, with some major issues such as Jio Platforms and National Stock Exchange in the pipeline. After a slowdown earlier in the year, July and August saw many companies finally enter the market, easing some of the “pent-up” demand as market conditions improved.

Companies raised nearly Rs 29,000 crore in August and around Rs 26,500 crore in July through mainboard IPOs, which together accounted for around 73% of the around Rs 75,518 crore raised so far in 2026, according to data compiled from the National Stock Exchange.

Companies scramble as approvals near expiry

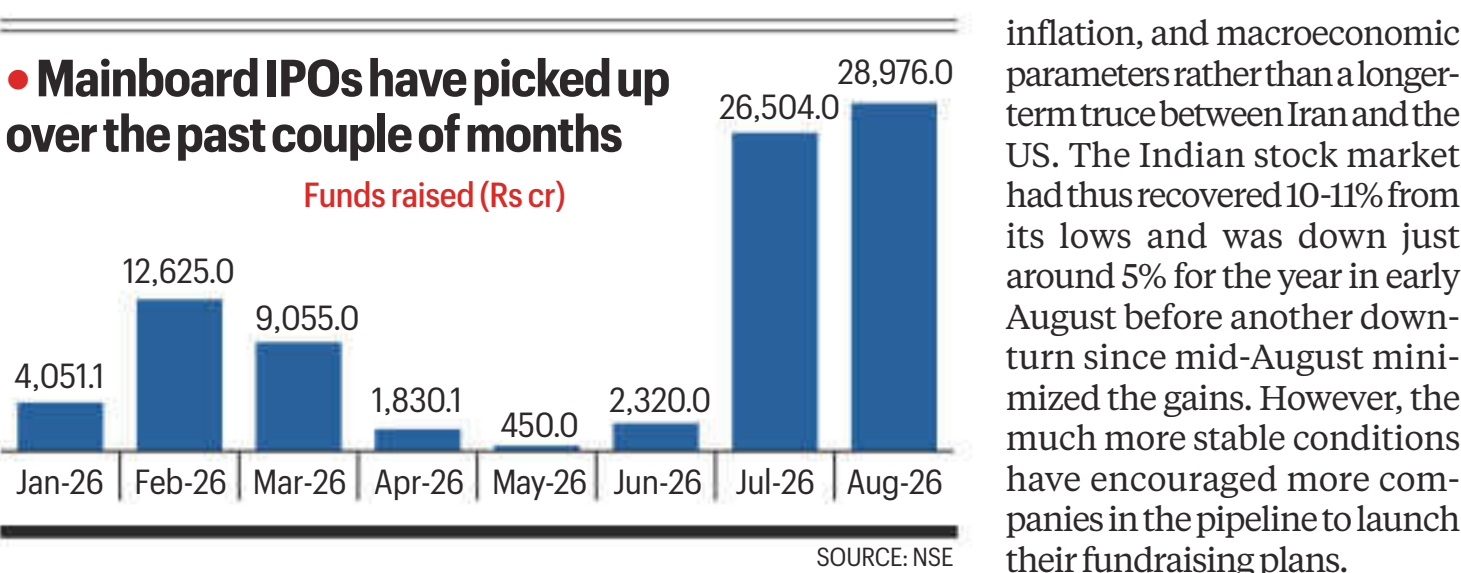
The fundraising approvals of many of the companies that had delayed their IPO plans were nearing their expiry, which led to a lot of these companies finally opening their public issues. Experts cited this factor as among the biggest factors behind this renewed vigor seen in the primary market. Notably,

fundraising approvals granted by regulators like SEBI typically last for a period of 12 months.

“The pipeline has always been strong; it’s just that market conditions remain uncertain. But many companies have finally launched their IPOs as approvals near expiry, which is a big factor behind this recent boom,” the head of capital markets at a domestic broking firm said. For example, big issues like Symbiotic Pharmalab, dairy company Milkymist, and logistics firm Shiprocket’s approvals were between 8-10 months old when they finally completed their fundraising in August.

In fact, market regulator SEBI had extended the validity of IPO and rights issue approvals expiring between April and September to September 30 in the wake of the West Asia crisis. The relief, which came through back in April, benefited companies like Shiprocket and Symbiotec.

Many such companies had delayed their IPO plans due to the torrid market conditions domestically as the war in West Asia stretched on. Big names like Zepto and PhonePe were among the companies that indefinitely paused their fundrais-



ing plans. Companies usually wait for favorable market conditions while raising funds as it maximizes valuations, and such an environment is also likely to provide investors with solid listing-day gains.

However, SBI Funds Management, which completed its public issue in July, saw very high interest from investors due to attractive valuations.

“There has been a huge pent-up supply of issues with companies holding SEBI approval following a wait-and-watch approach for the first half of the year to see how the geopolitical situation plays out. With the added pressure of approvals lapsing, you started seeing companies launching IPOs from July

onwards. Good response and listings have subsequently encouraged more issuers to come forward,” said Pranav Haldea, MD at Prime Database.

Market conditions improve

The benchmark Nifty 50 and Sensex indices had fallen around 14% at their lowest this year, as high crude oil prices, foreign outflows, and a weaker rupee as a result had decimated the Indian market.

However, things have stabilized a bit since then as negative developments from West Asia have become increasingly few and far between, with market participants now focusing more on factors like earnings growth,

inflation, and macroeconomic parameters rather than a longer-term truce between Iran and the US. The Indian stock market had thus recovered 10-11% from its lows and was down just around 5% for the year in early August before another downturn since mid-August minimized the gains. However, the much more stable conditions have encouraged more companies in the pipeline to launch their fundraising plans.

In fact, with the increased momentum over the last couple of months, funds raised through mainboard IPOs so far this year have crossed the Rs 59,360 crore raised by Indian corporates till the same time last year. Notably, 2025 saw record fundraising through IPOs in the Indian market, with most of the momentum coming in the final few months of the year.

While mainboard IPOs have gained pace, IPOs in the small and medium enterprise (SME) segment have remained sluggish as SEBI has consistently tightened the fundraising mechanism for smaller companies for increased investor protection.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

Govt to roll out Bharat NCAP 2.0 from Oct 2027, says Gadkari

Press Trust of India
New Delhi, September 3

THE GOVERNMENT is planning to roll out a new version of the Bharat NCAP programme from October 2027, which will assess the complete safety framework and address the severe challenge of road accidents in the country, Union Minister Nitin Gadkari said on Thursday.

Addressing the 66th SIAM Annual Convention 2026, the Minister for Road, Transport and Highways also announced another scheme to control emissions from BS IV-compliant vehicles.

The installation of a rare emission control device reduces PM (particulate matter) and NOx significantly, and the cost of the device is Rs 4,000-5,000. “I am going to announce a new scheme for a rare emission

control device. Trials are completed for the device. Emissions after retrofitment on BS 4 vehicles same as BS 6. So this option is there,” he said.

Launched in 2023, Bharat NCAP (Bharat New Car Assessment Program) is India’s official, independent vehicle safety rating system that crash-tests passenger cars and assigns them a rating from 1 to 5 stars. It evaluates how well cars protect adult and child occupants during collisions.

Highlighting the urgency of addressing road accident problem, Gadkari said, “We are moving forward with Bharat NCAP 2. This is a very important programme wherein, from October 2027, the entire safety chain will be evaluated. This is very important because road accidents are a big problem... we are number one in the world”.

• BRIEFLY

Prioritise asset quality over loan growth: RBI DG Murmu to NBFCs

Mumbai: RBI Deputy Governor S C Murmu on Thursday asked non-bank finance companies (NBFCs) to ensure that the acceleration in loan growth does not come at the cost of asset quality concerns. Addressing an event by industry grouping CII here, Murmu asked the non-bank lenders to also focus on other aspects including liquidity management, fair conduct, grievance redressal and responsible lending. “As credit growth speeds up, so does the risk to asset quality... Let me be clear, growth must never come at the cost of underwriting standards,” Murmu said. PTI

Be ready for end of EV subsidies: Heavy Industries Secretary

New Delhi: Government subsidies for electric vehicles will end in the

coming years, and companies need to be prepared for the challenge, a top official said on Thursday. The Indian automobile industry must collaborate to set up charging infrastructure to promote electrification on a larger scale, Kamran Rizvi, Secretary in the Heavy Industries Ministry, said while addressing the annual convention of the Society of Indian Automobile Manufacturers (SIAM) here. PTI

India’s services activity expands in Aug; PMI

New Delhi: India’s services activity expanded in August, supported by stronger output and new business, even as the overall pace of growth was the second-slowest recorded since March 2022, a monthly survey said on Thursday. The seasonally adjusted HSBC India Services PMI Business Activity Index rose from 53.3 in July to 54.1 in August, as demand conditions remained supportive and new business inflows continued to rise. PTI

FLY91 orders 40 ATR planes amid govt push for regional connectivity

Sukalp Sharma
New Delhi, September 3

GOA-BASED REGIONAL airline FLY91 on Thursday inked an agreement with European turboprop aircraft manufacturer ATR for 40 ATR 72-600 planes. The order, valued at close to \$1 billion at list price, is the largest-ever order for ATR planes from a regional airline anywhere in the world, and its third-largest order overall.

India’s largest airline IndiGo is currently the biggest ATR operator in India, with an operational fleet of 44 turboprops to cater to its regional network. State-owned Alliance Air also operates ATR planes. Speaking at the FLY91-ATR deal signing event, Civil Aviation Minister K Ram Mohan Naidu called FLY91 a “success story”, expressing hope that regional aviation in India would pick up notably in the foreseeable future.

FLY91, which started operations about two-and-a-half years ago, currently has a fleet of six aircraft, and this order will be pivotal for the airline to achieve its aim of having over 60 planes in the next few years. Aircraft deliveries from this order are expected to start in



FLY91, which started operations about two-and-a-half years ago, currently has a fleet of six aircraft. FLY91.IN

late-2027, and go up to 2032. The actual order value couldn’t be immediately ascertained; aircraft manufacturers usually offer discounts on large orders.

At present, FLY91 operates about 280 flights a week and has a network of 12 cities. The carrier, which calls itself a pure-play regional airline, expects to ramp up operations significantly to density as well as expand its regional flight network as it inducts more aircraft. The ATR 72-600 seats 70 to 78 passengers, and has a range of about 1,500-1,650 km.

FLY91 has been a bit of an exception in the Indian aviation market that has seen subdued interest in the regional segment with most large carriers focussed on narrow-body

jet operations. A number of regional airlines have fallen by the wayside in India over the years, even as the government has been pushing for enhancing regional air connectivity through initiatives like UDAN. “I see this landmark that we are having today as a very confident message that we are sending to people across stakeholders, across civil aviation (sector) that India’s regional civil aviation is only in the beginning (stage) and we are just starting to grow with great potential,” Naidu said, adding that the next phase of the UDAN scheme will see India adding 100 new airports, a vast majority of which will be in tier 2 and 3 cities.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

SEBI to review derivatives settlement methodology

Bengaluru: Market regulator the Securities and Exchange Board of India (SEBI) said on Thursday it would review the methodology for determining settlement prices of derivatives contracts after receiving feedback on the closing auction session in the equity cash market.

The SEBI had launched the closing auction session on August 3 to determine the closing prices of securities.

But the rollout highlighted issues such as divergent index closing levels across exchanges, volatile options pricing, and concerns over potential manipulation, particularly on days when benchmark derivatives contracts expire.

The regulator said it has received feedback from various stakeholders, and would propose certain changes in the methodology for determining settlement prices of derivative contracts. SEBI would also issue a discussion paper outlining the proposed changes within a week.

Indian equities have seen sharp moves during the newly launched closing auction session, particularly on derivatives expiry days. REUTERS

• MARKETS

Sensex	NIFTY	Gold ▲	US Dollar ▼
76,152.86	23,873.45	₹1,53,941	₹94.49
-417.49	-41.00		
-0.55%	-0.17%	Silver ▲	Oil ▲
		₹2,32,533	\$99.35

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 SEPTEMBER 2, 2026

OFFICE OF THE ENGINEER-IN-CHIEF (CIVIL), ODISHA
NIRMAN SOUDHA, UNIT-V, BHUBANESWAR
INVITATIONS FOR BIDS (IFB)

E-mail: cebuid@sahoo.co.in
cebuidings@rediffmail.com, Tel. - (0674)-2391523

34001/737/2627
File No.-B-I-V-HC(ALM/C)-22/2023(PF-V)3343

Invitation for Bids 1st Corrigendum

Tender Reference No. CE-Bldg-1-31/2026-27

Name of the Works:

(1) “Construction of Govt. College of Nursing (G + 1) and Hostel Building (G + 3) at Baripada, Dist.-Mayurbhanj”.

(2) “Construction of Govt. College of Nursing at Baleswar”,

(3) “Construction of Govt. College of Nursing at Jajpur”.

(4) “Construction of Block Level Stadium (With Indoor Hall) in Kuarmunda Block under Sundargada District”.

(5) “Construction of Block Level Stadium (With Indoor Hall) in Gurundia Block under Sundargada District”.

The following changes have been made in Bid Identification No. CE-Bldg-1-31/2026-27

1. Bid documents such as DTCN / BOQ etc. can be seen / downloaded from the Govt. Website i.e. www.tendersorissa.gov.in, during the period from **dt.21.09.2026 to 17.00 hours of dt.06.10.2026** instead of dt.01.09.2026 to dt. 17.09.2026 for ONLINE BIDDING respectively.

2. Online bids shall be received till **17.00 Hours of dt.06.10.2026** instead of dt. 17.09.2026.

3. The technical bids will be opened at **11.30 A.M. of dt.07.10.2026** instead of dt. 18.09.2026.

All other terms and conditions remain unchanged.

Sd/-
Engineer-in-Chief (Civil),
(i/c) Chief Engineer, Buildings-I, Odisha, Bhubaneswar
OIPR-34001/34117/1/2627/0066

Why top scientist wants India to move early to thorium fuels

Pratyush Deep
New Delhi, September 3

ONE OF India’s top nuclear scientists, Anil Kakodkar, has advocated introducing thorium-based fuel into the country’s indigenous pressurised heavy water reactor (PHWR) fleet alongside the ongoing three-stage nuclear programme, arguing that this could accelerate the utilisation of India’s abundant thorium reserves and help the country become self-reliant in nuclear fuel.

The commercial acceptability of indigenous PHWRs and plans to deploy around half of India’s targeted 100 gigawatts-electric (GWe) of nuclear capacity through the technology create an opportunity to intro-

duce thorium at an earlier stage, Kakodkar said at the 6th International Climate Summit on Wednesday.

While India’s three-stage nuclear programme remains the preferred route for deploying thorium, the former chairman of Atomic Energy Commission said the key question was whether it could match the pace of the country’s rapidly growing energy requirements over the next 15-25 years.

The three stages

India is following a three-stage nuclear power programme aimed at achieving long-term fuel self-reliance. The first stage is based on PHWRs using natural uranium as

fuel. The plutonium generated in the spent fuel from these reactors is then used in the second stage, comprising fast breeder reactors (FBRs). FBRs initially use plutonium plus depleted uranium to obtain Uranium-233 (U-233) from the Thorium-232 (Th-232), which is used as a blanket in such reactors.

In the third stage, it is Th-232 that will get converted into U-233, which would be

fuel for the advanced reactors. FBRs represent a crucial intermediate step between the first and third stages of India’s nuclear programme, enabling the country to utilise its abundant thorium resources and move towards greater

self-reliance in nuclear fuel.

In April, India’s first indigenous fast breeder reactor at Kalpakkam attained criticality, meaning the reactor fuel can now sustain a fission chain reaction. This marks a major milestone in the country’s civil nuclear programme as it is a step further towards the second stage.

Kakodkar, the Chancellor of the Homi Bhabha National Institute, said thorium was initially envisaged for use in fast breeder reactors because India’s thermal reactor capacity was too small and was not enough to convert enough quantities of uranium. The strategy therefore shifted towards fast breeder reactors, which could eventually scale to hundreds of gigawatts and pro-

vide a much larger platform for irradiating thorium and producing Uranium-233 and to get into large scale energy from thorium, he said.

“Now PHWRs are going up to 50, 60 gigawatts. So I think there is an opportunity to introduce thorium right here,” Kakodkar added. Kakodkar also addressed the question of cost involved in introducing thorium into PHWRs as thorium is a stronger neutron absorber than uranium. “The question is, if we incur a cost, there must be a pay-back,” he said, adding that thorium should be irradiated in a way that does not increase the cost of electricity from PHWRs or raise their uranium needs.

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• ECONOMICS

Perils of comparing GDP from different base years



UDIT MISRA

ON MONDAY, the last day of August as is the norm, the Ministry of Statistics and Programme Implementation (MoSPI) released the data for India's economic output in the first quarter of the current financial year (or Q1, covering April, May and June).

At the beginning of this quarter, the world was in the middle of the West Asia war. Its disruptive effects across the world prompted analysts to dial down growth expectations.

India's growth, in particular, was expected to slow down because of its heavy dependence on imports from West Asia for its energy needs.

As the weeks went by, however, data from different sectors showed that the Indian economy continued to grow at a faster than expected rate. By the time the first quarter ended in June, most economists expected a growth rate of around 7.5%. That is, the total economic output produced in the country in these three months was expected to grow by 7.5% over what it was in the same three months in 2025. Some expected the growth rate to be even higher, around 7.8%.

Last week, we explained why the Q1 growth rate was likely to be 7.8% — far better than most expectations at the start of the quarter. It also provided reasons for caution before leaping to any conclusion that India has yet again entered a “Goldilocks” (optimal) phase.

As it turned out, the official data for Q1 showed that India's gross domestic product (GDP) indeed grew by 7.8% in real terms and 10.3% in nominal terms; the difference between the two types of GDP is the effect of inflation.

Base year change

It is crucial to understand that on February 27 this year — and this date is important to note — MoSPI had unveiled a new series of GDP data after changing the “base

• ECONOMY'S SIZE AS PER OLD AND NEW BASE YEARS

Table 1: Nominal GDP in Q1

PERIOD	GDP	DATE	NOTE
2025-26 Q1 (old series)	₹86.1 trillion	Aug 29, 2025	Quarterly GDP
2025-26 Q1 (new series)	₹80.3 trillion	Feb 27, 2026	Second advance estimates for the full financial year
2025-26 Q1 (new series)	₹80.4 trillion	Jun 5, 2026	Provisional estimates of the full financial year
2025-26 Q1 (new series)	₹80.0 trillion	Aug 31, 2026	Quarterly GDP
2026-27 Q1 (new series)	₹88.3 trillion	Aug 31, 2026	Quarterly GDP

Nominal GDP growth rate (derived from the last two rows): **10.3%**

Table 2: Real GDP in Q1

PERIOD	GDP	DATE	NOTE
2025-26 Q1 (old series)	₹47.9 trillion	Aug 29, 2025	Quarterly GDP
2025-26 Q1 (new series)	₹75.3 trillion	Feb 27, 2026	Second advance estimates for the full financial year
2025-26 Q1 (new series)	₹75.4 trillion	Jun 5, 2026	Provisional estimates of the full financial year
2025-26 Q1 (new series)	₹75.5 trillion	Aug 31, 2026	Quarterly GDP
2026-27 Q1 (new series)	₹81.4 trillion	Aug 31, 2026	Quarterly GDP

Real GDP growth rate (derived from the last two rows): **7.80%**

NOTES: NOMINAL GDP IS NOT ADJUSTED FOR INFLATION. REAL GDP IS DERIVED AFTER REMOVING THE EFFECT OF INFLATION. Q1 REFERS TO THE FIRST QUARTER OF THE FINANCIAL YEAR (APRIL-JUNE); OLD SERIES REFERS TO THE 2011-12 BASE YEAR AND NEW SERIES REFERS TO THE 2022-23 BASE YEAR

year” from 2011-12 to 2022-23. Every economy undergoes base year revisions regularly. It is mostly done once every five years. But in the recent past, the revision was long-pending. In fact, the lack of a base year revision was one big reason why India's GDP was losing credibility.

A base year provides an opportunity for the government to incorporate new data sources, improve methodology and capture data more accurately about an economy that can change substantially over time.

When the base year was changed, MoSPI rolled back the GDP in a significant manner. For instance, the nominal GDP for 2025-26 was revised from Rs 357 trillion (in the old series with the base year of 2011-12) to Rs 345 trillion (in the new series with the base year of 2022-23).

The controversy

The latest GDP growth rate has sparked controversy after former finance secretary Subhash Chandra Garg claimed that the GDP for Q1 of 2025 had been revised downward in order to show a good growth rate in

Q1 of 2026.

In fact, he singled out the nominal GDP growth rate of 10.3% and said that if the growth rate was calculated on the basis of the Q1 GDP based on the old series (with the base year of 2011-12) then it would be just 2.6% growth.

This is not the first time someone who has held a senior position in this government has questioned the GDP calculations. Nor is it the first that GDP estimates have been criticised. In the past, even the International Monetary Fund has raised issues with India's national income estimates.

Garg's claim raises two central queries:

- One, did the government revise down the Q1 estimates of 2025 just to show that Q1 estimates of 2026 look impressive?

- Two, is it correct to calculate the growth rate by taking the GDP for Q1 of 2026 from one data series and that of Q1 of 2025 from another data series?

The answer

The short answer to both the questions is no. But here's the explanation.

Table 1 shows nominal GDP data for Q1 based on the old series as well as the new series. It also provides information for the date when this data was unveiled.

As can be seen from the table, the Q1 data for 2025 was pegged at Rs 86.1 trillion in the old series of data. However, when the new series of data was unveiled on February 27, this estimate was rolled down to Rs 80.3 trillion. The date here is crucial because it is a day *before* the US went to war with Iran. In the months since, this estimate of Q1 2025 GDP has been revised up and down as is the case with all such estimates, but the changes are marginal.

It is evident that the government did not arrive at the Rs 88.3 trillion GDP data for Q1 of the current year and then revised the data for the Q1 of last year to arrive at a high growth rate. It is equally important to understand that the 2.6% growth rate calculation by Garg is fundamentally flawed since it uses data from two different base year series; such data is simply not comparable because data sources and methodology are significantly different.

In fact, to understand how bizarre such a calculation can be, look at *table 2*, which does the same calculation for real GDP growth rate. By Garg's (incorrect) method, real GDP in Q1 this year would have grown by almost 70%.

Upshot

India's growth rate has become a highly polarising issue partly because it is a technically complicated estimation and partly because it is highly politicised. The matters are made worse since growth, no matter how fast, is failing to create an adequate number of good quality jobs. The growing youth unrest points to the possibility that India risks squandering its demographic dividend and turning it into a demographic bomb.

No one can possibly make the case that the latest base year revision is a retrograde step. Nor can anyone argue that GDP estimation cannot be improved further.

Accurate data is critical for effective policymaking and in an economy such as India with high levels of informality and data gaps, GDP estimation can always be improved. While data accuracy must be improved, the path towards that goal cannot be via inaccurate criticism.

• SCIENCE

How Roman telescope can help decode universe's mysteries

Anjali Marar
Bengaluru, September 3

NASA ON Sunday (August 30) launched a powerful, next-generation space telescope that can search for clues for some of the universe's deepest mysteries, including mysterious phenomena such as dark matter and dark energy. The telescope, launched on a SpaceX rocket, is named after the late Nancy Grace Roman — known as the “mother of Hubble” owing to her role in the creation of the Hubble Space Telescope, which has been operating since 1990.

What will the telescope do?

In terms of scientific capabilities, the Nancy Grace Roman Space Telescope lies between the Hubble Space Telescope and the James Webb Telescope, which was launched in 2021. It will be able to scan vast swathes of the cosmos and may provide new insights about exoplanets, dark matter and dark energy.

EXOPLANETS: These are planets located outside our solar system and are often found orbiting a star or a “remnant star” (the remains of a star that has burnt out).

So far, more than 6,000 exoplanets have been identified. The Roman Space Telescope may be able to identify many more. This search for exoplanets could eventually

help us answer that tantalising question: Are we alone in the universe?

DARK MATTER AND DARK ENERGY: Scientists estimate that ordinary matter makes up only about 5% of the universe. The rest is composed of little-understood phenomena called dark matter and dark energy.

Scientists believe that dark matter, which makes up about 27% of the universe, is an invisible glue that holds galaxies together. On the other hand, dark energy, estimated to make up around 68% of the universe, is believed to be a repulsive force that has expedited the universe's expansion since the Big Bang. This telescope will conduct the most detailed dark matter studies ever, potentially helping map how it is structured and distributed throughout the cosmos, especially during the process of early star birth.

Besides this, this telescope will help measure how gravity subtly bends the path of light across vast distances (a phenomenon known as gravitational lensing).

The Roman telescope will, therefore, provide a three-dimensional map of the distribution of galaxies and galaxy clusters across the universe.

How does it work?

The Roman Space Telescope, weighing about 8,000 kgs and about the size of a tour bus, will operate from the Lagrange Point

Who was Nancy Grace Roman?

- Born in 1925, Roman was NASA's first chief astronomer and made key contributions to space-based telescopes at a time when ground-based ones were preferred. She died in 2018.

- Roman was deeply involved in NASA's Great Observatories programme: Hubble Space Telescope, Chandra X-ray Observatory, Compton Gamma Ray Observatory, Spitzer Space Telescope. All these took astronomy to new heights



A SpaceX rocket carries the Nancy Grace Roman Space Telescope. NASA/XX

2 — a vantage point between Earth and Sun located 1.2 million km from Earth.

At this point, the gravity from the Sun and Earth works together with an object's motion around the Sun. This can help the Roman telescope remain steady. Lagrange Point 2 also offers stable optical performance and an unobstructed view of the universe for imaging. The James Webb Telescope operates from this zone.

It has two major instruments on board: **WIDE FIELD INSTRUMENT:** This is a 300-megapixel infrared camera that can capture a patch of the sky about 1.5 times bigger

than the apparent size of a full Moon. The telescope can also process images 1,000 times faster than the Hubble telescope.

CORONAGRAPH: Just like humans cannot look directly into the sun but can see its rounded rim with the help of goggles/protective shields, astronomers use coronagraphs to mask the extreme bright light emitted by celestial bodies to study their surroundings. The Roman Telescope will deploy one of the most advanced coronagraphs that will block the glare from stars and help scientists to see the faint reflected light from planets around them.

• POLICY

Inside Jharkhand & Bihar's 25-year Sone river dispute

Santosh Singh
Patna, September 3

THE 25-YEAR-OLD dispute between Bihar and Jharkhand over the sharing of Sone river water was resolved on Monday with the signing of an inter-state memorandum of understanding under which Bihar will receive 5.75 million acre-feet (MAF) and Jharkhand 2 MAF of water. The agreement is expected to pave the way for long-delayed irrigation, reservoir and river-linking projects in drought-prone regions of both states.

What is the history of the Sone river dispute?

The Sone flows generally northward from its upper catchments in Madhya Pradesh, passing through Uttar Pradesh and along the Jharkhand-Bihar boundary before joining the Ganga in Bihar (*see map*). In November 2000, when Jharkhand was carved out of Bihar, the new state inherited the major upper catchment areas and tributaries while lower riparian agricultural hubs remained in Bihar.

But the core of the dispute traces back to the 1973 Ban-sagar Agreement, a tripartite agreement involving Madhya Pradesh and Uttar Pradesh, under which undivided Bihar was allocated 7.75 MAF of Sone water out of the total basin yield. After Bihar's division, no binding formula existed to split that 7.75 MAF allocation between Bihar and the newly formed state of Jharkhand.

While various committees attempted mediation over the last two decades, talks repeatedly stalled over reservoir height, land submergence, and volumetric splits.

How did the two states arrive at a consensus?

Under the pact, the two states agreed that Bihar will receive 5.75 MAF of Sone water while Jharkhand will receive 2 MAF. The agreement clears the path for the full operation of the Indrapuri Barrage (also called the Indrapuri Dam or Sone Barrage, *see map below*) across the Sone river in Rohtas district. Built in the late 1960s, the barrage serves as a primary diversion structure supplying water to the extensive Sone canal network, which irrigates the surrounding Shahabad agricultural belt (Rohtas, Bhojpur, Buxar, and Kaimur districts). Following the pact, Bihar will receive additional water from the barrage to irrigate local farmland. In turn, Jharkhand agreed to specified reservoir water levels to minimise land submergence, backed by clear rehabilitation provisions.

The pact guarantees critical irrigation supplies to the Magadh belt in south Bihar (Rohtas, Bhojpur, and Auran-gabad) while enabling new canal networks in the drought-prone Palamu and Garhwa districts of Jharkhand.

Did the dispute create political tensions?

While there were no major state-level confrontations, the water dispute frequently surfaced as a political issue during election seasons — particularly in Bihar's Shahabad region and Jharkhand's Palamu region. Leaders across party lines in Bihar's Shahabad and Magadh belts routinely targeted the state government over water shortages in the Sone canal system during the summer sowing season. Meanwhile, Jharkhand leaders from the Palamu and Garhwa regions raised concerns over displacement, fearing that increasing the Indrapuri Dam's height would submerge local agricultural land and displace thousands without fair compensation.



• HISTORY

In Gloria Steinem's legacy, the debate over many waves of feminist movements

Rishika Singh
New Delhi, September 3

GLORIA STEINEM, among the most well-known feminist activists of the 20th century, died on Thursday at 92.

Steinem was a pioneering figure of the Second Wave of the Feminist Movement of the 1960s and '70s, which saw women fight for rights in the workplace and in making reproductive choices. It followed First Wave feminists of the late 19th century who waged the struggle for voting rights — a key step towards being considered full citizens. The Second Wave broadened the fight to areas seen as strictly part of private life until then, such as reproduction and jobs.

Coming from humble beginnings, Steinem went on to work as a journalist and even went undercover as a *Playboy* employee to reveal the exploitative inner workings of clubs run by the men's entertainment enterprise. She also visited India in 1957 in her early 20s as part of a fellowship at Miranda House, the women's college in Delhi University. Dr Bijayalaxmi

Nanda, principal at Miranda House and a professor of political science, told *The Indian Express*: “She brought out the first women's magazine in the US on her own, and she remains an iconic figure for her work. Steinem was grounded and committed to causes such as anti-child trafficking in India and her feminist criticism of pornography — all of that is still relevant.”

Waves of feminism

Steinem grew up when women in the US lacked legal safeguards in public life. By the 1960s, however, the tide was turning, and civil rights movements — including for women and Black Americans — emerged.

One prominent figure was Betty Friedan, who wrote *The Feminine Mystique* in 1963, identifying women's desire to go beyond the domestic sphere: “We can no longer ignore that voice within women that says: ‘I want something more than my husband and my children and my home.’”

Nanda said: “Steinem and her longtime collaborator in India, Devaki Jain, were openly Second-Wave feminists. Their focus



A 1970 photograph of Gloria Steinem. AP

was on women gaining rights in the public sphere, and they would question the public-private divide to stress the value of reproductive rights and other concerns.”

Women's associations led by the likes of Steinem, and writings such as those of Friedan's, helped shift the momentum. The decade saw landmark laws, such as the Equal Pay Act of 1963, which banned discrimination based on sex for doing the same work. The Civil Rights Act of 1964 prohibited employment discrimination based on race, colour, religion, sex and national origin.

Later court rulings also focused on rights such as access to contraception, allowing women to better plan their careers. The US Supreme Court's *Roe v. Wade* judgment of 1973 gave women the constitutional right to abortion.

Steinem was a vocal advocate for women in public life, challenging gender-based stereotypes. In a satirical article for her Ms. magazine titled ‘If Men Could Menstruate’, she wrote: “What would happen, for instance, if suddenly, magically, men could menstruate and women could not? The answer is clear — menstruation would become an enviable, boast-worthy, masculine event.”

Her larger argument was that “charac-

teristics of the powerful, whatever they may be, are thought to be better than the characteristics of the powerless — and logic has nothing to do with it”.

Criticism and legacy

Not everyone agreed with Second-Wave feminists' approach. As the movement arose at a time when Black women were fighting for more basic rights, they faced a double burden that the white women-led movement was not acknowledging.

These gaps became the focus of the Third Wave of Feminism in the '90s. Lawyer and scholar Kimberlé Crenshaw developed the concept of “intersectionality”, which explored how overlapping identities, such as race, class, gender, sexuality, or caste in the case of India, influence people's social experiences. This led to broader awareness about harassment in the workplace. The Fourth Wave, in the 2010s, built on these gains (the #MeToo movement being a major example) and widened the scope to LGBTQ+ identities.

Steinem visited India again in the early

2010s. In an interview, she recognised the role caste played alongside gender, comparing it to race in the US, and reflecting an evolving understanding of intersectionality. “A major reason that women of the powerful group are restricted and women of the less powerful group exploited is to keep the visible differences of race or caste alive. They can only be uprooted together,” she said.

Second Wave feminists also often put gender in binary terms — man and woman. “Steinem felt the binary was important in order to be able to speak for women. It's like a strategic essentialism. While she was open to understanding intersectionality, I think she said that to bring about an understanding of reproductive rights and policy change, we have to look at gender as a critical category,” Nanda said.

This approach was later criticised for leaving out transgender women. “Feminists have always disagreed with each other. New issues may have emerged, like on LGBTQ+ rights, but while agreeing to be more dynamic, it is important to recognise what we have built on,” Nanda said.



Welcome move

The relief granted to the Gen Z protesters must not stop with them

In what should be termed a salutary gesture, the Supreme Court of India, at the request of the Union government, invoked its powers under Article 142 of the Constitution to quash criminal cases against the youth who had taken part in nationwide protests seeking examination reforms and government accountability. Led by a group, the Cockroach Janta Party (CJP), in response to Chief Justice of India’s “unemployment” and “cockroaches” remark – these protests swelled in numbers and reach, forcing the then Union Minister of Education, Dharmendra Pradhan, to resign. Among the demands for halting the agitations was the CJP’s call to withdraw the FIRs against protesters in Delhi and other States/Union Territories, which the Court has granted, while directing the Centre to ensure that no fresh FIRs are registered over the protests in July. That the Centre asked for this step by the Court shows how the CJP’s agitations resonated with the youth of the country, who agreed with the movement’s core demands. It is also an acknowledgment by the Bharatiya Janata Party (BJP)-led government that this is a pressing issue that revealed its failings, particularly the series of paper leaks across India over the years, compounded by an employment deficit for youth.

The Centre’s stand in the CJP matter is in stark contrast to how it has dealt with dissent on other issues that have driven thousands to protest in recent years. The most prominent among these were the farmer-led protests in and around Delhi, and the agitations against the communally motivated Citizenship (Amendment) Act. Both were largely peaceful, but this did not prevent the government from foisting serious charges including those related to terrorism and sedition, on peaceful protesters, many of whom remain in jail without trial or bail. Legitimate protest has long been a means of defusing pent-up discontent with government policies in India. The Centre has instead sought to criminalise it, branding dissent and disaffection as sedition to create a chilling effect. The CJP managed to overcome that ploy not only through the justness of its demands but also because the protesters’ identities as youth and students transcended the limited categories of religion, caste and even class (“richer farmers”) that the BJP sought to use to sow discord and delegitimise them. Even if it is too much to expect the Centre to seek similar relief for those held in earlier cases, the Court would do well to apply to them the standard it has now set for the CJP. Until it does, the relief granted to the CJP and its sympathisers will remain an exception rather than a principle.

Forging consensus

India must broaden engagement with regional multilateral groups

Prime Minister Narendra Modi’s attendance at the annual meeting of Shanghai Cooperation Organisation (SCO) leaders in Bishkek, Kyrgyzstan, marking 25 years of the Eurasian grouping, had a multi-pronged agenda. This was an occasion to meet his counterparts, for the first time since the U.S.-Israel war on Iran began more than six months ago, which has inflicted economic costs on the whole grouping. The grouping includes Iran, as well as Pakistan that has emerged a mediator between Iran and the U.S., and the Bishkek declaration that condemned the U.S. and Israel’s attacks on Iran and supported Iran’s right to peaceful nuclear technology under the NPT, was significant. Many of the SCO members are also in the BRICS grouping who Mr. Modi will host in Delhi on September 12-13 – this includes Russian President Vladimir Putin, Chinese President Xi Jinping and Iranian President Masoud Pezeshkian. New Delhi is keen to forge consensus on a joint declaration, which has been difficult due to UAE-Iran tensions and Mr. Modi’s discussions with Mr. Pezeshkian included BRICS cooperation. India’s ties with the Central Asian Republics have flagged due to other pre-occupations, making Mr. Modi’s visits to Tashkent and Bishkek, and meetings with regional leaders this time, an important initiative to revive talks on trade, critical minerals, tourism and other areas. As Pakistan takes over the SCO chairmanship, the Bishkek Summit allowed Mr. Modi to set out India’s agenda for the coming year. His speech at the Summit focused on the importance of dismantling the ecosystem of “terrorist financing, recruitment, radicalisation, and safe havens”, calling on the SCO to eschew “double standards” on terrorism. He also pressed for a strong message to countries that “use terrorism as an instrument of policy and provide safe haven and support to terrorists” – a pointed reference to India’s oft-repeated concerns about Pakistan. The Bishkek declaration’s inclusion of strong language on “all forms” of terrorism, including cross-border, has thus been welcomed by New Delhi. It remains to be seen how far the Pakistan presidency will take these ideas forward.

Compared to the high-octane optics and the Modi-Putin-Xi handshake at the 2025 Tianjin SCO Summit, this year’s summit was relatively sombre. The U.S.’s tariffs, its war with Iran and sanctions on Russia have damaged economic security, energy security and connectivity (the Hormuz Strait blockade), and pose major challenges to the grouping. For India, after tensions with Pakistan had peaked last year after the Pahalgam attacks and the four-day conflict, the past year has been sobering, given Pakistan’s diplomatic forays with the U.S., and the new security pact with Saudi Arabia and Türkiye. In the altered geopolitical framing, India must seek to broaden its engagement with all regional multilateral organisations such as the SCO.

It is the season of youth in India, without any formal commemorative event to mark it. They are being courted like never before. Political parties across the aisle, Ministries, Departments, think tanks and media organisations of every kind are engaging with the theme of youth. Education and examination systems are being reassessed; skills and coaching processes are under scrutiny; unemployment is being scanned and nuanced.

The whole nation seems occupied with the subject. Political parties are ramping up their conversations on digital platforms, where young people are assumed to reside. Leaders are recasting their hitherto successful models of communication to capture the attention and gain the confidence of Generation Z – the 14-to-29-year-olds – while mimicking their candid vocabulary. College and school campuses are crowded by political personalities. The overstretch almost suggests a desperation to connect.

There have been youth initiatives

Not that the youth have never been cared for. Governments, past and present, have taken up initiatives for youth development. The last 12 years have witnessed a plethora of schemes directed at them, covering employment, entrepreneurship, skill enhancement, education, internships, sports and volunteering. The National Education Policy (NEP) 2020, while facing flak in certain respects, has managed to focus on quality learning geared towards innovation and the empowerment of young citizens. The proposed National Youth Policy 2026 seeks to prepare those in the 15-29 age group for the new digital age.

But beyond the good schemes, there is a lag in understanding Gen Z and Gen A (those born after 2010), who have begun to demand accountability. A NITI Aayog report speaks of 8.7 crore people in the 15-29 age group who are ‘not in education, employment or training’ (NEET). Despite clarifications from the government that NEET does not necessarily mean joblessness, a staggering amount of youthful energy still awaits an anchor. The yawning gap between formal degrees and job prospects remains a daunting problem. In the wake of the recent street protests, the Opposition has built a narrative that the ruling dispensation is hostile to younger generations. The question is: do they have a blueprint for the country’s youth, or are they only making political capital out of the current ferment?



Akshay Rout

Former Director General, Election Commission of India, and a public policy commentator

India’s Gen Z is gaining political attention, but is yet to consolidate into a viable electoral bloc

Not taking away from the goodwill of political entities towards the nation’s future generations, the overwhelming context is the chorus orchestrated by the country’s youth in Delhi and other places in recent weeks. While the youth furore and its consequences in India bear no comparison with the cataclysmic happenings in parts of the South Asian neighbourhood, a wake-up call has been sounded to those in power and those seeking to get there. The response, however exaggerated, is welcome. Parties and leaders now appear to be grappling with issues concerning the youth, regardless of whether they are motivated by electoral politics.

More an elusive vote

India has the largest youth population in the world; 65% of its nearly 1.5 billion people are below 35 years of age. About 23% of the country’s electorate falls in the 18-29 age category. In elections in recent years, including the latest Assembly elections in Tamil Nadu, Assam, West Bengal, Kerala and Puducherry, there was no discernible trend of young people voting in any political direction. The outcome in Tamil Nadu showed some hints of youth consolidation, but it was far from being based on any alternative youth agenda. In last year’s Bihar election, noticeable efforts by political groups to advance a youth agenda did not generate much appeal. Certain studies, however, suggest that young voters partly influenced the verdicts in the 2014 and 2019 general elections.

In the 75-year electoral history of India, while votes have been garnered under labels such as community, caste, class, farmers, industrial workers and even government employees, there has been no block identification of the youth as yet. There are steady references to the votes of Dalits, minorities, Scheduled Castes, Scheduled Tribes and Other Backward Classes, as well as the Yadav vote in Uttar Pradesh and the so-called M-Y vote in Bihar – patterns that have held steady over decades.

To these has now been added, in good measure, the women’s vote. A house for shelter, a toilet on the premises, gas in the kitchen and electricity at home can capture the imagination of women across regions, besides cash delivered directly into their wallets. Gratitude is then expressed through the ballot.

For reasons yet to be overcome, caste and community continue to abide as assured aggregators in the electoral arena. These, along with gender identity, have considerably subsumed youth identity. Critical issues such as

For newborns, the answer is hospital plus home

In India, newborns are dying. Earlier, they used to die at home without medical care. Now, they are dying in hospitals. On August 24, 2026, three newborns lost their lives in an accidental fire at the government women’s hospital in Amravati, Maharashtra. This was not the first such episode in government newborn care units, and it will not be the last – unless we view it not as an isolated event, but as a trend.

These are episodes of clustered newborn deaths in the government institutions (that were identified by ChatGPT)/in the format of Year/Government hospital/Newborn deaths – 2017 BRD Medical College, Gorakhpur 17; 2017 Government hospital, Ahmedabad 18; 2019 JK Lon Hospital, Kota 10; 2020 JK Lon Hospital, Kota 9; 2020 Government hospital, Shahdol 8; 2021 District Hospital, Bhandara One fire 10; 2021 Kamla Nehru Children’s Hospital, Bhopal One fire 4; 2021 Government Medical College, Ambikapur 4; 2022 Medical College, Ambikapur 4; 2023 Government Medical College, Nanded 12; 2024 Maharani Laxmi Bai Medical College, Jhansi One fire 10; 2025 District Women’s Hospital, Budaun 4; 2026 District Women’s Hospital, Amravati One fire 3

This is not a comprehensive national registry, but only a partial list. The pattern, however, is recurring and therefore demands a systemic response.

The problems and challenges

What is going wrong? The first reason is overcrowding. India has achieved remarkable success in ensuring that women increasingly deliver in health institutions – from 39% in 2005-06 to 90% in 2023-24 (National Family Health Survey-6). But this success has created a new challenge. The absolute number of women delivering in institutions has risen from 109 lakh in 2005 to 194 lakh in 2024-25 (Ministry of Health and Family Welfare (MoHFW), Government of India). The total number of sick newborns hospitalised in public Special Newborn Care Units (SNCUs) has also risen rapidly, from 11.3 lakh in 2021-22 to 14.45 lakh in 2023-24 – a 28% increase in two years (Health Management Information System, MoHFW). Hence, newborn-care units everywhere are becoming overloaded.



Abhay Bang

Physician and the founder of Society for Education, Action and Research in Community Health (SEARCH), a community health research organisation

Newborn care in India must combine safer, decongested neonatal units with strengthened home-based support

The second reason is the changing case mix. As institutional deliveries have expanded, government hospitals have become the destination not only for normal deliveries but also for large numbers of high-risk births, including premature, low-birth-weight and sick newborns referred from peripheral facilities.

Infrastructure failures are the third reason. The Gorakhpur episode of August 2017 was attributed by a district-level inquiry to oxygen deprivation following an interruption in oxygen supply. The fires at Bhandara in January 2021, Bhopal in November 2021 and Jhansi in November 2024, as well as the more recent incident in Amravati, demonstrate the risks posed by fire and electrical hazards in neonatal units. Sick newborns need warmers, incubators and ventilators. Overcrowding can increase the electrical load on these units.

Infection and staffing problems would be the fourth reason. Overcrowding, inadequate nurse-to-baby ratios, equipment shortages and poor infection-prevention practices can turn a neonatal unit into a setting where hospital-acquired infections can spread rapidly.

The Gadchiroli model

This diagnosis leads to some obvious solutions. But there is an additional way.

India already has another solution. More than two decades ago, the Gadchiroli field trial conducted by the Society for Education, Action and Research in Community Health (SEARCH) demonstrated that trained community health workers (CHWs) could provide effective home-based neonatal care (HBNC), resulting in a 62.2% reduction in neonatal mortality in the rural area (The Lancet, 1999). The trained CHWs identified and managed neonatal infections at home, supported breastfeeding and warmth, and managed low-birth-weight and preterm babies. Subsequent data from Gadchiroli, published in the Journal of Perinatology in 2005, showed that between 1996 and 2003, 97% of low-birth-weight and preterm babies – including those with birth weights above 1,800 g and gestational ages of more than 34 weeks – were managed at home, with a very low case-fatality rate.

The principles of the Gadchiroli model have

employment and education constitute only a loose overhang.

Youth participation in India’s elections has remained low-key compared with other demographic categories, despite an improvement in recent years, and largely due to the mobilisation efforts of the Election Commission of India (ECI). The ECI has recently galvanised its electoral literacy campaigns to orient students in schools and colleges to the electoral system, processes and practices, and to secure their informed participation.

The upcoming Assembly elections in Uttarakhand, Uttar Pradesh, Punjab, Manipur and Goa will be the earliest test case to determine whether the noisy voice of the streets gets organised into a political preference, including the amount of youth candidature. A quarter of the Assembly seats in these States, especially in politically muscular Uttar Pradesh, were won roughly by margins of around 5% and could, hence, easily be swung by Gen Z voters. The comparison ends there. The youth of Uttar Pradesh and Punjab do not share a common predicament; neither do the Gen Z in Goa and Manipur, or, for that matter, the youth of Gujarat and Himachal Pradesh, which go to the polls later in 2027. Electorally speaking, the current political attention on the youth can be interpreted as an attempt to cut possible losses while making a moderate investment.

Old equations do matter

Political parties cannot abandon time-tested voting blocs for an undependable, heterogeneous multitude that may or may not walk out of its Instagram residency. Old social calculations and booth management may still hold good in actual polls, while the youth awakening may remain a story on the side. Political parties and poll campaigners have a professional finger on the pulse of the people; they will carefully watch the emergence of a real Gen Z vote from the cradle, while they adjust their plans and campaigns just that bit for now.

In the text of the Union government’s vision of a developed India by 2047, the youth are regarded as the *Amrit Peedhi* (the generation of the nectar). But in realpolitik, the forthcoming State elections may show which side the nectar sweetens or whether it does so at all. Swami Vivekananda spoke of the power of youth, but in an electoral sense, that power may only now be crystallising in India.

The views expressed are personal

LETTERS TO THE EDITOR

The first step

The alleged theft of devotees’ donations, amounting to hundreds of crores, has seriously eroded the credibility of the Ayodhya Ram Temple administration and the Yogi Adityanath government in Uttar Pradesh. The U.P. government apparently had no inkling of what was going on. The move to

appoint a retired Air Marshal as the CEO of the Ram Temple Trust (Inside pages, September 3) and other carefully selected trustees is a step towards injecting professionalism into the administration. It is incumbent upon the U.P. Government to keep a hawk’s eye on the temple administration and conduct periodic checks to ensure

that everything is functioning smoothly.
C.V. Aravind,
Bengaluru

Building castles in the air

One really wonders why the Congress party and the Tamilaga Vetttri Kazhagam (TVK) in Tamil Nadu are thinking aloud about who should be the next Prime Minister of India — Rahul

Gandhi, Congress leader and Leader of the Opposition in the Lok Sabha, or C. Joseph Vijay, TVK president and Tamil

Nadu Chief Minister. Mr. Vijay has completed only 100-odd days as Chief Minister. Rather, he is still an

Corrections & Clarifications

A report, “Air Force veteran appointed first Ram Temple Trust CEO” (Inside pages, September 3, 2026), incorrectly referred to Air Marshal Jeetendra Mishra (retired) as *Air Vice-Marshal Jitendra Mishra* (retd.) in both the text and the caption of the photograph.

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apprentice on the job and should focus on becoming a successful Chief Minister. Moreover, Prime Minister Narendra Modi is still on a strong wicket and, at this point in time, appears irreplaceable.

S. Ramakrishnasayee,
Chennai

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

THE HINDU

2935 Belgium recorded 2,935 excess deaths during successive heatwaves between June and August 2026, according to the Sciensano national public health institute. Of these, 2,035 extra deaths were recorded between June 18 and July 3, while another 535 occurred between July 4 and 17. **AFP**

COMPILED BY THE HINDU DATA TEAM

[illegible]

IN THE LIMELIGHT



A filmmaking legend:Singeetham understands that not everything needs to be said through dialogue, a skill he has excelled in since his early days as a writer. FILE PHOTO

Inside the mind of Singeetham Srinivasa Rao: a masterclass in storytelling

Veteran filmmaker and an instinctive writer, Rao has spent several years exploring the possibilities of storytelling — across languages, genres and forms. At 95, he remains as curious about cinema as he has always been

Sudhish Kamath

Kamal Haasan once told me that every storyteller has one story and they just find different ways to say it. “One man in another man’s shoes,” he winked, talking about his oldest living collaborator Singeetham Srinivasa Rao.

Seemed like the perfect icebreaker for an interview with the 95-year-old legendary storyteller.

For a lot of his films begin by disturbing someone’s identity or place in the world – Shekhar and Ranga in *Sommokadidhi Sokokadidhi*, Kamal in *Pushpak*, Apoorva *Sagodharargal* and Michael *Madana Kama Rajan*. Does putting a character in a situation where they don’t belong, inspire the story, I ask the legend over a Zoom call on a Wednesday morning.

The starting point

“Yes, though there are a lot of these common elements, the starting point is always an idea. Let me give you some examples: *Sing Geetham* was an idea that I got many years ago from a conversation with Balamurali Krishna when he said there’s music in everyday life. And I wanted to explore how to capture that music from life.”

He demonstrates with an example from *Sing Geetham* where a random line spoken blends two notes. *Pushpak*, he says, was born out of a desire to pay tribute to the era of silent films and Chaplin.

And *Aditya 369* was a film that was inspired not just by H.G. Wells and the *Back to the Future* films but by Mark Twain’s *A Connecticut Yankee in King Arthur’s Court*.

Twain’s book, one of his early influences, might offer a clue on where Rao got hooked to the concept of one man in another man’s world.

Entering the cave

There were simply no screenwriting books or textbooks when he started filmmaking. One of the first lessons his mentor K.V. Reddy gave him was that every detail on paper is sacred.

“If you write cave, the production and camera departments will not know automatically that it has to be dark. You have to write dark cave.” And that’s how Rao learnt on set, as young writers figure out, the significance of the scene header INT./EXT. LOCATION - DAY/NIGHT.

Rao is a writer with instinct – when he starts to write a story, he never tries to guess if it is working or not. “You have to go with your conviction. Nobody will know whether it’s working or not until people watch it and tell you,” he laughs. So, it is a bit of shooting in the dark, sticking to the conviction, which is why it helps that he is always thinking of the little details to flesh out the scene.

Music and spark in the detail

I prod him on *Pushpak* – the way the audio of the Finance Minister’s speech on radio on the need to respect retired officers, is in sharp contrast to the behaviour of an old man checking out a maid, or even that scene with scatological humour without resorting to the sounds of toilet humour. “Yes, contrast is always the best way to find comedy in the scene. What if the place where he got the drunk man tied up is next door to a dance school?” And that’s how the sound of the classical dance instructor in the background provides the score for a scene that could have potentially grossed out audiences. And with the contrast, they laugh with him instead.

As an instinctive writer, Rao understands that not everything needs to be said through dialogue, a skill he has excelled in since his early days as a writer, from *Sommokadidhi Sokokadidhi*, where we get a peek into conman Ranga’s mind

when he watches Shekhar at work. There are a lot of Chaplinesque silent movie devices he employs in it that he carried forward to *Pushpak*, where one suspects his love for finding the music in life led him to think of two ideas – the silent film and the musical film where everyone sings out their lines.

It took decades before he could get from the first to the second, but he continued using musical narration to achieve great economy in storytelling.

You might remember the narrator singing the fable of *Michael Madana Kama Rajan*. By the time the opening credits end, we know how they were separated at birth.

Resolving conflict through laughs

How does Rao negotiate writer-star conflicts during the writing process, I wonder, especially since he has collaborated most with Kamal Haasan, who is often credited on screenplays of his films. “There’s no negotiation. Only collaboration. Because without a star, there’s no film,” he laughs.

How did he learn the art of comedy? Larry David, for example, found his voice by subverting social interactions. Garry Shandling struggled with self-doubt and decided that if he is funny in real life, he doesn’t have to learn to be funny on stage.

Rao says he does not know about any of that theory. “I think I have always had a sense of humour. That’s probably the secret of my health. I am hale and hearty because I laugh a lot.”

He narrates a story from many decades ago, when he and his friend Ananthu had to travel by train from Madras to Bombay, pretending to be siblings to match with the identities on the ticket. So, they wore dark glasses, pretending to have conjunctivitis. “But throughout the journey, I could not stop laughing. I could not keep a straight face.”

That anecdote does offer an insight into how Rao discovered the comedy of the average Joe in an otherworldly situation.

Finally, I ask him for a writing exercise that might help young filmmakers discover their own voice. “Take any proverb you like. Any old saying. And turn it into a modern story,” he suggests.

Traditional wisdom and universal truths explored through an everyday lens might just help a young writer or two discover who they are as writers.

Also, Rao has never stopped watching films. From the days he and Balu Mahendra went film-hopping at international film festivals, to discussing *Pather Panchali* with Satyajit Ray and deconstructing Manmohan Desai’s lost-and-found tropes.

“In one scene, three guys are giving blood to each other. People just didn’t care that it’s not realistic,” he recalls of that iconic scene from *Amar Akbar Anthony*.

Even recently, he reached out to this writer after watching his film *Culture Vulture* on YouTube and sought to reach out to Ravish Kumar to share his words of appreciation for ‘While You Were Watching’.

It was a year ago when this writer had approached Rao for an interview on his writing process. Between then and now Rao has already had a highly acclaimed release in *Sing Geetham*, serves as a story consultant on *Kalki 2898 AD* and is sharp enough to get working on the next – a historical spy thriller currently in the early stages of writing – yet another twist to one man’s adventure in another man’s world?

At 95, the incredible true story of a young man who couldn’t stop laughing, finding himself in many adventures with Kamal Haasan, is far from over. He is still finding new worlds to put his men into – and new ways to make us laugh.



FROM THE ARCHIVES

Know your English

S. Upendran

What is the meaning of “bolt from the blue”? (R. Ranjith Kumar, Eraiyur)

This is an expression, which has been a part of the English language for a very long time. When you say that something was a “bolt from the blue” or a “bolt out of the blue”, it means that it was sudden and totally unexpected; whatever happened really surprised you. Here are a few examples.

The news that Sumithra had lung cancer was a bolt from the blue.

Gauri seemed to really like her new job. So when she informed her parents last week that she was planning on quitting, it was a bolt out of the blue.

The word “blue” in the expression refers to the blue sky and “bolt” refers to thunderbolts. On a day when the sky is blue and there are no clouds around, one does not expect to hear thunder. If one does, one is really surprised.

What is the meaning of the term “vox populi”? (G. K. Karthigakumaran, Chennai)

This is an expression borrowed from Latin meaning “voice of the people”. The term is often abbreviated to either “vox pop” or “vox pops”.

The vox pop technique is normally used in radio and television broadcasting. We often see reporters walking around on the streets asking passers by to give their opinion about something. For example, we have people responding to questions as to whether America did the right thing by bombing Afghanistan.

This method of recording the opinions of people talking informally in public places is called vox populi or vox pop.

Sai Prasad is a director who likes to make use of vox pop in his programmes.

Can you get me some vox populi by six this evening?

What is the difference between “plenty” and “aplenty”? (S.S. Prasanna Venkatesh, Chennai)

As far as the meaning is concerned there is hardly any difference between the two. Both mean “large amounts of”. Of the two “aplenty” is considered old fashioned. Here are a few examples.

Plenty of children joined the competition.

We have plenty of sugar left. When you use the word “aplenty”, it usually comes after the noun. For example,

Children aplenty joined the competition.

We have sugar aplenty. I have read thrillers aplenty.

It would be wrong to say “aplenty children”, “aplenty thrillers”, etc.

How does one refer to one’s country? “fatherland” or “motherland”? (T. Desai, Mumbai)

How you refer to your country depends upon what your mother tongue happens to be. In most Indian languages, we generally use the feminine gender to refer to our country. Native speakers of English invariably refer to their country as their “motherland”. But the Germans, on the other hand, refer to Germany as their “fatherland”. So, both “motherland” and “fatherland” are acceptable ways of referring to one’s country. Published in *The Hindu* on November 13, 2001

THE DAILY QUIZ

Gloria Steinem passed away yesterday at the age of 92. Here is a quiz on the eminent American feminist and journalist

Radhika Santhanam

QUESTION 1
What was the name of the feminist magazine she co-founded in 1971 which survives till today?

QUESTION 2
Steinem said once that she had never wanted children because she already had one. Who was she referring to?

QUESTION 3
Steinem was part of the second wave of feminism. Name the book credited with launching this wave, written by Betty Friedan.

QUESTION 4
In 2005, Steinem, Robin Morgan, and X co-founded an organisation that “works to make women visible and powerful in the media”. Name X, an actor who starred in *Klute* and *Coming Home*.

QUESTION 5
In a controversial op-ed, Steinem once defended a U.S. President saying his behaviour with women may have been reckless, but did not meet the legal definition of sexual harassment or assault. Which President was she talking about?



Visual question: Where did she work, which led to her seminal 1963 undercover exposé, ‘A Bunny’s Tale’?

Questions and answers to the previous day’s daily quiz: 1. The year and place where Lionel Messi won the Olympic Gold and the Under-20 World Cup. **Ans: 2008 at Beijing and 2005 in the Netherlands**

2. Goals and assists by Messi in his 207-match career for ‘La Albiceleste’
Ans: 125 goals, with 111 with his left foot, and 68 assists
3. Messi had a senior international debut to forget on August 17, 2005, because he was shown a straight red card, less than a minute after coming on in the 63rd minute, for an accidental elbow to an opponent, against this European team. **Ans: Hungary**
4. The final heartbreak which prompted Messi’s first international retirement in June 2016. **Ans: The Copa America defeat to Chile**
5. Messi holds the record for most major tournament goals in men’s history with ____ goals. **Ans: 35**
6. Messi share the record for FIFA World Cup appearances (six in total) with this football player. **Ans: Cristiano Ronaldo**
7. He has netted the most international goals (11) against this South American country. **Ans: Bolivia**
Visual: Messi is celebrating the triumph in this tournament. **Ans: The Finalissima against Italy in 2022**
Early birds: Arun Kumar Singh | Sudhir Thapa | Tito Shiladitya | Piyali Tuli | Samir Gupta



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

Word of the day

Boulevard:
a wide street or thoroughfare

Synonyms: avenue

Usage: *The hotel overlooks a tree-lined boulevard.*

Pronunciation: newsth.live/boulevard

International Phonetic Alphabet: /ˈbuː.ləˌvɑːd/

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

Work in progress

Labour law reforms require more rigour than in evidence

India’s jurisprudence has long regarded the capital-labour binary through a welfarist prism. Meanwhile, the proponents of free market perceive the now-repealed Industrial Disputes (ID) Act, 1947 and its various judicial interpretations, specifically the judgment in Bangalore Water Supply and Sewerage Board (BWSSB, 1978) that was cited in as many as 81 Supreme Court cases, to be the root of all ills that plague private enterprise in India.



In this context, the recent judgment of a nine-judge bench of the Supreme Court on the correctness of the verdict in BWSSB, specifically on determination of whether an activity falls within the definition of ‘industry’, has muddled the waters rather than providing any sound basis for either ease of doing business or worker welfare. The central question addressed in the BWSSB judgment relates to the definition of industry in Section 2(j) of the ID Act. The statute had a very wide definition of industry, and therefore accorded protection to workers as well. In BWSSB, Justice VR Krishna Iyer, writing the majority judgment, laid down a ‘Triple Test’ as the governing standard for determining whether a particular body or entity falls within the ambit of the statute (systematic activity, employer-employee cooperation, output of goods or services). Parliament tried to override it in 1982 with an amendment in the ID Act but it was never notified. So BWSSB continued to shape commercial arrangements, administrative frameworks and individual rights. That was the position till the ID Act itself was repealed and the Industrial Relations Code came into effect in November, 2025.

Nevertheless, the CJI, writing on behalf of four of the nine judges, chose to reformulate the Triple Test for industry. But he curiously clarified that the reformulation was only a matter of “opinion” and that in all pending industrial disputes till IR Code came into force, ID Act will be adjudicated in accordance with the Triple Test laid down in BWSSB. The judgment then goes on to caution that for prospective use, BWSSB should not be the “sheet anchor” for interpretation of the new IR Code. Ironically, Section 2(p) of the IR Code is itself heavily influenced by BWSSB and Justice Krishna Iyer’s Triple Test formula. In fact, it reproduces much of the essence of Triple Test.

The present judgment, therefore, does not apply to pending disputes and causes much confusion about future litigation. If the Supreme Court wanted to reformulate the law in accordance with the demands of a liberalised economy, it needed to do what Justice Krishna Iyer did nearly five decades ago: translate a broad statutory provision into a clear and workable legal test. A liberalised economy may need a different jurisprudential balance between capital and labour, but it also requires judicial rigour. The present judgment fails in the test of offering the certainty that a modern economy requires while also preserving the constitutional discipline that labour jurisprudence demands.



AMARJEET SINHA
SHAGUN SURYAM

The National Family Health Survey (2023-24) Fact Sheets evoke reflection. Read with the five earlier Surveys starting from 1992-93, they reflect a tale of transformation and persistent challenges as well. We decided to look at the findings from the lens of gender empowerment, which encompasses opportunities for vibrant women’s collectives, access to quality education, having a voice and agency to take decisions, access to economic activity and diversified livelihoods.

The last decade and a half have seen rural livelihood mission collectives expand to a 100 million women. While studies indicate persistence of patriarchy in modified forms, it is also true that a lot has changed in the lives of women on account of the collectives. Access to credit, low wage employment and low profit nano enterprises, access to animal resources, adolescent girls in secondary education, women in farm and non-farm livelihoods, better access to reproductive and child health, clean water and sanitation, cash transfers, free travel in some States, are all making a difference to the lives of women. Interestingly, the rural livelihood mission has managed to capture the imagination of all political parties who are vying with each other to do more for women as they are the largest constituency.

INTER-STATE VARIATIONS
We decided to look at NFHS-6 Fact Sheets across States on indicators like 6+ females ever attended school, 2-4 years in pre-school, 10 years of schooling for 15-49-year-old males and females and stunting among under 5-year-old children. These were purposively selected as they reveal a lot on the role that these indicators play in the lives of women and development. To understand the inter-State variations better, we looked at the better (Sikkim, Kerala, Tamil Nadu, Goa, Himachal Pradesh), the aspiring (Bihar, UP, MP, Rajasthan, Chhattisgarh) and a few high on per capita income States but without commensurate social development indicators (Haryana, Gujarat, Telangana, Maharashtra and Karnataka) to understand how gender empowerment matters to real development.

As is well known, 69.23 per cent of 6+ rural females had never been enrolled in primary education at the time of the 42nd Round National Sample Survey (1986-87). With 73.7 per cent of 6+ females ever attended school in 2023-24, surely a lot has changed; Kerala reports 96.6 per cent. Bihar and Rajasthan have



MOORTHY M

Women’s empowerment — schools and beyond

‘STUNTED’ GROWTH. Women’s education, voice, agency and collectives make a difference to gender gaps

not been able to shed this historical disadvantage in girls’ education as they are at 64 per cent. Surprisingly, in Telangana, only 60.2 per cent of the 6+ females have ever attended school. Despite high per capita income, the State has major challenges in girls’ education.

The data on men and women with 10 or more years of schooling among the 15-49 population is equally insightful. Kerala tops with 86.6 per cent females against 82.1 per cent males. Bihar, Madhya Pradesh, Rajasthan and Gujarat are below 40 per cent on this indicator. Telangana reports a 13.9 per cent gender gap on the indicators for 10 years of schooling, pointing out how it needs to do much more to bridge the gender gap. Haryana, even though very high on per capita income, reports a high 9.2 per cent gender gap on 10 years of schooling. Clearly, gender unequal relationships are a cause of concern to development and well-being.

STUNTING AMONG CHILDREN
Gender inequalities in States reflect strongly in the level of stunting among children under age five. As is to be expected, the States in the better

Gender inequalities in States reflect strongly in the level of stunting among children under age five

category are all below the national average of stunting at 29.3 per cent, the aspiring States are all above the national average, but the surprising performance is some of the States like Haryana, Telangana, Gujarat, and to some extent even Maharashtra and Karnataka, where the figures are sobering in comparison to their economic performance. These States must reduce the gender gap in 10 years of schooling to make a dent on stunting among children, as a correlation has been observed. Women’s education, empowerment, voice, agency and collectives make a difference to gender gaps over time, and we need to invest in such processes. It is also true that some regions in these States have special challenges.

States like Sikkim, Meghalaya, Uttar Pradesh and Bihar have made significant progress in reducing stunting in recent years through collaborative governance using women’s collectives. The Panchayati Raj Institutions-Self-Help Group (PRI-SHG) framework has facilitated a more gender sensitive approach to development.

The less than 50 per cent coverage of 2-4-year-olds in pre-school shows that the Integrated Child Development Services scheme is still far from achieving universal coverage. It is higher than the national average in the better States, indicating the important role that pre-school education plays in the holistic development of a child. It is for this reason that the new National

Education Policy 2020 has rightly emphasised the importance of pre-school education.

To fulfil the aspiration of the National Education Policy, a lot more will need to be done. The army of women caregivers like Accredited Social Health Activists (ASHAs), Aanganwadi workers and helpers have all played a key role in meeting the needs of the 0-6-year-old children.

However, low compensation to these women workers at the last mile, compromises our ability to provide high-quality day-care centres and crèches for children of working women. This has implications for female labour force participation rates. We need to revisit the governance and compensation framework of the last mile, locally resident women workers, to ensure high-quality care services that are needed for quality human capital, productivity and economic growth.

The NFHS-6 also highlights better performance of States that have invested in devolution, decentralised community action. PRI-SHG partnerships, girls’ education, and an overall framework of collaborative governance and gender empowerment. Women’s collectives, voice, agency and empowerment is the pathway to inclusive growth and well-being. That is the lesson from the NFHS-6 data.

Sinha and Suryam work at the Centre for Social and Economic Progress. Views are personal

An apple, an orange and 2.6 per cent

Critics claim Q1 GDP growth is way below the official estimate. But that’s based on flawed methodology

Aditya Sinha

There are three kinds of lies. Lies, damned lies and statistics. Twain said Disraeli said it. The records suggest Disraeli never did. Even the quote has a revision problem. The attribution was updated as evidence improved. India’s Q1 GDP now enjoys similar treatment. The official estimate is 7.8 per cent real growth. Nominal growth is 10.3 per cent. A rival figure claims 2.6 per cent. That figure deserves dissection. Not as economics. As entertainment. The recipe is simple. Take this year’s Q1, ₹88.27 lakh crore. That sits on the new 2022-23 base. Divide by last year’s ₹86.05 lakh crore. That sat on the old 2011-12 base. Different base, different methods, different coverage. This is dividing an apple by an orange. The quotient is fruit salad. Serve chilled, on prime time.

The paper trail is public and dull. On August 29, 2025, Q1 FY26 was ₹86.05 lakh crore. February 2026 brought the new series. The figure became ₹80.32 lakh crore. June 2026 made it ₹80.44 lakh crore. New IIP and PPI series then arrived. It settled at ₹80 lakh crore. Four steps. Each dated. Each published. As heists go, this one issued press releases.

Now do the sum properly. ₹88.27 over ₹80.32 gives 10.3 per cent. Distrust February? Use the June vintage instead. Nominal growth is still 9.7 per cent. Real growth is about 7.4 per cent. Not 2.6.

You cannot reach 2.6 without mixing the fruit. Statistics has one iron rule. Compare like with like. Cricket averages are not computed across formats. A Test average is not divided by T20 innings. Nobody races this year’s marathon against last year’s sprint. GDP deserves the same courtesy. It rarely receives it in August.

PRESSURE FROM IMF
Why rebase at all? Ask the IMF. Its 2025 data adequacy assessment graded our national accounts C. Like a strict schoolmaster, it listed the faults. A base year stuck in 2011-12. Single deflation with WPI, for want of a PPI. Unexplained discrepancies between production and expenditure. The February 2026 rebasing fixed exactly these. A 2022-23 base, double deflation, a proper PPI. The IMF called it critical and welcome. The homework the examiner demanded is now called cheating.

Could we have rebased earlier? Base years must be boring years. 2016-17 had demonetisation. 2017-18 had the GST transition. Then Covid ate two more. 2022-23 was the first year that behaved. Base years are like passport photographs. Choose a calm day. Statisticians waited for the economy to sit still. Photographers with toddlers will understand.

Now grade the alleged conspiracy. Last year was supposedly shrunk to flatter this year. Three difficulties arise.

valuations were overstated as Chandra’s side now contends why did lenders’ due diligence fail to detect it? Either way, does this not raise serious questions about the adequacy of lenders’ due diligence, valuation and ongoing monitoring?
Srinivasan Velamur
Chennai

Climate justice
Apropos, ‘Nepal seeks climate compensation from, China, US and

India’ (September 3). Morally, Nepal’s claim aligns with climate justice: emitting under 0.1 per cent of global greenhouse gases, it should not foot the bill for disasters driven by major polluters like the US, China, and India. Diplomatically, direct bilateral demands face steep resistance. Major powers resist legal liability precedents, while developing giants like India emphasise low per-capita emissions. To secure financial relief, Nepal’s most pragmatic path lies in

leveraging international pressure to accelerate payouts through multilateral channels, specifically the UN’s Fund for Responding to Loss and Damage.
N Sadhasiva Reddy
Bengaluru

Rain-fed agriculture
This refers to ‘The changing economics of weak monsoon’ (September 3). Better irrigation and crop diversification can reduce

dependence on the monsoon, but many farmers still remain vulnerable to erratic weather. Investment in water conservation, local storage and climate-resilient farming should therefore continue. Crop insurance must also become more accessible and responsive. Rural employment and income support can provide stability during difficult seasons.
AS Nithish Kumar
Coimbatore

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Flawed due diligence

This refers to ‘Smoke and mirrors’ (September 3). Chandra’s reported net worth was assessed at ₹45,888 crore in 2017 and ₹40,562 crore in 2018, but his assets disclosed during the insolvency process were only ₹31.79 crore. If the earlier valuations genuinely represented his personal net worth, why did lenders not subsequently reassess his financial position and address such a dramatic erosion? Conversely, if those

US’ mid-term anxieties

Both Republicans, Democrats have their worries

Sridhar Krishnaswami

There used to be times in America when almost any perceived controversial policy was pegged as a diversion from the Epstein files, the bulky dossier of the wealthy and disgraced financier Jeffrey Epstein who hobnobbed with political elites and later spent time in jail for crimes including for trafficking in women especially minor girls. He died while in prison, his death officially ruled as suicide. US President Donald Trump was known to Epstein but not a shred of evidence of any wrongdoing.

Fortunately for Trump and the Republicans in a Congressional Mid Term elections time few are talking about the Epstein files *per se* or as a diversionary mechanism. It has shifted gears to renaming Lake Ontario to Lake America after the recent tiff between Washington and Ottawa. That was the last thing that the Grand Old Party especially its members in the House of Representatives and Senate seeking re-election needed, particularly those whose districts border with Canada.

In fact it is said that some Republicans are alarmed that the recent Canada tariffs could hurt efforts in holding on to the Senate especially in the competitive races in states like Alaska, Maine, Michigan and Ohio. The tariff war unleashed means that Americans would have to fork out extra money, especially at a time when they are already complaining of high grocery bills and prices at pumps. No wonder then that the name change to Lake America fell flat: Americans opposed the Executive Order 63 per cent to 14 per cent, the rest undecided. Even Republicans too disagreed by 43 per cent to 33 per cent margin. Another assessment is that Americans are not blaming Canadians for the escalation with 46 per cent in a poll hold the US responsible for the dispute.

What worries the Republican leadership barely two months to go for the November 3 showdown is that Trump’s approval rating is stuck at 33 per cent, the lowest level of his time in office. A Reuters/Ipsos poll shows a President dragged down by the war in Iran and the economic leadership with 71 per cent disapproving of his handling of the cost of living problem.

Of more serious concern to the GOP is that the poll shows 46 per cent of Democrats are very enthusiastic about voting in November as opposed to 31 per



US POLLS. Crucial mid-terms
REUTERS

cent of Republicans; and among Independents, 36 per cent would vote Democratic and 22 per cent Republican.

TRUMP RATINGS PLUMMET
What must really hit the Republican Party hard is Trump’s 14-point drop in approval rating, from 47 per cent in the early second term to 33 per cent now. And hurting more will be another statistic — that Trump is lower than where his predecessor Democratic President Joe Biden was in October 2024 at 35 per cent. The Iran war has an approval of a mere 36 per cent. It is also pointed out that registered voters in the latest survey have taken the view that the Democratic Party has better ideas for the economy than the Republicans, a first time lead for Democrats apparently in about a decade.

What has also attracted attention in political circles is a private meeting between Trump’s son-in-law and confidante Jared Kushner and Democratic House Minority Leader Hakeem Jeffries, the discussion apparently touching on issues of cost of living, housing and immigration. Whether the meeting is in anticipation of Democrats getting hold of the House is a matter of speculation; but the discussion has caused indignation among Democratic Left wing and Progressives who want an aggressive evaluation of the administration with some talk of even a third Impeachment of Trump in the House should power change hands.

What is unfolding in an election scene is a sense of apprehension among both Republicans and Democrats, but for different reasons: the GOP’s anxious to hold on; and the Democrats anxious to hold together in the event of a win. The recent defection of two Democrats in a House Rules vote is seen as an indication of things to come.

The writer is a senior journalist who has reported from Washington DC on North America and United Nations



RAJASEKHAR VK

National Company Law Tribunal benches are not enlarged lightly, but because the institution itself recognises that the questions before it deserve an answer that will outlive the immediate dispute. The proceedings concerning Subhash Chandra have travelled from a split Bench to a third member and now to a five-member Bench, which has stayed the implementation of the repayment plan.

The immediate dispute concerns the repayment plan of a personal guarantor (PG). The larger debate concerns the interpretation of Part III of the Insolvency and Bankruptcy Code (IBC), the framework governing insolvency of individuals and personal guarantors. Should an economic statute be interpreted by reference to its words alone, or also by the commercial purpose which Parliament intended it to serve? This dichotomy lies at the heart of the present reference.

Nearly 50 years ago, Justice VR Krishna Iyer observed in Kanta Goel v. B.P. Pathak that “the legislative project and purpose turn not on niceties of little verbalism but on the actualities of rugged realism” and that the statutory construction must be “illuminated by the goal, though guided by the word.” That insight is as relevant today as it was in 1977. Every economic statute influences behaviour in the marketplace, and its words must be read in the light of the purpose Parliament intended them to serve. The difference between the judicial member and the technical member reflected two different conceptions of the level of scrutiny expected from a Resolution Professional (RP) and, ultimately, from the Adjudicating Authority itself. The third member sought a middle course. Whether that course fully answers the concerns raised by the technical member is what now falls for consideration before the larger Bench.

THE FAULT LINES

The judicial member confined himself to the statutory text: if the claims admitted by the RP satisfied the statutory framework and the requisite majority, the jurisdiction of the Adjudicating Authority was necessarily limited.

The technical member’s concern went to the integrity of the creditor constituency itself. Her opinion raises a series of questions concerning asset tracing, forensic scrutiny, the admission of guarantees in favour of allegedly connected entities and the acceptance of claims on behalf of more than 1,200 individuals without independent verification.

The Code recognises the wife of the PG’s brother as an ‘associate’ for the purposes of the Code. On the judicial member’s construction, a company controlled by that very associate would escape scrutiny merely because the PG himself held no shares in it. The technical member felt that section 79(2)(g) required a purposive construction that recognised not only

A battle over the soul of IBC’s Part III norms

SUBHASH CHANDRA CASE. Interpretation should be purposeful rather than literal



GTTY IMAGES

direct ownership, but also the aggregate ownership and control exercised through associates.

She reasoned that the nature of the purported guarantees was extortionate, stipulating interest at 12 per cent per annum from invocation. This led her to question whether these entities ought to have been treated as independent creditors without a more searching enquiry, an approach consistent with the principle recognised by the Supreme Court in Phoenix ARC Pvt. Ltd. v. Spade Finance Services Ltd.

The third member’s opinion is no manifesto for literalism. Instead, it repeatedly reaffirms the supervisory role of the Adjudicating Authority, recognises that commercial wisdom cannot override statutory requirements and cautions against converting the RP into a forensic investigator and the insolvency process into an open-ended enquiry. Insolvency proceedings cannot become hostage to speculative allegations or endless investigations. That approach has much to commend it.

But the technical member’s concerns do not altogether disappear. While the third member repeatedly asks whether there is convincing material establishing concealment, suppression or statutory non-compliance, the technical member asks at what point objectively verifiable circumstances require the RP to ask more searching questions. That enquiry precedes any finding of fraud or wrongdoing. It concerns the standard of professional scrutiny which the Code expects of an RP.

That brings one to the real difficulty.

The judicial member confined himself to the statutory text. The technical member’s concern went to the integrity of the creditor constituency itself

The absence of conclusive evidence regarding the role of the associates, the nature of their guarantees and their entitlement to sit on the creditors’ Committee leads once to ask whether the objective circumstances before the RP required him to investigate the matter further.

As regards net worth, the PG disclosed a personal net worth of about ₹31.79 crore. But statements furnished to RBL Bank in 2017 and Canara Bank in 2018 reflected approximately \$7.17 billion and ₹40,562 crore respectively. The PG’s explanation that the earlier statements reflected investments held through promoter group companies rather than assets personally owned by him does not, by itself, answer the concern. If that financial strength formed part of the representation upon which substantial credit was obtained, why does it become wholly irrelevant under Part III?

The guarantees illustrate the same point. They form part of the objective commercial relationship between the PG and the entities in whose favour substantial liabilities were voluntarily assumed. Therein lies the technical member’s central point. Rule 4 of the PG Rules and the Explanation to section 5(24A) read with section 79(2)(g) recognise certain familial relationships and exclude their vote from the creditors committee. In her view, private familial arrangements cannot efface statutorily recognised relationships. If the PG’s brother’s wife is herself an associate, can a company overwhelmingly controlled by her escape statutory consequence merely because the PG holds no shares in it? The technical member felt that such a construction would permit the very mischief which section 109(4)(b) was enacted to prevent.

One further aspect deserved more direct engagement. The procedural chronology raises a similar concern. The

RP filed his report the day after the repayment plan was submitted. Creditors were given six days before the meeting, though section 106(4)(a) prescribes a minimum of 14 days. The RP cited a resolution reducing the notice period. The technical member held that a resolution could not override a statutory requirement. The third member ruled that it was not fatal. The question is whether a creditors’ resolution can override a mandatory statutory requirement. If Parliament prescribed a minimum period for creditor deliberation, that safeguard could not be displaced.

Interestingly, the third member did not regard the process as entirely beyond criticism. He agreed that the claims of Anil Kumar and Sunil Jain, representing over 1,200 individuals, could not be admitted merely on the strength of the PG’s explanation, and directed their exclusion. That raises a larger question: if the RP’s duty of verification required exclusion of claims constituting 0.8 per cent voting share, why did the same duty not warrant closer scrutiny of claims accounting for more than 60 per cent, where ‘associateship’ objections had been raised?

Every insolvency process rests upon confidence in the integrity of the steps that precede the final order. Notices, verification of claims and statutory safeguards are not procedural formalities; they are the means by which confidence in the outcome is earned. The five-member Bench has before it an opportunity to define the standard of vigilance which Part III expects before commercial wisdom is permitted to prevail. That standard will shape lender confidence, professional conduct and, ultimately, the credibility of the personal insolvency framework itself.

The writer is a lawyer and former Judicial Member of NCLT

thehindubusinessline.

TWENTY YEARS AGO TODAY.

September 4, 2006

Merchant bankers tag safety net to IPOs

Leading book managers of IPOs are tagging safety net options to get back scared retail investors to the bourses. Merchant bankers such as Edelweiss Capital Ltd and IDBI Capital Market Services Ltd plan to roll out “safe” IPOs.

ICICI Bank proposes to take over UWB

ICICI Bank proposes to take over United Western Bank (UWB), which was put under moratorium on Saturday. The board of ICICI Bank will meet on Monday to consider a proposal to merge the Satarra based bank with itself. In a release, ICICI Bank said: “The board of directors of ICICI Bank Ltd will meet on Monday to consider whether an expression of interest should be submitted to the Reserve Bank of India for amalgamation of United Western Bank Ltd with ICICI Bank Ltd.”

FLAG, Lanka Bell in talks for under-sea cable

Reliance Communications-owned FLAG Telecom is in talks with Lanka Bell, one of Sri Lanka’s privately held wireless telecom operators to lay an under-sea cable linking India and Sri Lanka. The \$25-million project will also have a cable extending from Sri Lanka to the Maldives. This will be the second under-sea cable project between the two countries.

Asia’s economies avert energy shock via fiscal buffers, AI boom

Ruchi Bhatia
Srinidhi Ragavendran

Asia’s economies from India to Malaysia and Australia defied all worst-case scenarios to post solid growth last quarter, as governments moved quickly to secure energy supplies and tapped relatively healthy balance sheets to cushion households.

A global boom in artificial intelligence also proved to be timely. Figures out this week showed India,

the world’s third-biggest energy importer, expanded a stronger-than-predicted 7.8 per cent in the June quarter, while Malaysia’s growth accelerated to 6 per cent. Singapore grew 5.9 per cent, prompting the government to raise its full-year forecast. Even Thailand avoided a deeper quarterly contraction.

The gains were even more striking in Asia’s technology powerhouses, where surging AI demand boosted exports. Taiwan posted its fastest first-half growth in about 50 years, while South

Korea expanded at its strongest pace since 2020.

The unexpectedly strong performances are prompting economists to upgrade growth forecasts across the region and reviving expectations that some central banks may need to tighten monetary policy.

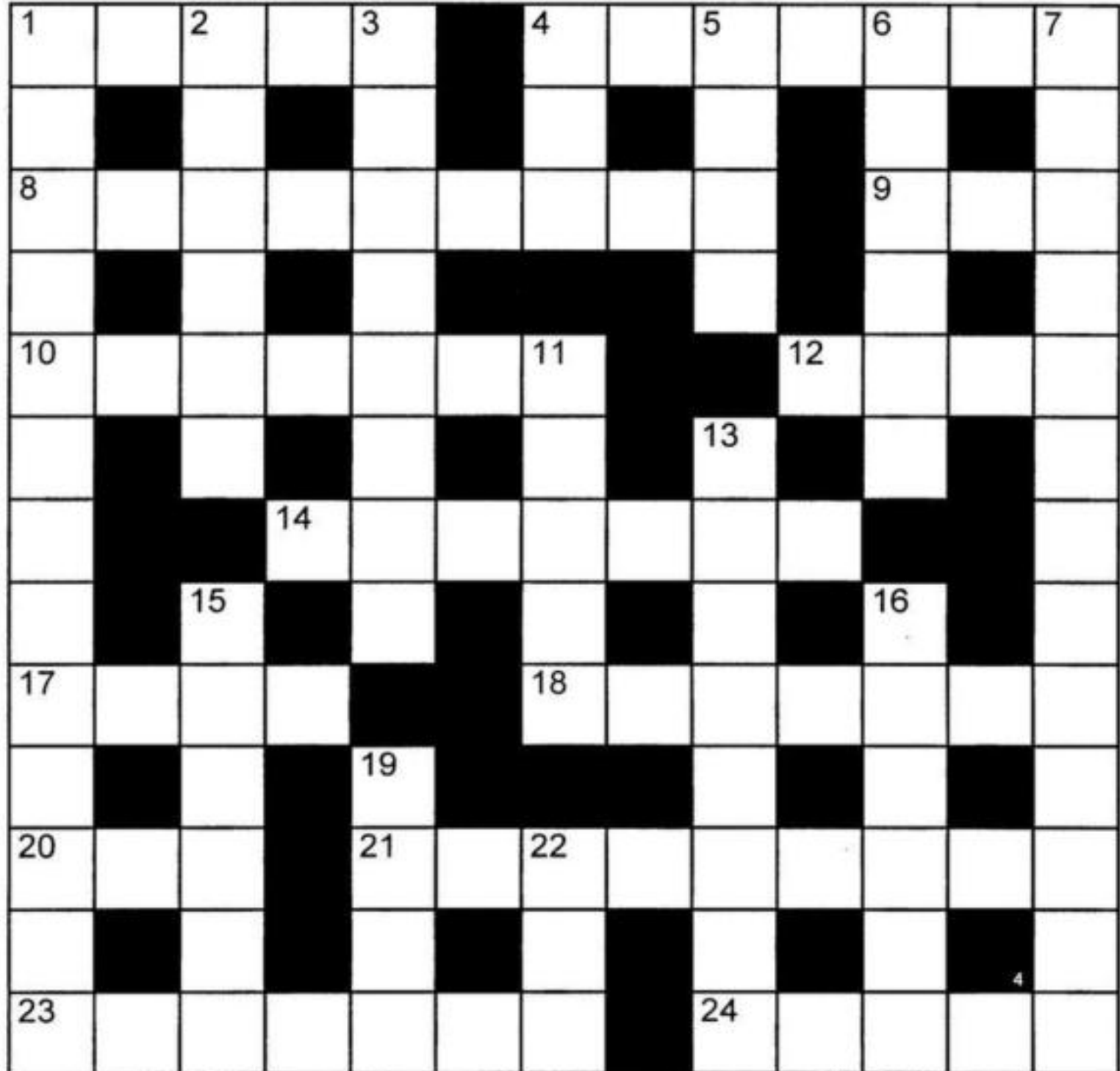
“Given Asia’s high exposure to energy, this resilience has been a positive surprise,” said Sonal Varma, chief economist for India and Asia ex-Japan at Nomura Holdings Inc.

She sees rate increases in Taiwan and

Malaysia later this year, while policymakers in India have opened the door to higher borrowing costs.

Asia entered the Iran war as one of the world’s most vulnerable to an energy shock. Indeed, governments went into crisis mode, assembling emergency task forces, warning citizens of unprecedented challenges and scrambling to secure fuel. They tapped petroleum reserves, rerouted Middle Eastern supplies and sourced oil from Latin America and Central Asia. BLOOMBERG

● BL TWO-WAY CROSSWORD 2729



EASY

ACROSS

- Scum (5)
- Attentive to ladies; brave (7)
- Given a Latin form (9)
- Poorly-lit (3)
- Have the necessary qualities (7)
- Solid, six-sided figure (4)
- Lax, limp (7)
- Those manning craft (4)
- Young frog or toad (7)
- Word expressing denial (3)
- Returning at intervals (9)
- Hold one spellbound (7)
- To reside (5)

DOWN

- Liquid state through absorption of moisture (13)
- Expenditure (6)
- Judicious, reasonable (8)
- A fuel (3)
- Knight’s wife (4)
- Warmth of passion (6)
- Of a volatile nature, prima-donnaish (13)
- Sailing craft (5)
- Prevented progress (8)
- Infected, putrefactive (6)
- Be consistent (6)
- The killer-whale genus (4)
- Spiteful woman (3)

NOT SO EASY

ACROSS

- Refuse sleep when it’s about right (5)
- A lover who’s tall nag can be sorted out (7)
- Use one ‘L’ instead if it’s turned into a dead language (9)
- It is unintelligent to put one in German currency (3)
- Moderate the way one will fit oneself for a certain position (7)
- Copper it’s best to halve if it’s square on six sides (4)
- Calf returned by the plain-clothes men is limp (7)
- Credit a bet of a sort for those working the boat (4)
- Might adopt the French frog when small (7)
- It isn’t the weight return (3)
- Half record return that somehow keeps coming back (9)
- Can then be ordered to captivate one (7)
- Live with women in a deep hollow (5)

DOWN

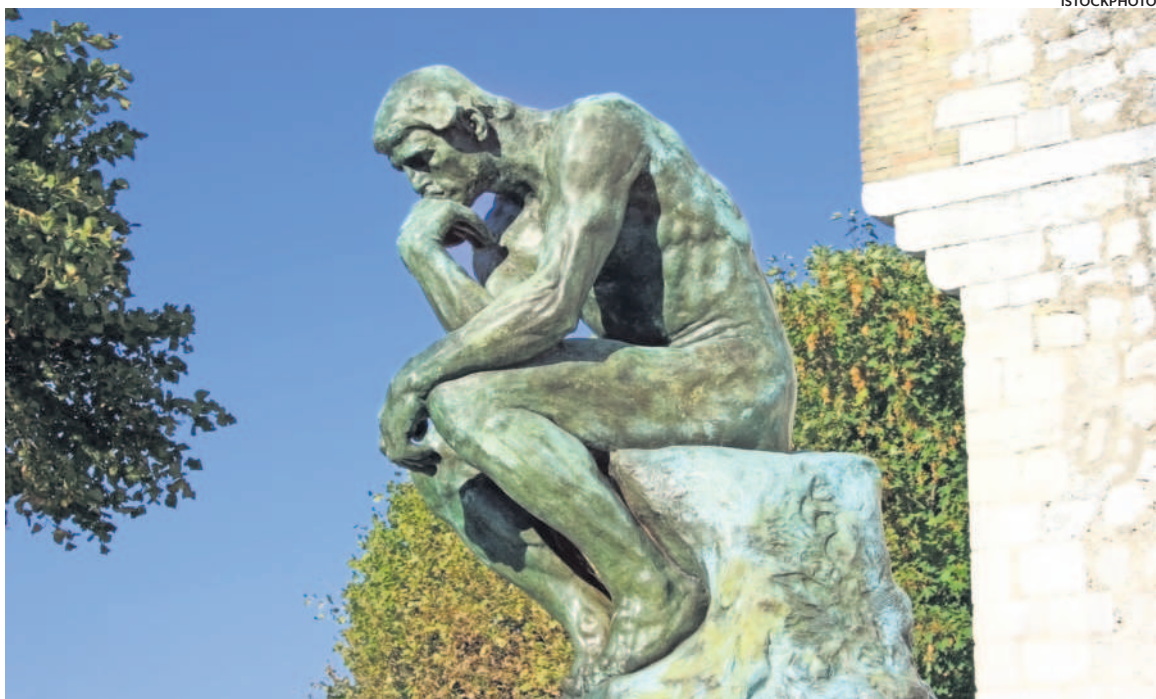
- The melting and becoming liquid of about fifty dice, sequence shows (13)
- Expenditure used to produce more eggs? (6)
- Level-headed way Ben’s lies are sorted out (8)
- Talk lightly about it in the main (3)
- Woman who has her day on 25th March (4)
- Passion ‘e finds difficult for sixty minutes (6)
- Peter and Ma going mad, being highly excitable (13)
- It sails from the Tay, church being involved in it (5)
- Obstructed by the wrong end in being chartered (8)
- One who doubts loss of carbon will be putrefactive (6)
- In this place company is first to stick together (6)
- Among the minor cachalots there are some killer whales (4)
- In short, a twin-hull craft will look feline (3)

SOLUTION: BL TWO-WAY CROSSWORD 2728

ACROSS 2. Mores 5. Only 7. Grab 8. Briefing 9. Formalin 11. Vamp 12. Preconception 15. Alto 17. Perilous 19. Incident 21. Wail 22. Grin 23. Short

DOWN 1. Fervour 2. Mob 3. Rebel 4. Science 5. Oof 6. Linum 10. Macho 11. Vital 13. Nephews 14. Oculist 16. Liner 18. Ratio 20. Ion 21. Wit

OUR VIEW



What's impossible is not useless to the economy

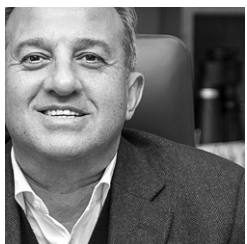
Be it Amartya Sen's tackle of Arrow's theorem or India's fuzzy-logic position on a big macro trilemma in the face of a dollar in-surge, what cannot be done can also get minds whirring

Impossible. This word, or at least the popular understanding of it, gets a bad rap. Ad slogans dismiss it, while academics wrestle it. Creativity coaches use it as a tool; think of six impossible things before breakfast, they say, just as Alice of Wonderland was advised. Yet, its rap-sheet also exemplifies its value. The word's wonder lies in the fine minds it has wracked. In academia, an elegant blow was delivered by Amartya Sen to Arrow's 'impossibility theorem'; if there are three options or more, it stated, no voting rule can convert individual preference rankings into a collective rank that satisfies a basic set of must-haves, like Pareto efficiency—nobody can be made better-off without at least one person left worse-off—and non-dictatorship. Something must get traded off. Sen's work, in contrast, showed that 'social choice' need not be so bleak if we enrich our data capture by going beyond ranked choices to include information on individual well-being and inequality. This possibility didn't just revive welfare economics, it won Amartya Sen a Nobel prize (in 1998).

The 'impossibility' in focus right now is one raked up by India's \$127 billion haul of forex deposits. It's a classic macro trilemma: no economy can freely allow capital inflows and outflows, peg its currency's exchange rate and also run its own monetary policy. One of the three must be given up. In a world of borderless capital flows, a fixed currency implies a loss of control over interest rates, so a currency float is widely seen as the best way out. Ever since India began opening its economy in 1991, though, it has taken a fuzzy-logic stance on that trilemma. Capital controls were eased, but some bars stayed in place to contain capital-flight shocks (recall the Asian Crisis of 1997).

This non-binary setting has left the binary choice of *either* a pegged rupee *or* rate-policy efficacy fuzzy too. While this means that the rupee's 'managed float' need not necessarily fail the central bank's mandate of price stability with economic growth in mind, the complexity of our settings also makes it hard to identify an optimal trade-off. This is why 2026 will serve as a case-study year. Inflows, after all, impact local liquidity. The Reserve Bank of India's (RBI) swap window for banks to take dollar deposits from overseas Indians, enabled by relieving banks of the risk of a rupee slide, has armed it with extra dollars to support a rupee that has been under duress. But it has also swamped banks with so much money (nearly ₹10 trillion) that overnight credit has gotten cheaper and a major mop-up is sure to push up bond yields. To sterilize a liquidity upswell, RBI must sell government bonds in bulk, boosting their supply. If not, price flare-up risks rise. In other words, a yield curve warped by India's in-surge of dollars is hard to escape.

The good news is how much harder it may nudge RBI's rate setters to secure monetary policy independence in India's unique trilemma context. RBI might not target any level for the rupee (this year's focus of concern), but each time its stability goal gets blurred with a currency buoy, India's fuzzy framework of a 'possible trinity' gets shaken. Any study of its optimality must begin with the three things of the trilemma that Marcus Fleming and Robert Mundell, who won his Nobel a year after Sen did, deemed impossible. As academia can testify, the ruling out of something can inspire fresh ideas. And what looks like a workaround can be an innovation. Even so, it's vital that gaps between theory and practice don't let us down.



Jai Shroff is chair, Brics Business Council India, and chairman and group CEO, UPL Ltd.

The Brics grouping brings together countries with an extraordinary range of economic strengths. Its members include some of the world's largest and fastest-growing markets, major centres of manufacturing and technology, and producers of food and energy. Some also have significant mineral resources and a growing base of capital, skills and entrepreneurship. With its expanded membership, these strengths have become even more diverse. An opportunity lies in connecting them more closely and building partnerships that contribute to growth and resilience across all economies.

India's Brics chairship in 2026 offers an opportunity to advance this agenda. We must move from broad intent to practical collaboration. This is especially relevant at a time when businesses are adapting to changing supply chains, rapid technological shifts and a more uncertain international environment. Prime Minister Narendra Modi has underlined the importance of Brics as a platform responsive to the aspirations of

the Global South. In recent Brics deliberations, he has also highlighted the need for demand-driven development finance, stronger agricultural research cooperation, reliable supply chains for critical minerals and technology, and responsible as well as inclusive use of artificial intelligence (AI). These priorities provide an important context for the business community as well.

There is considerable scope to bring these capabilities together in ways that create new commercial openings while strengthening our collective resilience. Consider something as fundamental as food, fuel and fertilizers. Brics includes major producers and consumers of all three. Add to this our strengths in critical minerals, manufacturing, technology and services, and the complementarities become even more apparent. Greater trade, investment and business partnerships within the grouping can help make supply chains more diverse and dependable, while also contributing to the economic resilience of the wider Global South.

Agriculture is an area where cooperation among the member countries can make a meaningful difference. The Brics countries collectively account for a significant part of global agricultural production and consumption. At the same time, farmers across

Brics economies face similar questions: how do we produce more with finite natural resources, improve soil health and water efficiency, respond to a changing climate and reduce losses? Policymakers have another question: how to make new technologies affordable for farmers? These shared challenges also create opportunities to learn from one another.

One idea that holds considerable promise is the creation of centres of excellence that draw upon the particular strengths and experience available across members. These

could facilitate research, training and exchange of best practices in areas such as water and soil management, fertilizer-use efficiency, biosecurity and climate-smart agriculture. There is considerable value in such cooperation. Connecting researchers, businesses, institutions and farmers can help accelerate this exchange. This is also true for agricultural technology. Across Brics, young companies are

helping farms adapt to the changing needs of farming. A stronger network connecting agri-tech communities could take promising technologies further and scale faster. The aim should be to see an agri-tech solution developed for farmers in India find application in other Brics markets, just as innovations emerging elsewhere find their way into Indian agriculture. This is the practical promise of South-South cooperation: sharing experiences, adapting solutions to local conditions and building capabilities. Agriculture is just one example. Opportunities exist across manufacturing, infrastructure, energy, finance and skill development.

For businesses, useful advances can come from making it progressively easier to operate across markets. Cooperation on standards and certification, digital trade documentation, logistics and access to market information can facilitate trade. The objective need not be identical systems across Brics. Greater

interoperability in areas where there is a clear business case can make a substantial difference by itself.

Investment is equally important. Brics economies have enormous requirements of it for infrastructure, manufacturing, energy transitions and new technologies, and also possess substantial pools of capital. The New Development Bank, national development finance institutions and private financial institutions can together help connect viable projects with long-term finance. Innovative approaches to risk sharing and blended finance can widen the range of projects that are able to attract investment.

Technology will increasingly connect all these areas. AI and digital technologies are already changing agriculture, manufacturing, logistics, financial services and health-care. Brics can encourage greater collaboration among its businesses, startups and research institutions, while contributing to the development of technologies that are accessible and relevant to the needs of emerging economies. The grouping has remarkable resources and capabilities. By connecting these strengths more closely, it can create greater opportunities for all and contribute to a more resilient, inclusive and prosperous Global South.

GUEST VIEW

Brics partnerships could strengthen the Global South

JAI SHROFF

10 YEARS AGO



JUST A THOUGHT

If a theory of justice is to guide reasoned choice of policies, strategies or institutions, then the identification of fully just social arrangements is neither necessary nor sufficient.

AMARTYA SEN

MY VIEW | FARM TRUTHS

India's sugar price spike reflects gaps in the sector's management

This isn't the first instance of weak data inputs and ad hoc policies showing up in food-item prices



HIMANSHU is associate professor at Jawaharlar Nehru University and visiting fellow at the Centre de Sciences Humaines, New Delhi.

The recent rise in sugar prices from about ₹45 per kg at the end of July to around ₹65 per kg at the end of August has put the management of agricultural produce in focus. Initially, this was blamed on the diversion of sugarcane for ethanol production aimed at fuel blending. But this was only part of the reason. Sugarcane diverted for ethanol has been in the range of 10% of sugar production and accounts for less than one-third of India's ethanol output. A larger share of the ethanol produced now comes from maize and broken rice. In fact, the share of sugarcane in ethanol production has been declining.

The main reason for sugar prices rising is faulty estimation of the sugarcane crop and *ad hoc* policy measures, which fuelled the price rise. Based on the agriculture ministry's estimates of sugarcane acreage and production, the Indian Sugar and Bio-energy Manufacturers Association (ISMA) estimated sugar production at 34.3 million tonnes at the beginning of the season (October-September). Even if one accounts for about 3 million tonnes being diverted to ethanol production, this level of output was sufficient to meet the domestic demand of about 28-29 million tonnes. But this was a gross overestimate of production, also acknowledged by the government; current estimates peg sugarcane output at 30.6 million tonnes. The shortage becomes obvious when 3 mil-

lion tonnes of the crop is diverted for ethanol production, leaving domestic availability at around 27 million tonnes.

This is not the first time estimates have gone wrong. Even last year, as against ISMA's first estimate of 33.3 million tonnes, the actual output figure turned out to be 29.6 million tonnes. That the estimates for this year were incorrect was obvious since excess rains last year had damaged crops in Maharashtra, Karnataka and Gujarat. Uttar Pradesh's crop was hurt by fungal disease and pest attack. Curiously, rather than preparing for a shortage, the government allowed 1.5 million tonnes of exports of sugar on 7 November. By January, it was clear that the production estimates are exaggerated. But again, the government raised the export limit to 2 million tonnes on 13 February. Eventually, only 0.8 million tonnes were exported due to subdued global prices, with the government finally imposing an export ban in May.

The sugar story is as much about the inefficiency of agricultural data systems as about the flawed policy regime that allowed 2 million tonnes to be exported. Given the crisis, the government has now allowed the import of 1 million tonnes of sugar, just six months after exporting 0.8 million tonnes. It also imposed stock limits on traders and mil-

lers, putting further pressure on prices.

Other commodities too face a similar situation. Onion prices have also almost doubled despite adequate production. Fortunately, the government has not imposed any *ad hoc* export ban and has blamed market intermediaries and traders for the price spike. But this has been the reasoning for many years even as no solution has come about.

Take the case of wheat, which was under an export ban since 2022. It was lifted earlier this year due to record production and stocks. While high stocks give the government headroom, there is also the possibility of the El Niño phenomenon strengthening and hurting the next wheat crop. To be sure, it is too early to predict the production for next year. But one would have expected caution, given expectations of extreme heat and low water reservoir levels.

Concern over an aggressive push for ethanol blending at the cost of food security has recently been voiced by the chief economic advisor to the government. Unfortunately, a response to his suggestion of a better balanced policy is not yet visible on the ground or in India's official policy framework. Sugarcane is no longer the prime ingredient for ethanol production, with broken rice and maize becoming dominant. But it has also led to maize being diverted for ethanol at the cost of feedstock for livestock and poultry. According to the Indian Council of Agricultural Research, the acreage under fodder production has already fallen by one-fourth from 8.3 million hectares in 2018 to 6.4 million hectares in 2024. Fodder crops are among those affected this year by drought, with their inflation having exceeded 8.5% in June and July.

Food price inflation hurts the poor disproportionately. Failing to control prices is also a concern for the economy. At a time when El Niño is already posing risks to food security and farm incomes, faulty market intelligence systems and *ad hoc* policy decisions help neither Indian farmers nor consumers.

QUICK READ

Sugarcane as an input for ethanol has been on the decline. Blame for sugar's price upshoot must be borne by an overestimation of the season's cane output combined with ad hoc policies.

The government's untimely tweaks of export and import rules even as El Niño risks loom over farm output not only put food security at risk but are also bad for India's economy at large.



| MY VIEW | THE LAST WORD

MINT CURATOR

India's Viksit Bharat goal: urban deficiencies call for action plans

Unless public goods like unblocked sewerage and rainwater drainage are provided, urban India will lack 'viksit' attributes



INDIRA RAJARAMAN
is an economist.

It is perfectly appropriate to dream, and to dream big. Viksit Bharat by 2047 is now a stated goal towards which all economic policy is directed. What was previously the Mahatma Gandhi National Rural Employment Guarantee, and before that simply NREGA ('A' for the Act of 2005), has been re-enacted as the Viksit Bharat Guarantee for Rozgar and Ajeevika Mission (Gramin) Act of 2025.

What does the term 'viksit' actually mean to people? By now, it would be hard to find any member of the Indian establishment—across government, the judiciary, corporate sector, armed forces and the media—who does not have at least one close family member resident in a developed (*viksit*) country. A 2025 book by Sanjaya Baru, *Secession of the Successful: the Flight out of New India*, delineates how Indians have voted with their feet, or more accurately, their air tickets. They want to live in a *viksit* country. Can we get there by 2047?

Let me pick up just two issues. One is specific to the current season of the year. The other is an all-season issue (one of many). I will confine my attention to urban India where the establishment lives.

The monsoon season, which is currently on, has traditionally been a season of rural floods, landslides, and now, catastrophic glacial melts. But urban flooding can be traced to specific cases of intervention and/or neglect. As urban water bodies, which acted as sinks into which rainwater flowed, were drained for urban construction, and as rainwater drains get choked with silt, construction residue, plastic, discarded packaging material and organic garbage, urban flooding has become a robust annual feature.

A spell of 100mm of rain, as on 24 August in Delhi, is by no means unknown in Delhi, Mumbai or other cities. But predictably, key arteries in Delhi around Parliament and the Supreme Court were severely grid-locked and knee-deep water collected in some key wholesale market areas. School buses were stranded for several hours. There are electrocution deaths from live electric wires trailing in pooled water.

The following day, the Delhi government announced an additional ₹11,430 crore for drinking water infrastructure on top of earlier smaller commitments, added to ongoing funding for sewage treatment plants. The Delhi Jal Board, a state government entity, will get this funding and execute the work on water and sewage treatment plants and pipelines. It is important to note that the new provision will not address rainwater drains, which fall under the municipality and the state public works department.

Nevertheless, the new initiatives are most welcome and will hopefully prevent sewage overflow and drinking water contamination during the monsoons. Half the funding will come from the state



government matched by the Central Urban Challenge Fund, and half from private partners. The funding is for infrastructure, not for maintenance of pre-existing sewerage channels in a preventive rather than crisis-driven way. Hopefully, some of it can be used to get mechanical sewage cleaning equipment, to replace the inhuman practice of manual sewer cleaning that still goes on despite Supreme Court judgements and directives against it.

The rainwater problem has not received the attention it desperately needs in all major cities of India. Corroded drain pipes need replacement, sieves are needed to redirect material blocking rainwater flow, with arrangements for that material to be carted away to processing centres, rather than heaped up within the city. Unfortunately, commercial waste-to-energy generation has taken off only in a few smaller cities like Indore and Lucknow.

Moving to all-season urban issues, urban spaces are increasingly claimed by four mammalian species. Dogs in small groups or large packs were perhaps the first to reduce humans in many cities, Delhi among them, to a state of cowering fear. Children and adults were bitten. Municipalities directed by the Supreme Court to handle the problem lack the fiscal wherewithal to do so. Municipality annual revenue, still aggregating nationally (including grants) to less

than 1% of GDP, will need more fiscal assistance from state governments to tackle the problem.

Rodents abound in informal housing enclaves (*jhuggies*) where food has to be weighed down in heavy containers that can't be knocked over, and clothing tightly locked. Rodents thrive in situations where there is a high density of organic garbage. These include upmarket food courts. There is no pried piper.

Monkeys have moved from towns like Shimla towards cities like Delhi, where monkey assaults and bites, apart from damage to water storage tanks, are now everyday occurrences. There is need for a national population-control strategy to solve this problem.

And finally there are unsheltered cows blocking traffic while they search for food in garbage heaps. Formal fiscal provisions for cow shelters are in state government budgets, under the major heads 2403/4403 (current/capital), but the minor sub-heads for cow shelters vary across states, so the aggregate allocation across states cannot be (easily) obtained.

A pre-existing Central provision through which urban infrastructure can be funded is the popular Special Assistance for Loans to States for Capital Investment, budgeted at ₹2 trillion (including Union territories) for 2026-27. There are many claimants jostling in the fiscal trough.

QUICK READ

It's hard to find any member of the Indian establishment who does not have at least one close family member resident in a developed country. They voted with their feet and air tickets.

Can India achieve developed status by 2047? Urban spaces need urgent attention, and while some outlays have been upped for public works, we have much jostling at the fiscal trough.

America's cluster cities retain their charm in this day and age

Tech has made geography history but not the value of talent pools



ALLISON SCHRAGER
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Even more so than usual, Hollywood's future is uncertain. For decades the Los Angeles economy revolved around the film industry, but now more movies and shows are filmed elsewhere, driven or lured away by high expenses or tax incentives. The prospect of Paramount leaving California over the state's antitrust lawsuit may not be serious, but the very idea that it can be entertained shows how much the economics of the industry have changed.

Los Angeles is not the only US city being forced to consider a future without the industry that has defined its identity. Over the last half century, if you worked in tech, the Bay Area was the place to be, with access to top talent and financing. If you wanted to become a finance master-of-the-universe, you needed to at least start your career in New York. Now all of this is changing—with implications not only for these cities but also for the US economy. Success didn't necessarily require living in one of these cities—but it made success more likely, so the best talent clustered in them. These clusters created an ecosystem that generated well-paid jobs and job growth. There was spillover into other industries and more innovation.

Clusters also made US films, tech and finance the best in the world. When an industry is mostly located in one place, people can more easily build networks, compare notes and develop skills. They can job hop and share know-how. Talent from all over the world comes to that one place, creating positive externalities.

A big part of the US technology industry's success—and America's lead in innovation—is due to the fact that it is located in Silicon Valley. That conferred benefits on the larger economy, because it has fostered innovation in all industries, not to mention greater tax revenue and a booming stock market. Other cities tried to start their own tech clusters, but none could match Silicon Valley; once a cluster gets that critical mass of top talent, it is very difficult to displace.

The pandemic challenged that stickiness. *First*, it became more acceptable to work from home, and once Zoom meetings became normalized, people could work from anywhere. *Second*, for a while cities were unpleasant places to live, with a spike in crime and a decline in quality of life. Since the pandemic, affordability has become a bigger issue, with rising inflation and home prices. Then, among the very wealthy, there were a few notable moves to Florida and Texas.

But cluster cities have endured.

De-clustering could potentially slow the pace of innovation.

BLOOMBERG

Citadel is still making a major investment in New York because the benefits of being in the world's financial capital still outweigh the costs. The Bay Area, meanwhile, remains the place where the big AI firms are headquartered and deals are done. Relocating a major studio from Los Angeles might be possible, but it would not be easy because so much of the film industry is still there.

On an individual level, if you are established in your career, maybe you can move out of a cluster. But if you are just beginning or want to start a new business, living in a cluster is still important.

Politicians in cluster cities seem to be counting on their continued stickiness. California may pass a wealth tax that will hit tech founders especially hard. LA remains an expensive place to do business. The mayor of New York has not exactly fostered a business-friendly environment (and seems to realize it). Underperforming schools and quality of life around homelessness and petty crime remain unaddressed in cluster cities. Local politicians talk a lot about affordability, but their actual policies will not solve the problems making things more expensive.

A central lesson from economics is that behaviour on the margins is often revealing about what is happening in an economy. There is still value to living in a cluster city—but if the costs rise and the benefits diminish, that calculation changes.

For some people, it already has. Smaller clusters in other cities are becoming more viable, especially for anyone somewhat established who is raising a family. You can work in film in Atlanta or finance in Texas because there is a critical mass of talent there too.

Cluster cities will not necessarily become 'the next Detroit,' because their industries will still generate jobs and money. They may still dominate—just not as much as they used to. That will mean less tax revenue, worse public services, and more economic populism.

De-clustering would also slow the rate of innovation, making the entire US economy less competitive.

There is a magic that comes from having a lot of talented people in one place, and that magic remains critical to the modern American economy.

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| MY VIEW | PEN DRIVE

The calm we chase: what if it keeps receding further?

V. ANANTHA NAGESWARAN



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Anyone who has lain awake at night knows that sleep cannot be chased. The harder we reach for it, the further it seems. We can prepare the ground—dim the room, still the body, set the day's worries down—but the last step is not ours to take. Sleep comes only once we stop trying to seize it. Reaching for it is what keeps it away.

Much of what we most want behaves this way, calm of mind most of all. We go after it as though it were a place to be reached by effort, and find that the effort is the very thing that disturbs it. I have wondered for a long time why this should be the case, and about the confusion that lies beneath it.

We tend to think that calm and ambition pull in opposite directions—that the contemplative life sits on one side and the competitive life on the other, and that to find peace, a person must step back from the contest. There is something to this. A striving mind is rarely a quiet one.

But step back, and something curious happens. The habit of comparing oneself with others, of measuring where one stands, of keeping a quiet account of it—that habit does not stay behind. It follows. It is subtle enough to slip into the very retreats and disciplines we take up to be free of it. A person gives up the race and then takes quiet pride in having done so. He resolves to want less, and begins, without noticing, to keep score of his own detachment. The practices we adopt to quiet the self can become one more place for the self to keep its tally.

Stepping back, it turns out, is no guarantee of breaking free. One can carry the whole machinery into the forest.

This is worth pausing on, because it changes the question. If withdrawal is no escape, then the question was never really whether one acts in the world or renounces it. A person may hold a demanding office and be wholly at peace within it. Another may give up everything and stay restless to the end. The outward arrangement settles nothing. What matters is the inner posture from which one acts—and that cannot be seen from outside.

The Bhagavad Gita, spoken not in a hermitage but on a battlefield, makes just this its

teaching. It does not tell Arjuna to lay down his arms and walk away. It tells him to act—to do the work that is his to do—while loosening his grip on what the work will bring him. Not to stop acting, but to stop clinging to the fruit of it. So the same act, done by two people, or by the same person on two different days, can be two quite different things. One does the work to be seen doing it, be counted and add to a private store of recognition. The other does the same work because it is there to be done, and lets it go. From the outside, the two look identical. No one watching can tell them apart. The difference shows itself in only one place—within the person who is acting.

And so the question turns inward, where it belongs. There are two postures, and we can set them side by side. In one, a person acts and keeps score of position, of recognition, of how he stands beside others, of whether his moment will come. In the other, a

person acts and releases the outcome—aspiring still, serving still, doing what is his to do, and leaving what follows to whatever decides such things. The two can look the same from the street. They do not feel the same from within.

But here is the part we most often get wrong. We treat the disquiet as a problem to be solved—as though, if only we understood clearly enough that the effort is ours and the outcome is not, the unease would dissolve. It does not. A person can know this com-

pletely, could have watched a whole life bear it out, and still feel the old tightening when another one races ahead of him, still feel the unspoken question of whether his own turn will come. Knowing better does not make it go away.

This is not a failure of understanding. The unease comes from a part of us far older than our reasoning. Long before we learnt to weigh evidence and draw conclu-

sions, something in us was already watching the field—for a rival, a lost place, or who got there first. The mind that has made its peace and the part that compares and competes run on separate tracks, and the first was never going to silence the second.

Seeing this changes the question. The aim was never to be rid of the disquiet. That was always the wrong aim, and chasing it is the equivalent of reaching for sleep that drives sleep away. The aim is only to notice it when it comes, let it rise and settle, and not to be carried away by it. Someone who felt none of it at all would more likely have gone numb than gone free. That it still rises, and that one can watch it rise rather than be swept along—that small gap between the stirring and being moved is almost the whole of what there is to gain. It was never going to arrive as an absence of the disquiet itself.

So perhaps that is where each of us is left. Not with an answer to be reached once and kept, nor with a disquiet to be conquered, but with the two states of mind—competition and calmness—recognized in ourselves and being at peace with that. Not which life looks calmer from the outside, but whether one is aware of the disquiet, accepts it, and then chooses to move past and beyond it.

Yielding trouble

Rising bond yields can create risks

Increasing bond yields across various countries are making both financial markets and policymakers anxious. The 10-year government-bond yields reached 3 per cent in Japan this week, the highest level since 1996. Bond prices and yields are inversely related. Borrowing costs in the United Kingdom have increased to a multidecade high. The 30-year bond yield is approaching 6 per cent. The United States (US), which is partially responsible for driving up yields everywhere, has also seen a large selloff in the debt market. Longer-end bond yields are also inching up in India, with the 10-year paper touching 7 per cent this week. Higher yields push up financing costs for both the government and the private sector. A sharp increase in market rates can significantly increase solvency risks for leveraged entities.

There are various reasons for the selloff in the debt market. The most obvious is the Iran war. The recent flareup in tensions has again pushed up prices of crude oil, which will likely increase inflation rates across the world. Consequently, investors are demanding higher returns. It is not clear how long the war will last, which is making investors reluctant to commit long-term money. Further, rising government debt too is making investors nervous. The US government debt stock, for instance, recently crossed the psychological level of \$40 trillion. Some investors believe that finances of the US government are on an unsustainable path. The US debt stock, according to the International Monetary Fund's projections, is expected to increase from about 124 per cent of gross domestic product in 2025 to 142 per cent in 2031. The US Treasury department recently proposed a higher buyback of long-dated bonds, which did not go down well in a section of the market. The US Treasury department also recently joined the Japanese authorities to prop up the yen and prevent Japan from selling its holding of US government bonds, which would have further increased yields.

Besides, a new chairman at the Federal Reserve and a sudden shift in the US central bank's communication style are also making markets uneasy. Kevin Warsh, in his recent much-anticipated Jackson Hole speech reiterated the Fed's commitment to the 2 per cent inflation target. The inflation rate has been above target for over five years, and the Fed might need to raise interest rates, which would further push up yields. Sustained investment in artificial intelligence-related capacity is also driving up demand for funds and raising interest rates. Increasing investment in artificial intelligence, which is being partly funded by debt, can create new vulnerabilities if returns on investment remain below expectations for a longer period. In fact, rising yields themselves can lead to the kind of outcomes that financial markets may not be prepared to handle. For instance, there are reports of a possible unwinding of the yen carry trade because of higher yields in Japan. Since Japan had near-zero interest rates for a long time, investors borrowed in Japan to invest in other jurisdictions. The unwinding of such investments could affect asset prices, including government bonds.

Higher global yields or borrowing costs are not good news for emerging-market economies such as India, which depend on foreign investment. Bigger Budget deficits and higher investment demand in the developed world are likely to absorb a higher level of global savings and affect flows to developing countries. India's experience over the past couple of years confirms this. Thus, it will need to become more competitive to attract foreign investment. Better than expected inflows under the Reserve Bank of India's swap scheme will help India address immediate challenges on the balance of payments, but they are not a substitute for foreign direct and portfolio investment.

False nine, true champion

Messi exits the national team in a blaze of glory

Two great Argentinian footballers born almost 27 years apart define the transition in global footballing culture: Diego Maradona and Lionel "Leo" Messi, who recently announced his retirement from international football. The former, undoubtedly *the* Greatest of All Time (GOAT), was forced to end his international career at age 34, following a suspension during the 1994 World Cup for a positive drug test. Three years later, he retired from professional football, ending a career marked by brilliance, drugs, alcohol and ignominy. Now his compatriot Leo Messi, a GOAT no less, steps down at the ripe age of 39 after serving with distinction for 21 years. This is his second exit from La Albiceleste in a career that has been marred by only one controversy — a tax-evasion case in 2016, for which he blamed his father. As winner of the highest number of prestigious Ballon d'Or awards (eight), the highest goal scorer in the history of Argentinian national football (125), winner of the most official football trophies for his country (six, including a World Cup and an Olympic Gold), and many more firsts, Mr Messi exits in a blaze of glory, notwithstanding the loss to Spain in the 2026 World Cup final.

By the uber-demanding standards of the modern game, Mr Messi represents the combination of rigid personal discipline, talent and wealth (he was brand ambassador for several Indian companies) that mark top footballers these days. In 2016, heart-sore from three consecutive losses in major tournaments, he announced his retirement from international football. Those losses rankled: To Chile in the centenary edition of the Copa America in 2016, missing in the penalty shootout; a 0-1 loss to Germany in the 2014 World Cup, when his late attempt soared over the bar in extra time; and again to Chile in the 2015 Copa America. But with the same Argentinian fans who exorciated him and demanded his return — and some persuasion from Maradona — Mr Messi revoked the decision in weeks. Vindication followed: That memorable World Cup win against France in 2022 and Copa America trophies in 2021 and 2024. By then he had become the world's most famous exponent of the "false nine" position, honed by his mentor, the exceptional Pep Guardiola, in Barcelona. Yet, at the height of his achievements, Barcelona, bound for the first time by financial fair play rules, had to release its club record goal scorer and trophy winner. In the 2021-22 season, he joined the galaxy at Paris Saint-Germain, performing decently but less optimally by his own standards for two seasons. Now in Inter-Miami and close to his family home base in Rosario, he has eschewed hard yards on the pitch for the riches and comforts of retired superstardom.

Inevitably, Mr Messi is compared with Cristiano Ronaldo (CR7 to his fans), the Portuguese who lit up Europe with his superb talent, now plies his trade in Saudi Arabia, and is still on the national roster. It is hard to say who is better; their stats track closely but their styles are different. But in "old age" the contrast in footballing nous was clear at the World Cup. Mr Ronaldo, splendidly fit but wanting for pace at age 41, hung around the 18-yard box, waiting in vain for passes; Mr Messi spent more than 60 per cent of match time walking before spotting opportunities to score or assist. One exited in the Round of 16; the other was a runner-up.

Beyond compliance, the real test

Good governance and effective assurance enable sound decisions



ILLUSTRATION: BINAY SINHA

Governance is typically expressed through its visible organisational architecture — boards and committees, policies and delegations, meetings and minutes. These are all necessary, but they are not, by themselves, sufficient.

The real test of governance lies in the quality of an institution's decisions — in how well risks are understood, how effectively assumptions are challenged, how clearly responsibilities are assigned, and whether there is sufficient independent challenge to know when things are not working as intended.

At its core, good governance is about sound judgement, clear accountability, and ensuring that assumptions and decisions are questioned when risks or emerging evidence call for it.

Business of risk and judgement: This distinction is particularly important in banking and non-banking financial companies, or NBFCs. Financial intermediation is, by its very nature, a business of risk and judgement: Institutions mobilise resources, lend after assessing borrowers' repayment capacity, manage liquidity, respond to movements in financial markets, and operate through increasingly complex technologies and business models. These risks do not exist in isolation; developments in one area can quickly influence others.

Decisions, therefore, need to be taken with an understanding not only of individual risks, but also of how they may interact. Regulation sets the prudential boundaries and safeguards, but commercial decisions are for banks and NBFCs themselves to make. This calls for sound judgement.

Compliance is the floor: Compliance with regulation is essential, but good governance must go further. A decision may be permissible within the rules and yet warrant closer consideration from the standpoint of prudence, concentration, customer outcomes or the institution's own risk appetite.

Governance, therefore, requires institutions to ask not only, "Can we do this?" but also, "Should we do this, and are we equipped to manage the consequences?"

Board oversight: How such judgement is exercised depends, in turn, on the quality of decision-making and oversight within the institution.

The board and senior management have distinct but complementary responsibilities in this process. The board sets direction and risk appetite, while management translates these into business decisions.

An effective board does not run the institution, but it must understand the business well enough to question assumptions, probe emerging risks and seek timely escalation of concerns.

Effective oversight, in turn, requires reliable information and independent assurance on whether risks are being managed well and controls are working as intended.

Assurance: Assurance functions, namely, risk management, compliance, and internal audit, provide an independent perspective in different ways. Their roles are distinct, but their common purpose is to help the institution identify vulnerabilities, test assumptions and assess whether risks are being managed within the intended framework. Their value lies not merely in identifying deviations after the event, but in providing timely and credible challenge before concerns become problems.

Effective assurance requires both independence and professional competence. Towards this, assurance functions need to be adequately staffed with skilled, experienced personnel, equipped to understand an increasingly complex business and its risks. They must also have sufficient stature within the organisation to communicate their views objectively, including where these differ from those of the business. This, in turn, requires a board and senior management that value independent challenge and act on concerns where warranted.

Independent challenge should not, however, be equated with obstruction. Assurance functions are not meant to eliminate risk or second-guess every commercial decision. Their role is to ensure that key assumptions are tested, material risks are understood, and concerns are articulated in time. The objective is not risk avoidance, but informed risk-taking.



BANKING & BEYOND

SWAMINATHAN J

Defence FDI rules belong to a different era

In July 2026, a Carlyle-led consortium agreed to acquire a 60 per cent stake in Bengaluru-based Micro-pack, whose clients include the Indian Space Research Organisation and the Defence Research and Development Organisation, among others. In 2025, General Catalyst led a \$100 million investment in drone and autonomous-systems startup Raphe mPhibr. In May 2026, Skyroot raised \$60 million from GIC, Sherpa Ventures, BlackRock and others, making it India's first space-tech unicorn. The significance of these and other similar investments goes beyond a mere vote of confidence in India's market. It is validation that Indian strategic-sector companies are developing capabilities of global calibre.

For two decades, India's defence and space sectors were dominated by public enterprises. The launch of Innovations for Defence Excellence (iDEX), an initiative for defence innovation, in 2018 transformed the ecosystem, bringing startups and micro, small and medium enterprises into globally competitive critical technologies ranging from autonomy and electronic warfare to unmanned aircraft system, sensors and space. Raphe mPhibr and Skyroot are among iDEX's notable winners. As these companies scale, they need more capital, a gap that foreign venture and growth capital has largely filled.

This transition raises an important question: Does India have a regulatory framework that can harness foreign capital without compromising control over technologies critical to national security?

India has progressively liberalised foreign direct investment (FDI) across sectors. In defence, foreign equity up to 74 per cent is permitted through the automatic route; in space, the limit is 74 per cent for satellites, satellite data and ground/user segments and 49 per cent for launch vehicles and spacecrafts. Government screening is triggered only when foreign equity crosses these thresholds. While this framework has helped attract foreign capital and technology, it is not designed to protect strategically sensitive technologies developed in India.

Several features create this vulnerability. First, many dual-use technologies like cyber, quantum sensing, artificial intelligence, advanced semiconductors, autonomous navigation and advanced materials do not fit neatly within sectoral definitions such as defence or space. Even within defence, licensing exemptions for parts, components and accessories can place some strategic technologies outside FDI screening controls. Second, government screening is triggered only above the applicable thresholds, leaving minority investments outside scrutiny. Yet a 15-20 per cent investment can provide a foreign investor a board or observer seat, affirmative rights and extensive information access, potentially years before a capability reaches the armed forces. Finally, a domestically sponsored fund with substantial foreign Limited Partner (LP) capital can invest without triggering FDI thresholds, since the Foreign Exchange Management Act focuses on control by the sponsor or manager rather than the source of passive LP capital. Foreign LPs may nevertheless obtain information or governance rights through the fund's partnership arrangements. As Indian startups move deeper into frontier technologies, such exposure becomes increasingly consequential: Early access to R&D trajectories can itself have significant strategic value.

Major defence-innovation ecosystems share a common principle: National-security exposure can arise from minority investments when they confer access, information or influence, and not just ownership or control. The United States made this explicit through the 2018 reforms to the Foreign Investment Risk Review Modernization Act, which expanded the jurisdiction of the Committee on Foreign Investment in the United States to cover certain non-controlling investments in sensitive businesses where foreign investors obtain board or observer rights or access to material, non-public technical information.

Europe is moving in the same direction. The European Union's new FDI Screening Regulation, adopted in June 2026, requires member states to establish screening mechanisms for foreign investments on the grounds

Keeping pace with change: The nature of oversight and assurance must also evolve as financial intermediation evolves. New technologies, greater reliance on third parties, increasingly sophisticated models, and changing business practices are altering both the nature of risks and how they interact.

Boards must remain sufficiently informed to ask the right questions, while assurance functions need the skills, tools and methods to assess these emerging risks effectively.

From hindsight to foresight: Effective oversight and assurance should also be forward-looking. They should not be confined to assessing whether controls have worked in the past but should help the institution anticipate how risks may evolve in the future as business strategies, market conditions and operating environments change. This requires looking ahead, questioning assumptions and considering where vulnerabilities may emerge before they become evident in reported outcomes.

Equally important is the ability to connect the dots. Repeated exceptions, breaches of internal limits, recurring customer complaints or audit observations may each appear manageable in isolation but together may point to a deeper weakness. The value lies in recognising these patterns early and addressing their underlying root causes, rather than merely resolving individual observations.

Responsibility rests within: External supervision provides an important layer of oversight, but it cannot substitute for governance and assurance within the institution.

Supervisors can identify vulnerabilities, challenge practices and require corrective action, but the primary responsibility for understanding and managing risks must remain with the board and senior management. The most effective safeguards are the ones embedded in the institution's own decision-making processes.

This emphasis on substantive oversight is reflected in the RBI's recent rationalisation of matters required to be placed before bank boards, aimed at enabling more focused and qualitative engagement on strategy and risk governance.

Navigating risk: Aviation offers a useful analogy. Flying necessarily involves risk. Good flying is about understanding the aircraft, reading the conditions, maintaining appropriate margins and being prepared to change course when circumstances demand it.

Governance and assurance serve a similar purpose in financial institutions. They enable better judgement, provide timely challenge and help institutions recognise when assumptions no longer hold. In the end, strong governance is not about avoiding risk; it is about being better equipped to take the right risks, in the right way.

The author is Deputy Governor, Reserve Bank of India. The views are personal

The hidden complexities of daily life



NEHA KIRPAL

London-based journalist Samanth Subramanian's new collection of wide-ranging essays brings together 15 years of his award-winning reportage. Spanning politics, conflict, science, technology, sport, language and culture, the essays draw on deeply researched stories from across continents. Capturing the complexities and interconnectedness of the modern world, the book uncovers the hidden systems, overlooked narratives and unseen connections that shape our interconnected lives.

From stories about Indian cricket, the Sri Lankan civil war, Nigerian Jews, Singapore's land reclamation, a radical Indonesian artists' collective, India's quizzing culture, corruption, privilege, disappearing languages, scientific discovery to the invisible network of undersea cables that powers the internet, the essays in the book are randomly arranged, and not in any chronological order; further, they are diverse in scope and subject, and not united by any particular theme.

In 1967, a 19-minute black-and-white documentary called *I Am 20* explored how young Indians felt about their 20-year-old country. It had filmmaker S N S Sastry interrogating a host of 20-year olds about their fledgling nation. Interestingly, the outcome comprised thoughts and worries that we continue to hold to date, though captured on film several decades ago. "Complaints emerge about

the bribes needed to get into a university, about the swelling population, or the lack of machinery to plough a farm," elaborates Mr Subramanian.

The second essay, penned in 2011, puts the spotlight on Lalit Modi, and the glamour that he brought to the Indian Premier League (IPL), with its celebrity owners and after-parties. The IPL was, of course, an unusual success — "built from nothing, grown to a valuation of \$4.13 billion within three years, stunningly profitable, and already a permanent part of the Indian psyche". He goes on to explain that the story of the IPL's "mad architect" was positively bizarre — given his "string of business failures, a personality with all the tenderness of a battering ram, and a host of foes". Ironically, when he was on top of the world, he lost it all just as quickly. "It's more unusual still for sports fans and the media to speculate about how much a

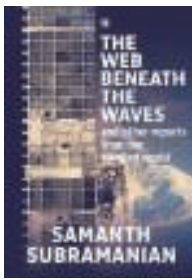
tournament will miss an administrator," Mr Subramanian reflects.

Later in the book, Mr Subramanian writes that the oldest functioning club in India is the Bengal Club, established in 1827, only three years after the Athenaeum in London. The second-oldest is the Madras Club, founded in 1832, he adds. The Indian subcontinent is filled with many such clubs — "relics of the Raj, institutions that were set up as bolt-holes for the British, where they could retreat to row or swim or play cricket or race horses," he writes. Talking about how the real estate market today defies the boundaries of logic almost everywhere in the country, Mr Subramanian believes that in India, "the powerful can feel confident of kneading the system to their benefit without overly worrying about public opinion".

In one of the essays, Mr Subramanian examines various Indian languages, explaining that in 2011, around 19,000 "mother tongues" were registered in the country. "In the world's most populous country, no one knows how many languages are living, or how many have

died," he writes. According to him, roughly 150 million individual marketing texts — a majority of which are spam — are sent daily to mobile phone users in India. "To buy a database of 100,000 numbers and send each one an SMS can cost just ₹4,000." While analysing the Indian middle-class aspiration of owning a home, his essay goes on to explore the booming property market in Gurugram and Noida.

In another essay, Mr Subramanian discusses his lifelong obsession with quizzing — starting with inter-school quizzes, Quiz Bowl tournaments at his American university, the circuit of "open quizzes" back in India, quiz leagues and World Quizzing Championships across the world. It was the single constant that he clung to as he bounced between schools, universities, jobs, and cities. "It was a reminder of



The Web Beneath the Waves: And Other Reports from Our Tangled World
by Samanth Subramanian
Published by Context/Westland Books
321 pages ₹799

how my quizzing has not only defined my life but has, in turn, been defined by it," writes the author, advising that the best preparation for quizzing can be life itself.

The book ends with the title essay, the longest piece in the book, which focuses on the importance of the deep-sea cables that physically connect our wireless digital world. Mr Subramanian writes that humans have laid 870,000 miles of such fibre optic cables under the ocean. The fascinating essay, about the ubiquitousness of the world wide web, explores who controls the undersea cables that bring us the internet. "The future of the internet, in part, will entail the weaponisation of its submarine cable systems," he concludes.

The reviewer is a New Delhi-based freelance writer

{ OUR TAKE }

Climate models' clarity on calamity

Adaptation has limits, and irreversible losses and permanently changed conditions are certain

The UN Environment Programme said on Wednesday that global temperature rise will, now inevitably, cross 1.5°C within a few years, and that even the most optimistic pathway it modelled peaks at 1.8°C above pre-industrial levels. Most other pathways peak higher. The overshoot can still be held short and then reversed, the report argues, and that possibility needs to be taken seriously to stave off unseen catastrophes.

The report is also candid about what comes now: Adaptation has limits, and irreversible losses and permanently changed conditions are certain. Risks intensify with every additional fraction of a degree and every year spent above the threshold, some impacts accumulate and others arrive abruptly, and the tipping points grow likelier the longer the world stays beyond 1.5°C. Major ice sheets destabilising, the Atlantic circulation disrupted, and a cascade of floods, droughts and other effects that come with it follow.

Last week, a flash flood in the Bhotokoshi river killed more than a thousand people in Nepal and left thousands more missing. Hundreds are feared to have died in China too. Nepal's ministers have since written to a UN Fund for Responding to Loss and Damage, arguing that its losses exceed anything the country can absorb on its own.

The Fund was indeed built for incidents like these. Its founding document lists displacement, relocation and permanent loss among the harms it exists to address although, till now, it has not paid a dollar to any country. Its first funding window drew roughly 180 applications, seeking \$2.8 billion against a paltry \$250 million available, and the first approvals have been put off to December.

Implicit in the mechanism was that disasters would be rare — countries pay into it when they choose to, claims go in during a window of applications and wait their turn. And when governments set it up, they agreed it would create no liability and no right to compensation.

The truth is, nobody has seen what 1.8°C warming looks like. While climate models are clear about what becomes of ice sheets and ocean currents, it is hard to imagine what truly happens to people — just like it was unthinkable to tie the notion of glacial collapses with the scenes seen in Nepal last month. Nepal may not be an exception in a few years' time, and it is time for the reckoning that the climate crisis is here.

Forex boost delivered, over to markets now

The forex swap facility, including an FCNR deposit scheme, launched in June has attracted \$136.4 billion in foreign currency, the Reserve Bank of India (RBI) said on Wednesday. What are its larger macroeconomic implications? Three of them can be listed.

The scheme was launched as a one-time foreign currency mobilisation effort in the wake of weak capital flows to India, which could have put pressure on the external account despite a relatively benign current account deficit. The objective has been achieved for now. However, the FCNR deposit scheme is a one-time arrangement that can't be deployed on a more regular basis to manage current account deficits. Capital flows will need to revive going forward.

While the scheme has fulfilled its primary objective, it is not a costless exercise. The reason why it attracted such large inflows was the highly attractive returns being offered to the depositors. The RBI has offered to cover the costs of currency depreciation for the banks offering these deposits and its closure has seen rates being revised down by three percentage points. The cost will eventually reflect in things such as lower RBI dividends to the exchequer overtime.

Its medium to long-term implications aside, the scheme will also have an immediate fallout. The most important of them all is the sharp spike in banking system liquidity, which data shows increased from ₹1.85 lakh crore on June 5 to ₹7.8 lakh crore on September 1. This will have to be taken care of by the central bank via various policy interventions.

Is there a simpler takeaway beyond these technical details? It is the following: India's macro-credibility, when backed with the sovereign's commitment, remains strong with investors. The challenge is to make India's markets as convincing about their long-term returns.

When no number high enough is enough

The 7.8% first quarter growth in a world in turmoil is not enough to satisfy the sceptics. We should ignore the noise and carry on with reskilling, reform and growth

Just two months ago, the dominant story was of doom. The oil price rise due to the West Asia war, outflow of capital and rupee depreciation were all cited as reasons to prove that India was in a downward spiral. The external shock, it was said, revealed the real problems of the Indian economy. Markets don't roll over and die. They respond to crisis. Quick moves by the Reserve Bank of India (RBI) offering a rupee dollar swap window to attract NRI deposits stemmed the rupee slide and had to be discontinued due to the positive inflows.

Even before the Ministry of Statistics and Programme Implementation (MOSPI) released the first quarter data on August 31, the high frequency indicators were already telling the story of a strong growth spurt in the months when everything went wrong. Industrial production, vehicle registration, goods exports, corporate earnings were showing green. The 7.8% first quarter GDP growth is built on both manufacturing growing at 9.2% and services at

10%, with both consumption and capital formation doing well.

A gym body does not happen overnight. It takes years of careful eating and regular workouts. The steadiness of the Indian economy today comes on the back of tough decisions and financial prudence manoeuvred by the finance minister and the Reserve Bank of India (RBI). The hawk-like focus on the fiscal deficit number post-Covid has reduced it to 4.4%, down a full 200 basis points from FY 2022-23. This gave the government elbow room to absorb the oil price shock, removing the risk of runaway inflation. The push to manufacturing, and exports, and the focus on deregulation and decriminalisation of laws are all arrows in the quiver of reform. But sceptics remain unconvinced.

The biggest criticism is that the government reduced last year's numbers to make this year look good. One former finance secretary has made the allegation that Q1 FY26 numbers were reduced to give the 7.8% number. The problem with this argument is that data from two different statistical series are being taken into account and compared.

Think of it this way: If the measuring tape changes, you have to go back and use the new tape to measure last year's data to remeasure before you compare it with the present. We know that India is in the process of moving to a new GDP series with a new base year — all countries do this. For the Q1 2026-27

estimate, the statistical system is effectively dealing with two different series — the older series and the new series — and the historical data have been revised to make the new series comparable.

There is an additional problem with the argument that data is fudged. The GDP computation maps billions of transactions across millions of aggregated data points, collected from diversified sources. It is humanly impossible to tinker with these data points in any meaningful manner.

The methodology has been developed after vast consultations over the past few years and the use of actual data, not just surveys, has been a change for the better.

For example, there are data sets that report on GST data, industrial production, consumption of steel, air traffic, results of listed companies, deposit and credit growth, vehicle sales data from e-VAHAN, food offtake data, tolls collected and many more.

The argument then moves to inflation: Inflation data is wrong because prices 'feel' higher. It is impossible to build a metrology that takes into account the inflation experience of each individual. The average height of a class might be five feet, but there will be individuals much shorter or taller.

Averages are important to compare the direction of change as well as to allow us to collapse into a number the average experience of the group. So, if inflation 'feels' higher to you,



The steadiness of the Indian economy today comes on the back of tough decisions and financial prudence manoeuvred by the finance minister and the Reserve Bank of India.

HT ARCHIVE



Monika Halan

then it simply means that your consumption basket is not the average CPI basket. The July inflation point at 4.45% is well below the higher 6% band that RBI must not breach.

Then it shifts to the falling rupee. The rupee is falling, and that shows the weakness of the economy. But what is less understood is that the weakness of the rupee is related to inflation being managed and kept within a band of 2% to 6% by the RBI. A country has to choose between running an independent monetary policy that is setting interest rates to manage inflation, and a fixed exchange rate. India has chosen the former as runaway inflation is harmful to everyone.

If exchange rates are market-linked, then the rupee will react to market forces. RBI's quick action in gathering NRI dollars has stopped both the rupee slide and the doom-day talking heads. But, what about stock markets, they are still down. True. While the domestic investment case is gathering momentum, the

global capital flows remain an important source of volatility. Remember that the world is at its most unstable since the two world wars. However, July and August have seen the beginnings of a return of FDI money into Indian equity, with net inflows of around \$500,000 crore over the two months, after months of net outflows.

India is in a unique position in the world with high growth rates and low inflation amidst a very difficult global environment which is unlikely to change anytime soon. At the government, corporate and individual level we must not let come by design and not chance, must be celebrated.

Monika Halan is the best-selling author of the Let's Talk series of books on money. The views expressed are personal



WHAT IS THE REAL CONSTRAINT ON INDIA'S NUCLEAR AMBITION?

{ RAHUL TONGIA } RESEARCHER

Nuclear ecosystem's big risk is safe fuel supply, not finance

Nuclear power divides people. While some environmentalists value its zero-carbon energy, others worry about its safety, weapons potential and waste-management risks, not to mention cost, especially when renewable energy is getting cheaper. But many countries are eyeing it for the same reason India is: energy security. NITI Aayog's net-zero study projected a cost-effective greener pathway would need ~100 GW of nuclear power by 2047, a more than 10x growth from now.

Many supporters of nuclear power projects in India have held the Civil Liability for Nuclear Damage Act, 2010, responsible for making it difficult for India to attract foreign entrants. Now, India has signed the SHANTI Act, 2025, which caps the liability for nuclear power system developers, specifically removing the automatic liability for equipment suppliers. This is vital since the operator could be Indian but equipment would invariably come from abroad.

Traditionally, India's nuclear power programme was domestically based, with a three-phase plan going from natural uranium in Pressurised Heavy Water Reactors (PHWRs) — to plutonium in fast breeder reactors, to thorium-based reactors over time. To accelerate the installed capacity of nuclear power, India opened up its sector to international collaboration, including under the A123 deal signed with the US in 2008. It was a period of hope, but few global partnerships materialised — Russia being a notable exception, with work on the Kudankulam plant predating the A123 deal.

The SHANTI Act is a welcome move, but will it suffice? To truly scale nuclear power, India's planning will have to think beyond just liability towards a more holistic view of risk.

Global experience, especially with international collaborations, shows that the real risks for nuclear power beyond accidents span cost overruns to never getting built. With that lens, we need to look at other dimensions.

Finance is the easiest to scope. Is the global supplier bringing in capital? At what rate? In rupees? Is the project set up to be paid in fixed Rs/kWh electricity or is it a capex play (leaving operators as a risk)? For India, details about fuel and fuel cycles matter more. But when it comes to nuclear power plants, India chose PHWR technology, which is not what most countries use. India lacks enrichment facilities to convert natural uranium, which can only be directly used by PHWRs. Enrich a little lightly Enriched Uranium (LEU) and it's usable in light water reactors (LWRs), but enrich much more and you can make a bomb.

Thus, for typical reactors based on LEU, India would need a secure supply for fuel. This is before considering the question of what happens to spent fuel. Will the supplier be willing to take it back?

Established infrastructure players such as Tatas, Adani, National Thermal Power Corpo-

To truly scale nuclear power, India's planning will have to think beyond just liability towards a more holistic view of risk



ration have expressed interest in nuclear power. They would all need to build contracts around. Not just nuclear technology (hardware) but also assured fuel supply. India is in a position to ask for not just fuel but even LEU production facilities as part of a package deal. India can ameliorate global concerns by ensuring such facilities and linked reactors open to external inspections. Such facilities would take time. Is that worth it? Given the scale of nuclear power planned, it should be, and initially, LEU fuel can be imported.

If one is making a wish list, new fuel cycles, especially based on thorium, which India has in abundance, are worth developing. Not only does this address fuel security, such fuel cycles can also lead to lower spent fuel nuclear waste problems.

Let's say that the entire deal is worked out as a package. A mix of entities come together and offer technology, finance, and LEU fuel. And the plant gets built and starts running. The question remains: How sure are we that fuel would be available for a lifespan of 50+ years? How does a country manage the risk of geopolitical considerations trumping commercial ones? These aspects aren't independent — technology transfer can be both commercial and strategic, where the intellectual property owner doesn't want the buyer to end up becoming a competitor.

Ultimately, the SHANTI Act is a vital step forward, but the real work now moves to building the ecosystems around new nuclear power technologies. India will have to take explicit calls on the interplay between costs, security, and environmental concerns — the inevitable "energy trilemma" facing policy-makers worldwide.

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{ RIA SINHA AND ABHINAV JINDAL } RESEARCHERS

Nuclear capacity needs new financing tools, patient capital

India's decision to expand nuclear power capacity from around 8 GW to 100 GW by 2047 represents one of the most ambitious infrastructure programmes in the country's history. Achieving this target is expected to require investments of approximately \$22-24 lakh crore over the next two decades. While much of the policy debate has centred on liability laws, reactor technologies and private-sector participation, India's nuclear ambitions will ultimately depend on whether it can build a financing architecture capable of mobilising capital at unprecedented scale and for sufficiently long durations.

The problem is not simply that nuclear power is presently expensive. It is that the financial ecosystem required to support such long-gestating projects has yet to evolve. A utility scale solar project in India typically costs \$3.5-5 crore per MW, while coal-fired plants require around \$8-10 crore per MW. Large nuclear reactors, by comparison, can cost \$15-20 crore per MW. Yet the headline capital cost tells only part of the story. Because nuclear projects typically require eight to ten years before generating revenue, financing becomes a critical determinant of project viability.

International studies suggest that financing costs can account for 30%-50% of the levelised cost of nuclear electricity. The Govt's Roadmap for Achieving 100 GW Nuclear Capacity by 2047 assumes a borrowing cost of around 9%, under which interest during Construction (IDC) alone accounts for nearly 15%-20% of total project cost. Every additional year of construction delay compounds financing costs, raising tariffs and eroding project economics. While any reduction in cost of capital has a salutary effect on financing costs for the underlying generation technology, in case of nuclear it may have a greater impact on affordability than marginal reductions in engineering or equipment costs.

Private investment will also depend on the underlying risk-return profile. Investors compare nuclear projects with renewable energy transmission, battery storage and other infrastructure assets that often require lower upfront investment, shorter construction periods and lower execution risk. If expected returns are broadly similar, capital naturally gravitates towards projects with lower opportunity costs and faster capital recycling.

Equally important is recognising that balance-sheet financing alone may not deliver a 100 GW programme. Even India's largest public enterprises and industrial groups cannot indefinitely lock up enormous amounts of capital in projects that may take a decade before generating cash flows. At the scale envisioned, India would need to mobilise roughly ₹1 lakh crore every year for more than two decades.

Nuclear projects may also require a larger viability-granting (VGF) envelope than solar, wind or battery storage because of their much higher upfront capital needs and construction risk. Rather than relying on one-time budgetary support, VGF could be combined with low-cost long-term loans, construction-period interest

As nuclear projects require 8-10 years before generating revenue, financing becomes a critical determinant of viability



subvention, sovereign or partial credit guarantees, and post-commissioning refinancing. The objective should be to use public support to crowd in commercial capital, not replace it.

India today has insurance companies, pension funds and provident funds managing assets worth well over ₹100 lakh crore, yet little of this long-term capital reaches nuclear infrastructure or green infrastructure more broadly. A post-commissioning refinancing market through infrastructure bonds, INVIT-like structures or other long-term instruments could release bank and sponsor capital for subsequent reactors.

Construction risk also needs sharper allocation. Delays arising from changes in law, regulatory approvals or force majeure should not be treated like delays caused by project management or contractor underperformance. Automatically passing all IDC to consumers weakens incentives for efficient execution. Costs should instead be borne by the parties best placed to manage them.

International experience offers useful lessons. France relied heavily on state-backed utility finance. South Korea combined utility finance with policy-bank support and standardised fleet construction, and China has used State-owned utilities and banks alongside domestic manufacturing. India has already undertaken important regulatory reforms to enable wider participation and strengthen domestic capital markets. Financial innovation can reinforce these reforms. Existing instruments, public financial institutions, infrastructure bonds, credit guarantees, long-term lending, insurance and institutional capital provide a base that can be adapted rather than built from scratch. Used in a coordinated manner, they can lower financing costs, recycle capital and make nuclear projects progressively more investable. India's 100 GW target, therefore, is more a financial innovation challenge.

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CONTRAPUNTO

I am not worried about the deficit.
It is big enough to take care of itself

- RONALD REAGAN

Playing Our ‘A’ Game

First ‘A’ rating since 1988 shows investors that Indian economy is on right track. Investment should follow

Japan Credit Rating Agency’s decision to upgrade India’s sovereign rating from BBB+ to A- seems like a small step, but it’s a giant leap for several reasons. For one, India hasn’t been in the ‘A’ band – signifying high creditworthiness – of any major rating agency since 1988, when Moody’s rated it A2. That confidence turned out to be misplaced, as India stumbled into a balance of payments crisis in 1990-91, but that’s a different story. The lesson, though, is that reputations once lost aren’t regained easily. We’ve spent the last 35 years clawing our way back. But if the past 16 months are an indication, we’re getting there. Morningstar DBRS upgraded India’s sovereign rating from BBB (low) to BBB in May 2025. S&P Global’s upgrade to BBB came in August 2025, followed by R&I Japan’s BBB+ rating a month later. A year on, we’re at A-.

Why is it important? Well, these notations affect the way the world sees India. Where a ‘B’ rating says a country is OK to invest in, an ‘A’ is a stronger endorsement. It tells investors to not miss the bus. And India needs foreign investment of all hues, on the ground as FDI, and in stock markets too. A high rating also makes it easier for govt to raise funds abroad, at lower rates, through sale of bonds. Basically, it says govt can be trusted to honour its repayment commitments. On the other hand, a poor rating can deepen a country’s troubles. Which is what happened in 1990, when Moody’s placed India on a ‘credit watch’ list, other agencies got skittish and downgraded us as well, and our BOP situation got worse.

Those days are a distant but painful memory. The recent string of endorsements is proof that India’s economic vitals are strong. JCR’s upgrade is based on India’s sustained high growth rate, growth-oriented policies, and the health of its financial institutions. It notes that bank NPAs have dropped below 2%, fiscal deficit last year declined from 4.7% to 4.4%, Centre’s debt-to-GDP ratio is moderate at 56.1%, and expected to decline, leaving more wiggle room for productive expenditure. Already, JCR notes, govt has curbed expenditure on subsidies and increased capex, especially on infra. Yes, there are concerns, like overall govt debt – including states – and its interest burden, and JCR will be monitoring it, but it’s not a red flag. Last year, Morningstar DBRS had said India’s public debt level isn’t a risk because most of it is denominated in rupees and held for long tenures. Now that one agency has given us an A, others might follow suit. All we have to keep showing them is fiscal prudence and strong growth.

Manipur’s Moment?

Kuki-Zo legislators’ visit to Imphal provides a small but significant opening for peace

When Nelson Mandela received South Africa’s Truth and Reconciliation Commission Report in 1998, he said the goal of the reconciliation process is: “when we finally go to rest forever, our progeny will be secure in the knowledge that two simple words will reign: Never Again!” Three years after civil strife broke out in Manipur, the first tentative steps towards such a reconciliation may have been taken. Two Kuki-Zo MLAs travelled to Imphal in defiance of their own community to physically attend the first day of the Manipur assembly session. The powerful Kuki Inpi Manipur had issued explicit instructions to stay away from Meitei-dominated Imphal.

Since violence erupted in 2023, Manipur has seen total separation of populations along community lines. And legislators have been affected too. In fact, tens of thousands of internally displaced persons from both communities are sheltering in relief camps. Such polarisation has been reinforced by armed groups, who have emerged as the so-called guardians of their respective communities. But for peace to return to Manipur, this atmosphere of mutual distrust must be pierced. This is where the two legislators – Kinmeo Haokip Hangshing and Haakholet Kipgen – deserve huge praise. For, it takes great courage to stand up to one’s own community for the sake of peace. Recall that even Mandela’s vision for racial reconciliation in South Africa faced significant resistance from some quarters of his African National Congress. But Madiba persevered, laying the successful foundation of the Rainbow Nation.

True, Manipur today has a long way to go in its own reconciliation process. Bridging the hill-valley divide will require massive, sustained efforts from civil society groups and social leaders on all sides. Unfortunately, the majority of Manipuri intellectuals have hitherto adhered to partisan positions. This is where Hangshing and Kipgen’s Imphal visit could set an example. Genuine reconciliation can only begin with dialogue. GOI must support this process, and capitalise on the small beginning made by Hangshing and Kipgen, so that future generations in Manipur too can say “Never Again”.

Naam ke vaaste

Unwittingly, we’ve become unpaid advertisements for Big Brands

Jug Suraiya

Recently, I had to fill a gap in my wardrobe by buying a new pair of trousers, having regretfully parted with one which, after 25 years of service, showed its age.

An acquaintance directed me to a store selling an internationally famed brand of jeans. I explained to the salesperson that I wasn’t in the market for jeans but for ordinary trousers.

The requested item of clothing was produced and approved. Then I asked the price. “It’s ₹2,999,” said the salesperson.

Three thousand bucks, with one buck given back as spare change, for a pair of trousers? I’m familiar with the expression, to have one’s pants taken off in an unfavourable exchange, monetary or otherwise. But this was the opposite: having one’s pants put on by paying an exorbitant price for a pair of trousers.

I went to a more modest establishment, where I acquired an almost identical garment for about one-third the price.

As I walked away with my newly purchased pants, I pondered on the difference in price between the two shops. The difference was that the first shop was not selling pants; it was selling a famous Brand Name. The second shop was selling unbranded, generic, aam janta pants, which was what I wanted.

Why would I, or anyone, pay so much for a Brand Name pair of trousers, or T-shirt, or jacket, or sneakers, or sunglasses, or any item of attire?

It’s because if I sport a Brand Name I’ll feel that its global glamour will rub off on me and enhance my social status, as though I’ve put on metaphorical elevator footwear.

But while the Big Brand I wear heightens my status it also heightens the publicity for the Big Brand which gets gratis exposure thanks to me. By inducing me to wear it, the Big Brand turns me into a walking freebie advertisement for it, and also makes me cough up an inordinate amount of money to do so.

Big Brands? No fear. For me, buying them just doesn’t add up.



jugularvein

Apple’s Indian Orchard

New CEO John Ternus inherits Tim Cook’s smart pivot to manufacturing in India. He can take this further by reimagining the company’s walled-garden model, so it fits better with India’s open digital public infrastructure

Ravi Gururaj



Steve Jobs bequeathed to Tim Cook an iconic, design-obsessed, technology rockstar valued at roughly \$350bn in 2011. Cook then executed one of the greatest corporate scaling feats in history, leaving Apple with an enviable treasury, unmatched operational reach, a proven model for converting incremental innovation into global dominance, and a sprawling \$4.6tn economic colossus.

John Ternus now takes charge. He is an engineer and product thinker whose career has been about pushing the boundaries of what is technically possible. As CEO, his challenge is to prove that Apple can still surprise – and shape – the culture. This needs genuine breakthroughs, rather than simply delivering more refined iterations of what already exists.

For India, this transition is not merely an executive reshuffle in California. It is a pivot point that will shape Apple’s relevance across a country that’s home to the world’s next billion digital consumers. It will also test whether India can turn its manufacturing rise into genuine technological sovereignty. Basically, while Silicon Valley and Brussels focus on AI benchmarks and antitrust battles, the most consequential test of Ternus’s leadership may unfold across the subcontinent.

For two decades, Apple’s operational backbone was tethered to Zhengzhou and Shenzhen. Foxconn’s factories represented not just assembly but the beating heart of Apple’s just-in-time manufacturing miracle. Yet, geopolitical tensions, US-China trade frictions, and the existential uncertainty surrounding Taiwan have made that concentration an untenable vulnerability.

India stepped into the breach, championed by aggressive PLI schemes that now offer up to 6% subsidies for production and 4-6% for component manufacturing, coupled with massive factory buildouts across Tamil Nadu and Karnataka. Under Tim Cook, India evolved from an afterthought into Apple’s primary hedge against China dependency. By 2024, the company was producing its flagship iPhone 15 Pro in India within weeks of its global launch – a logistical feat unimaginable just three years earlier.

Under Ternus, India must become an existential pillar of Apple’s supply chain – not merely the “+1” in a China+1 strategy, but a genuine alternative to China. That means building deep component ecosystems in

India within his tenure, not over decades: semiconductor packaging, rare-earth processing, optical components, thermal-management suppliers, and other precision manufacturing capabilities that are largely absent today. The goal is not another screwdriver assembly hub, but a genuine node in Apple’s high-value manufacturing network.

On the demand side, India is equally vast and underdeveloped: one of the world’s few expanding smartphone markets as replacement cycles lengthen elsewhere. Its premium segment is surging, with iPhones evolving from rare luxuries into aspirational staples for urban professionals, aided by EMI financing and new flagship stores in Mumbai, Delhi, and Bengaluru.



Yet, Apple still holds only a low-single-digit share of India’s smartphone volume, where Android dominates through value, localised software, aggressive price-to-performance, and where consumers prioritise longevity and utility – not aspiration alone.

Ternus cannot conquer this market through brand cachet alone. It will require pricing pragmatism that runs contrary to Apple’s DNA – whether that means introducing a genuinely affordable iPhone tier or leaning aggressively on EMI financing to make premium devices accessible. It requires localised digital services: a Siri that understands Hindi and regional languages natively, digital payment integration with UPI (not circumventing it), and local app ecosystem incentives that attract Indian developers. And it demands hardware tiers designed for the aspiring middle class, not just the aspirational elite.

Apple’s services division is extraordinarily profitable,

with margins exceeding 70%. But those economics depend on premium pricing in wealthy markets. Can Ternus build a profitable services business where average revenue per user is 5-10x lower?

This math demands a different model: ad-supported tiers, aggressive freemium offerings, telecom bundles that subsidise Apple services, and localised financial products for India’s emerging affluent class. These approaches challenge Apple’s traditional model, but the upside would be transformative. Proving that high-margin services can scale in emerging markets would fundamentally reshape Apple’s long-term growth story.

India’s govt has aggressively promoted open digital public infrastructure – exemplified by UPI, DPI, and ONDC. It’s built around interoperability, vendor neutrality, and open-source principles. And it’s fundamentally at odds with Apple’s walled-garden model.

UPI now processes billions of transactions monthly and is the default digital-payment rail. ONDC is building open, decentralised e-commerce networks to challenge centralised platforms such as Amazon and Flipkart. Again, the tension is irreconcilable. Apple’s ecosystem relies on controlled payment systems, commissions, and lock-in, while India’s model demands open, low-cost, interoperable rails, and native UPI integration.

Ternus must confront a choice Cook delayed: adapt Apple’s business model to emerging-market realities or defend global uniformity and accept escalating regulatory risk. Whether Apple genuinely integrates with India’s open-infra agenda or circumvents it via technical workarounds, will reveal whether Ternus sees India as a market to extract from or a partner to build with.

For India, the stakes are equally concrete and more consequential than most observers recognise. The partnership between Cupertino and New Delhi will determine whether India can cement its position as the high-tech workshop of the democratic world, or whether it remains a low-cost assembly provider, with genuine value creation captured elsewhere.

The Apple blueprint of the past 15 years – operational perfection, walled-garden control, incremental innovation for premium customers – has hit the wall in India. Apple cannot iterate its way to relevance in India, but must fundamentally reimagine itself. If John Ternus can do this, India transforms into a critical building block for Apple’s future success. If he cannot, India reveals the limits of Apple’s ambition.

The writer is a technologist and entrepreneur

Why Critics Of GDP Numbers Are Plain Wrong

You can’t compute growth by comparing numbers from two different series. So, 7.8% is the correct growth rate. Also, there is plenty of other economic data that supports the high growth figure

Gourav Vallabh



India’s first-quarter GDP release has generated unusual controversy. The official estimate says nominal GDP grew by 10.3% in Q1 FY 2026-27; a competing calculation puts it at 2.6%. Neither can describe the same comparison.

This is not a contest between optimism and pessimism. It turns on an elementary statistical rule: growth must be calculated between numbers prepared under the same series. Apply one ruler to both years, and the 2.6% claim collapses. At current prices, Q1 FY 2026-27 GDP is estimated at ₹88,27L cr. Its comparable Q1 FY 2025-26 estimate, in the new 2022-23 series, is ₹80L cr, yielding 10.3% growth. At constant prices, GDP rose from ₹75,46L cr to ₹81,36L cr, giving real growth of 7.8%. The 2.6% figure divides the new-series ₹88,27L cr by the old-series ₹86,05L cr. That is not an alternative estimate; it is arithmetic built by splicing two statistical frameworks.

Why did last year’s ₹86,05L cr become ₹80L cr? The published journey is clear:

- On Aug 29, 2025, Q1 FY 2025-26 nominal GDP was ₹86,05L cr; under the old series.
- When the 2022-23 series arrived in Feb 2026, it became ₹80,32L cr.
- It was updated to ₹80,44L cr in June, and to ₹80L cr in Aug, after the new IIP and PPI series were incorporated.
- The denominator was, therefore, revised through a documented sequence, rather than changed at the last minute, to fabricate growth.

A crucial distinction is being lost. Nominal GDP or GDP at current prices, values production at the prices prevailing in that period; it does not use the base year’s price list. Merely replacing 2011-12 with 2022-23 as reference year cannot mechanically reduce nominal GDP.

The base-year price reference directly affects real GDP, which holds prices constant, to isolate changes in output. If a factory sells 100 units at ₹50 each, its nominal output is ₹5k, regardless of the base year. If better records, later, reveal returns or double-counting, however, the estimate must change. That is a data and measurement revision, not a base-price effect.

A new GDP series does much more than replace a price reference. It can introduce new surveys and GST data, better company and govt records, a change in coverage of economic activities, removal of duplication, updated ratios, and improved methods of estimating value addition.

The 2022-23 series expands coverage of the unincorporated sector; adopts double deflation in manufacturing, and improves quarterly benchmarking. These changes can revise both nominal and real GDP for earlier periods. Thus, two propositions are simultaneously true: changing base-year prices alone does not alter nominal GDP, but a comprehensive series revision can alter it because the information set and methodology have changed.

Those insisting on 2.6% should state required assumptions openly – that the new surveys and GST data add no information; that company and govt records are unchanged; that economic coverage has not widened; that corrections for duplication and updated ratios do not matter; and that the revised methodology has no effect on historical nominal estimates.

Those assumptions contradict the documented construction of the new series. The denominator is not optional: ₹86,05L cr remains a historical old-series estimate, while ₹80L cr is the comparable new-series estimate. Valid growth requires the same ruler for both years.

The broader evidence also fits a strong quarter. Cement production grew 8.9%, IIP for infra & construction goods 7.2%, electricity IIP 9.3%, capital goods output 15.2%, commercial vehicle sales 18.3% and cargo at major ports 6.2%. Because these indicators help compile quarterly GDP, they’re not wholly independent. Nevertheless, they reflect observable activity, which is hard to reconcile with nominal growth of only 2.6%.

- The internal pattern is equally coherent: Real manufacturing grew 9.2%, utilities 8.9%, construction 7.7% and services 10%.
- Private consumption rose 7.1%, fixed investment 11.9% and real exports 12%.

Nor is 7.8% real growth an implausible break from India’s recent path. Before Aug’s update, published real

GDP growth for FY 2023-24, 2024-25 and 2025-26 was 7.2%, 7.1% and 7.7%, respectively. National Accounts Statistics 2026, after incorporating updated IIP, PPI, and administrative data, revised these rates to 7.3%, 7.2%, and 7.8%. Either vintage shows three consecutive years above 7%. Q1 FY 2026-27 grew 7.8%, against 6.9% a year earlier. Annual and quarterly rates are not identical, but they establish continuity, rather than a statistical surprise.

If 7.8% real growth is consistent with India’s recent economic path, the next question is why nominal GDP grew faster, at 10.3%? This is explained by the price component, captured in GDP deflator. Nominal GDP reflects changes in both output and prices, whereas real GDP seeks to isolate output.

The two growth rates imply an increase of roughly 2.3% in the GDP deflator. This deflator should not be confused with either CPI or WPI. It measures price changes across the economy-wide value chain, using multiple price indicators with varying weights. Household consumption prices, wholesale goods prices and prices embedded in value addition, can, thus, move differently.

Every GDP number has a journey. For Q1 FY 2026-27, the first advance estimate was released in Aug 2026, the second advance estimate will follow in Nov, and provisional estimate in Feb 2027. The first revised estimate will be in Feb 2028, followed by the second and final revised estimates in Feb 2029. Revisions are part and parcel of GDP estimation, not evidence of manipulation.

NSO should also publish a simple bridge showing how documented changes in data, coverage and methodology reduced the figure from ₹86,05L cr to ₹80L cr.

Scrutiny must begin with comparable numbers. In current series, Q1 FY 2026-27 recorded 10.3% nominal growth and 7.8% real growth; 2.6% isn’t an alternative estimate, but a category error produced by mixing series. Explanations ignoring this elementary principle must be challenged, because they violate both economic theory and common sense.

The writer is finance professor, XLRI. Views are personal

Calvin & Hobbes



The Seer Of Seeing And Hearer Of Hearing

Sonal Srivastava

Often, people’s faith in the Divine is shaken when they see disasters such as the one on the Tibet-Nepal border unfold. Questions arise: Why did He not do anything? Why did He not save His devotees? The Divine is accorded an agency He never even claimed. No, He does not cause earthquakes, floods, or accidents to deliver karmic justice. He is not a cosmic policeman. In the Indic philosophical pantheon, the Self is a witness: pure consciousness, as Mundaka Upanishad describes, dwells in the cave of the heart. Gita says that the Self simply watches, while actions are performed by Prakriti, the primordial nature, through gunas, modes of Prakriti that operate at both subtle material level, and individual psychological level.

Krishn says in the Gita (18.16):

“Tatraivam sati kartaram atmanam kevalam tu yah pasyati akarta-buddhiva na sa pasyati durmatih” – whoever, due to an untrained or impure understanding, sees the pure Self alone as the doer, does not see truly. Krishn says it is a mistake to think that the innermost Self, which is merely a witness, is the sole, independent doer of everything. This view, he says, arises from an akarta-buddhi, an unrefined intellect lacking discernment.

The Self is neither born nor does it die. It resides within each of us and also pervades all that is outside us. Krishn says that the yogi who is united in identity with the all-pervading, infinite Consciousness sees with equal vision everywhere, beholding the Self existing in all beings, and all beings as existing within the Self. For He is

everywhere, just as greenery pervades the month of Sawan, just as cold pervades winter months, and heat pervades summer. The Self is eternal, ever-present, substratum of the world, yet not dependent on it. And more importantly, this sanatana Self simply is. It is not enamoured of doership; it does not believe in doing; it simply is Being. The Self does not punish; it is not a judge or juror watching over us. It is truly a silent witness.

Understanding that action flows through Prakriti, while the Self remains akarta, actionless, non-working, and untainted, frees an individual from the sense of doership. Krishn says, “Prakrityaiva ca karmani kriyamanani sarvasah / yah pasyati tathatmanam akartaram sa pasyati” (Gita 13.29) – one who sees that all actions are performed by nature

(Prakriti) alone, and that the Self is the non-doer, truly sees.

The indwelling Lord neither creates agency nor sets action into motion. In the Indic vision of the Self, the ultimate seer can never itself become an object of sight, nor can hearer of hearing be heard, for the Self is the very consciousness by which seeing and hearing are made possible.

In Brhadaranyak Upanishad, Yajnavalkya and Ushasta discuss the qualities of the Self. Yajnavalkya explains succinctly that the Self is the seer of seeing, the hearer of hearing, and the thinker of thinking, not a doer, nor a mover and shaker. When Ushasta remains unsatisfied with this explanation, Yajnavalkya goes further, clarifying that the Self is the ultimate subject – one that can never itself become an object of knowledge. Neither can it be a doer of action.

Sacred space



This was the great work of Krishn: to clear our eyes and make us look with broader vision upon humanity in its march upward and onward. His was the first heart that was large enough to see truth in all, his the first lips that uttered beautiful words for all.

Swami Vivekanand



Economy

FRIDAY, SEPTEMBER 4, 2026

IN THE NEWS

IEX ELECTRICITY TRADE GROWS 20% IN AUGUST



INDIAN ENERGY EXCHANGE has recorded the highest-ever monthly electricity traded volume of 13,938 million units (MUs) in August 2026, an increase of 20.2% year-on-year. The average market clearing price in the Day-Ahead Market rose 22% year-on-year to ₹4.88/unit, according to Indian Energy Exchange data. Similarly, the average market clearing price in the Real-Time Market jumped 30.4% to ₹4.41/unit in August 2026, down 86.6% due to lower participation. Trading sessions were held on August 12, 2026, and August 27, 2026, with clearing prices of ₹370/REC and ₹350/REC, respectively. The next REC trading sessions are scheduled for September 9 and September 30.

Retail sugar price drops 3.85% to ₹62.57 per kg



THE AVERAGE ALL-INDIA retail price of sugar has declined by 3.85% to ₹62.57 per kg in a week, following recent government measures including allowing imports and tightening of stockholding norms for bulk users and dealers, according to official data.

Pharma exports body targets \$1.4-bn business

PHARMACEUTICALS EXPORT PROMOTION Council of India (Pharmexcil) on Thursday said it is targeting about \$1.4 billion in export business opportunities for Indian pharmaceutical companies through the upcoming IPHEX 2026. The council aims to translate significant global buyer participation into new markets and commercial opportunities.

AGENCIES

GOVT PUSHES REFORMS TO BOOST COMPETITIVENESS: SITHARAMAN

India a trusted destination for global investment: FM



Finance Minister Nirmala Sitharaman participates in a high-level business roundtable with investors, organised by the Consulate General of India, in New York on Thursday

FE BUREAU
New Delhi, September 3

INDIA'S STRONG ECONOMIC fundamentals, continued reforms and commitment to fiscal prudence are reinforcing its position as a preferred destination for global investment, Finance Minister Nirmala Sitharaman told investors in New York on Thursday.

At a business roundtable with investors, Sitharaman highlighted the resilience of the Indian economy and the government's efforts to make the country more competitive and investment-friendly.

"Addressing the investors, the Union Finance Minister said that, despite global disruptions and against all odds, India continues to be the fastest-growing major economy in the world, recording a remarkable growth of 7.8% in Q1 of FY 2026-27," the finance ministry said in a social media post.

India has also provided greater regulatory certainty through a range of reforms, including the Insolvency and Bankruptcy Code, which have helped ease compliance and reduce paperwork, she said. The key areas on which the

government has focused include the creation of capital assets; providing sustained support to industry through infrastructure development, particularly in aviation; fostering a friendly and conducive investment climate; promoting the development of AI and data centres; supporting Global Capability Centres; ensuring credit availability to MSMEs; and reducing non-performing assets (NPAs) of banks.

These measures, she said, have helped create a more enabling business environment for banks and industry to thrive,

grow and emerge stronger.

Sitharaman further said that India has remained committed to fiscal prudence and discipline over the past several years, despite the continuing challenges confronting the global economy since the onset of Covid-19.

The finance minister said the investment climate in India has improved significantly, with both the Central and state governments demonstrating greater keenness and competitiveness in attracting and facilitating investments in their respective regions.

Services PMI rises in Aug as demand strengthens

SHUBHAM RANA
New Delhi, September 3

INDIA'S SERVICE SECTOR saw slight recovery in August as demand conditions remained supportive and new business inflows rose. While output and sales growth strengthened from July, the pace of expansion in activity was slowest in over four years, S&P Global said on Thursday.

The HSBC India services Purchasing Managers' Index rose from 53.3 in July to 54.1 in August but was fractionally below its long-run average of 54.5. The 54.1 PMI print in August was the second-weakest since March 2022. A PMI reading of more than 50 denotes expansion in activity from the previous month, while a print below 50 indicates contraction. "Subdued bookings, strong competition and reduced transport operations limited growth, panel member reports showed. New business also increased

BUSINESS ACTIVITY



more quickly, helped by stronger customer demand and marketing initiatives," S&P Global said. However, the pace of expansion was still the second slowest in nearly four-and-a-half years, with some services firms cited challenging market conditions and weaker client interest.

New export orders in August rose at a similar rate to July. Ser-

vice sector firms continued to hire, with job creation at a 15-month high in August. "Around 11% of survey members reported higher staffing levels, which they linked to efforts to support customer service, sales and digital operations," S&P Global said.

Price pressures picked up only modestly in August across the service economy.

India's crude basket nears \$100 amid West Asia tensions

SAURAV ANAND
New Delhi, September 3

INDIA'S BENCHMARK CRUDE basket has climbed close to \$100 a barrel amid renewed hostilities in West Asia, sharpening pressure on the country's oil import bill even as global Brent prices remain below the Indian reference price.

The domestic crude basket stood at \$99.35 a barrel on September 2, while the September average has risen to \$97.32 a barrel, according to Petroleum Planning and Analysis Cell data. That is 7.9% higher than August's \$90.19 and 18.6% above July's \$82.04. The basket had averaged \$114.48 in April before easing to \$106.23 in May and \$83.22 in June.

The rise comes as crude markets turn volatile again after fresh US military strikes along Iran's southern coast and Iranian retaliation revived concerns over oil supplies from West Asia. Brent crude futures were up 59 cents, or 0.62%, at \$96.22 a bar-

OIL COSTS RISE



■ Basket hits **\$99.35** a barrel on Sept 2, up **7.9%** from August and **18.6%** from July

■ Crude imports cost **\$63.4 billion** in the first four months of FY27, up **56.5%** year-on-year

rel at 1327 GMT (18.57 IST), while WTI rose 78 cents, or 0.86%, to \$91.79. Both benchmarks were heading for a fourth consecutive session of gains.

The latest Indian basket reading is more than \$3 a barrel above Brent, underscoring that headline Brent prices do not fully capture the crude-cost environment relevant to Indian refiners.

Data centres to add just 0.13% to India GDP: Moody's

SAURAV ANAND
New Delhi, September 3

INDIA IS EMERGING as one of the biggest data centre investment destinations in South and Southeast Asia, but the multi-billion-dollar build-out may have only a modest impact on the country's overall economic growth because a large share of equipment is imported, Moody's Ratings said.

Data centre capital expenditure is projected to add about 0.10% to India's 2025 nominal GDP during the construction phase, while investment in additional power generation could contribute another 0.03%. Even after the facilities become fully operational, their contribution is expected to be only 0.13% of GDP, Moody's projections through 2030 showed.

"India's planned investment and construction employment are substantial in absolute terms but small relative to the size of the economy," Moody's said in a report.

New GDP series captures structural changes in economy, says NK Singh

PRESS TRUST OF INDIA
New Delhi, September 3

CHAIRMAN OF 15TH Finance Commission N K Singh on Thursday backed the new GDP data series which showed a 7.8% economic growth in the June quarter, saying it captures the significant changes in India's economic structure, particularly the rapid expansion of the services sector, and is

in line with international best practices.

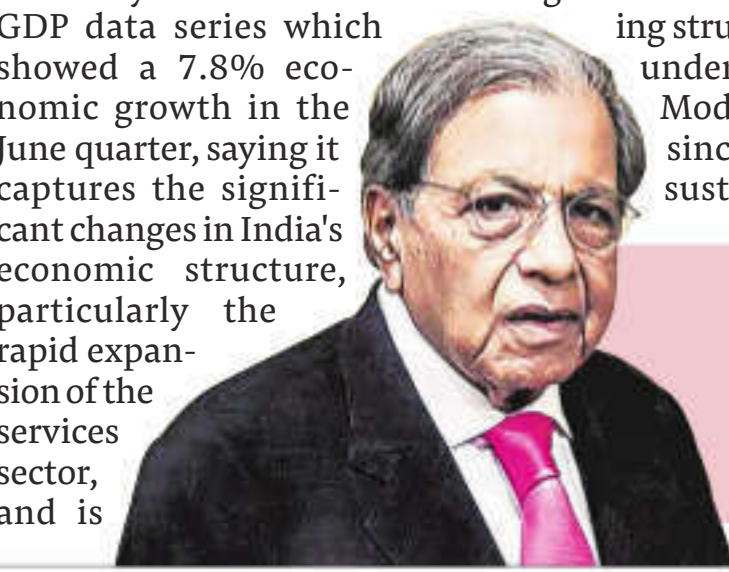
Singh also said that the upgrade in India's sovereign rating after 38 years to an 'A' grade reflects the far-reaching structural reforms undertaken by the Modi government since 2014, and sustained macro-

economic stability.

Japan Credit Rating (JCR) on Wednesday upgraded India's rating from 'BBB+' to 'A-', with a stable outlook, citing "solid" economic growth, effectiveness of economic policies that strengthen the foundations for growth, and the improved soundness of the financial system.

Singh said the GDP data with a revised 2022-23 base year captures many more data and segments, and base year revision to calculate national accounts is a common practice. The base year of the national accounts has been revised from 2011-12 to 2022-23.

"Countries change their base year to reflect change in realities, and change in nature of economic activity. The service sector, for instance, has made an enormous change in India. The composition of the GDP has undergone a tectonic change. A new set of data really captures these new changes," he said.



NK SINGH, CHAIRMAN, 15TH FINANCE COMMISSION

Countries change their base year to reflect change in realities

After years of govt capex push, private sector may finally pick up the baton

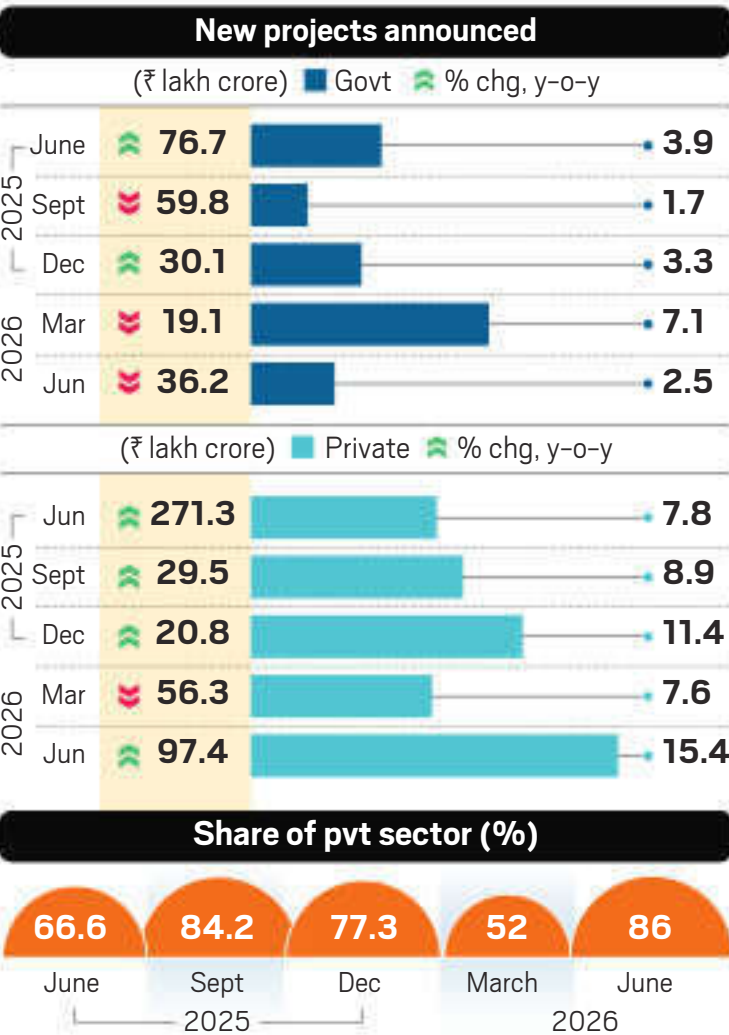
Bank credit to infra, capital goods production and imports, new projects point to rising private capex

SHUBHAM RANA
New Delhi, September 3

FOR THE BETTER part of the last decade, high government capital spending helped India remain the fastest-growing major economy even amid several geopolitical conflicts. While the Centre stepped up investments year after year, Finance Minister Nirmala Sitharaman repeatedly asked the private sector to take the capital expenditure baton to drive economic growth. To be sure, even the 11.9% growth in gross fixed capital formation (GFCF) at constant prices in the April-June quarter of the current financial year was largely aided by public capex.

The good news is that there are now some signs that private sector capex is on the rise. However, the investment binge may still be largely confined to the services sector, and a few emerging areas like data centres, artificial intelligence and nuclear energy. A sustained momentum in sectors like electronics and renewable energy is also supporting capital formation. Manufacturing sector as a whole is still lagging, with conventional employment-intensive indus-

SLOW REVIVAL



tries continuing to witness sluggish investments.

Since the pandemic, the central government increased its capital expenditure sharply from around 1.5% of GDP to over 3% of GDP. State governments and Central and state PSEs have also driven investments in good measure over recent years, causing the share of public capex in GCCF to rise.

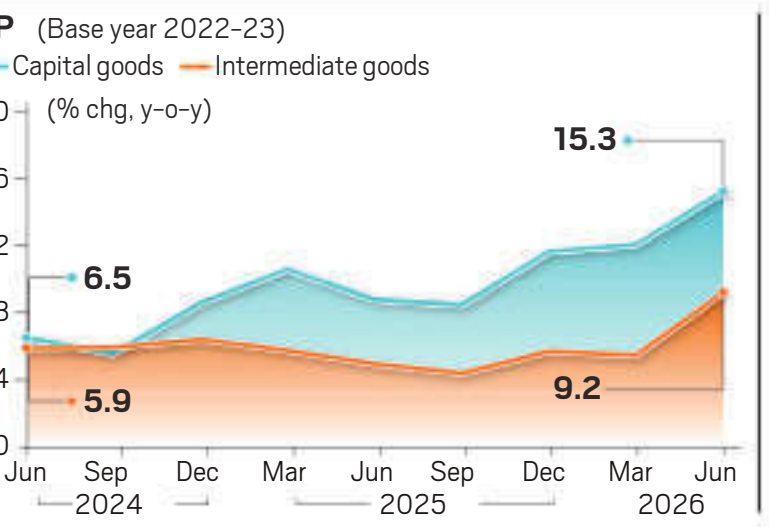
The Centre itself has set a target of ₹12.2 lakh crore of capital expenditure this year, sharply higher than around ₹3 lakh crore seen in the early part of the decade. This sharp rise in investment by the Centre has helped

the Indian economy grow above 7% for the last three years, including at 7.8% in 2025-26. Even this year, investments were the main growth driver.

Investments in constant

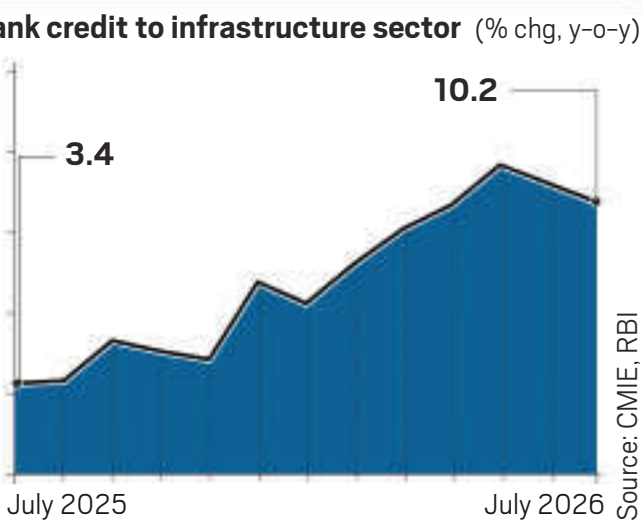
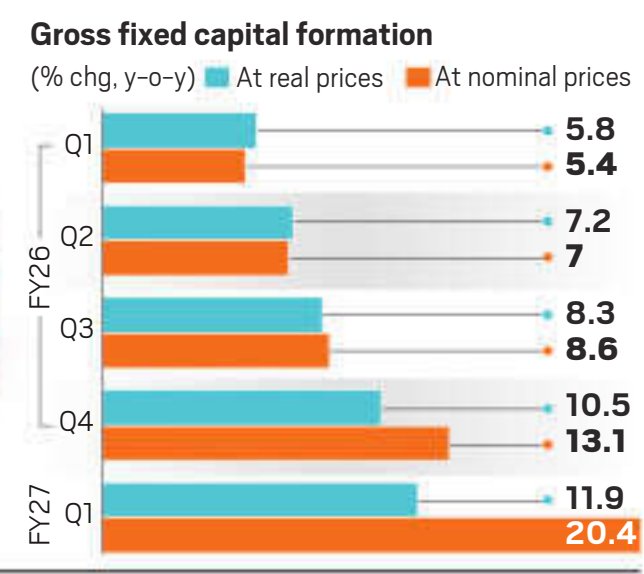
prices made up 34.4% of GDP in April-June, up from 33.1% in January-March. On average, the investment share in GDP was 33.3% in FY26, 33.2% in FY25, and 32.9% in FY24. Capital spending by the central government and public sector companies drove this rise in investments: Centre's capex rose 25% in April-June while state-owned companies' capex was up 24% year-on-year.

"The sharp acceleration in GFCF (gross fixed capital formation), together with its higher share of GDP, points to a strengthening investment cycle rather than a consumption-only



recovery," said Radhika Piplani, chief economist at Motilal Oswal Financial Services. The increase in the investment share in GDP is "particularly encouraging, suggesting that capital formation is becoming a larger and more durable source of growth," Piplani said.

According to IDFC FIRST Bank Chief Economist Gaura Sen Gupta, there are "nascent signs" of private capex recovery. Data such as the rise in bank credit to the infrastructure sector, pickup in capital goods imports, capital goods production, and better corporate balance sheets all point to a pickup



in private investment, Sen Gupta said. Bank credit to the infrastructure sector has continued to rise in recent months, rising 10.2% year-on-year in July, much higher than 3.4% a year ago, as per Reserve Bank of India (RBI) data. Indeed, bank credit to infrastructure has been in double digits in the first four months of FY27. The last time credit growth to industry was in double digits before FY27 was in November 2022.

Industrial activity has also been recovering in FY27 with the Index of Industrial Production (IIP) growth averaging 6.3% in the first four months of

over the last two years. A worrying factor is that the larger space of MSMEs is still not keeping pace with large corporates. According to data from the Centre for Monitoring Indian Economy, projects totalling ₹17.9 lakh crore were announced in the June quarter, the highest in five quarters, and up 53% year-on-year. Private sector accounted for 86% of the total projects announced in April-June, which is the highest since July-September 2011. A large part of the proposed investments by corporates are in the Information Technology Enabled Services (ITES) sector, particularly in data centres and the artificial intelligence space.

"This is clearly the next big thing in the country which will see exponential expansion and involves large investment. The Union Budget had also specifically had measures with respect to data centres," Bank of Baroda Chief Economist Madan Sabnavis had said in a report in August. Other sectors seeing large private investment include the conventional electricity space, including nuclear energy, electronics manufacturing, and renewables. However, bulk of the investments being announced are in the services sector, and not manufacturing, CMIE data showed.

Economists at Morgan Stanley believe that the strength in investment activity reflects that India is on the cusp of a capex super-cycle, led by energy transition investment, defence manufacturing, and industrial capacity expansion.

When the screen becomes a mirror

PRAVIN KAUSHAL

On any given night in Delhi, Bengaluru or Kochi, a few million people are watching a Korean serial with the subtitles on. More than five crore Indians now follow Korean content, a number growing at around 35 per cent a year, and one recent Korean season was watched by close to two crore people in this country alone, a figure no other international show has matched here. Korean clothes, Korean music, Korean ideas about work and love and family have made the journey from Seoul to our bedrooms with remarkably little friction.

One number did not make the journey. South Korea's total fertility rate, the average number of children a woman has in her lifetime, is now below 0.8, the lowest recorded anywhere. In Seoul, where much of the country lives, it is closer to 0.63. Put plainly, ten women are producing fewer than eight children between them. Statistics Korea expects the population to fall from about 5.2 crore today to 3.6 crore by 2072. The society whose fantasies we have adopted is struggling to reproduce itself.

The obvious question is whether India is walking the same road. The answer, from our own statistics, is that we have already stepped onto it. The Sample Registration System report for 2024, released this May, puts India's TFR at 1.9, below the replacement level of 2.1, and further below the 2.15 that India actually requires, given how skewed our sex ratio at birth remains. Rural India stands at 2.1 and urban India at 1.5. Delhi is at 1.2, lower than Finland.

Kerala is at 1.3. Bihar is at 2.9. We are not one country, demographically speaking, but the national average has crossed the line and there was no announcement.

Two explanations are usually offered for this, and both contain something true. The first is that globalisation changed the shape of a life. In 1961, the average Indian woman married at about 16.8 years. By 2010 that had risen to 22.2. Analysis of three decades of survey data points to education, urbanisation and mass media as the drivers, with each additional year of a girl's schooling delaying marriage by roughly 0.36 years. Marriage and childbearing moved from being a schedule imposed on women to being a decision they make.

The second is that women are choosing differently. Female labour force participation has risen from around 24.5 per cent in 2018 to 41.7 per cent in 2024. Studies of delayed motherhood among urban, educated women find the reasons to be career and education, not biology. Women are finishing degrees, establishing themselves, and only then turning to the question of children.

Both explanations flatter us, which may be why we stop there. The third one does not. Korean research found that mothers of small children who hold university degrees were spending about 230 minutes a day on childcare. Their husbands were spending 36. Korean women are among the most educated in the world, and in several fields, they outnumber men in higher education. They entered the workforce in large numbers. What they did not get was a corresponding exit from the household. The new work was

added to the old work rather than substituting for it, and the arithmetic of a day that holds only 24 hours did the rest.

Now look at India's Time Use Survey 2024. Indian women spend between 289 and 350 minutes a day on unpaid domestic work and caregiving, about five hours. Indian men spend roughly 88 minutes. The more revealing figure is the change over time: between 2019 and 2024, women's unpaid domestic load fell from 315 minutes to 305. Ten minutes, in five years, during which their participation in paid work rose steeply.

The same survey shows Indian men putting in about eight hours a day of paid work and women about 5.7. It is tempting to read that gap as women choosing to work less. It cannot be read at all without the five hours of unpaid work sitting underneath it.

This is what the sociologist Arlie Hochschild called the second shift: the day's real work beginning when the office day ends. It is also why the care economy, meaning the cooking, cleaning, raising of children and looking after the old, remains invisible in GDP despite holding up everything that is counted. The Economic Survey has itself acknowledged that this burden falls disproportionately on women and constrains their entry into paid work. Article 39 of the Constitution directs the State towards equal means of livelihood and equal pay for equal work, but the largest body of work done in this country happens outside the employment framework altogether.

The consequences are no longer abstract. School enrolment in 2025 fell to its lowest level in seven years,



about 25 crore students, with roughly 11 lakh fewer children in a single year, a decline that officials themselves attribute in part to falling births. A smaller cohort of children becomes a smaller workforce, a narrower tax base and a heavier pension load, arriving at the same moment as a larger elderly population.

None of this is an argument against anyone's life. Fewer children can mean more invested in each one, and the freedom that produced this shift is worth defending. But if half the population is expected to hold a job while still carrying the household alone, the decision to marry later and have fewer children stops looking like liberation and starts looking like a rational response to an institutional failure. The remedies are unglamorous and well known: paternity leave normalised to the point where men actually take it, affordable creches

and childcare at scale, working hours that bend for care, and statistical systems that count unpaid work instead of assuming it.

India is not Korea. Our 1.9 is a long way from their 0.8, and that distance is time we still have. But the Korean pattern, in which education rose, employment rose, and the domestic burden did not move, is visible in our own government's data. The serials we watch are a mirror held up at an angle. Behind the modern lives on screen is a society discovering what happens when one half of an arrangement changes and the other half does not.

The question worth asking is not why Indian women are postponing marriage and children. It is whether our homes and our workplaces changed when their lives did.

The writer is an entrepreneur and columnist. He is a director at Verda.ai and MriKal, and tweets as @pravinikaushal.

100 Years Ago



Front page of The Statesman dated 04 Sept. 1926

OCCASIONAL NOTE

THE air-mail service to India has been talked of for so long that it comes almost as a shock to learn that the stage of discussion has passed and that within a few months an actual service will be in operation between Cairo and Karachi. This route will save five days so far as the mails to Karachi and the Punjab are concerned. Another day is to be saved as the result of a new aeroplane service between London and Marseilles. But Karachi is nearly twenty-four hours further by train from Calcutta than Bombay, so that the total saving for this side of India will be only five days. That, however, is very much worth the while. Whether the passenger service will be all that the promoters anticipate remains to be seen. From this side of India the railway journey to Karachi is a very wearisome business and Bombay people would rather, we think, step on board a man steamer at once than make the involved journey by train to the Sind port, even though they lost a day or two in consequence. Fares have to be considered, too. The fact that so many big liners carry passengers from Calcutta all the way by sea and that all the passengers from the mail boats do not get off at Marseilles but prefer to be landed at Tilbury is sufficient proof that speed is not the only consideration so far as travel between India and Europe is concerned.

News Items

PEACE OPPORTUNITY

MR. COOK'S OPTIMISTIC VIEW

As the result of the conference with the Government, Mr. A. J. Cook has made the following hopeful statement: "We have arrived at a stage when it is possible to secure a negotiated settlement provided the Government and ourselves are prepared to grasp the opportunity. I strongly favour advancing definite proposals, and I hope the Miners' Committee will advance such proposals, thus enabling the Government to bring the two sides together. The statement is characterised by friendliness to the Government, Mr. Cook declaring: — "There are some Ministers who want the struggle ended in an honourable way without leaving a legacy of bitterness and unrest." —Reuter.

CEMENTING LINKS OF EMPIRE

INDIA AT CANADIAN EXHIBITION

Sir T. Vijayaraghavachariar, the representative of India, opened the Canadian National Exhibition to-day. There were many thousands of spectators including a parade of 7,000 war veterans in uniform. In a stirring speech he stressed the spirit of loyalty within the Empire, the solidarity of which would be developed under a policy of allowing the Dominions autonomous development, according to individual needs and desires. He urged closer trade relations between Canada and India, and referred to the necessity of cementing the links of Empire throughout the overseas dominions. "The majority of my people believe that the true destiny of their country lies in co-operation with the British Empire." Referring to his impressions of Canada, the Dewan Bahadur remarked on Canada's great industrial advance through hydro-electric power, and said he had arranged for a Canadian engineer to go to India with him for the purpose of developing water-power. In conclusion he referred to the common sacrifices and heroism of the Dominions in the Great War and declared "India would do it again." He was given a great ovation. A feature of the opening formalities was the presentation to the Lieutenant-Governor of Quebec of a topcoat made in a neighbouring city during the morning from wool clipped at daybreak. The wool was woven into cloth, and the coat was finished and brought to Toronto by aeroplane within ten hours. —Reuter.

India Post could rejuvenate rural India

GAUTAM BHATTACHARYA

The functioning of post offices in India has silently undergone significant transformations over the last couple of years. One notable change which is intriguing the public is the merger of the historic Registered Post service into Speed Post, alongside the rollout of two premium, time-definite offerings - '24 Speed Post' and '48 Speed Post' - across six major metropolitan cities, Delhi, Mumbai, Chennai, Kolkata, Bengaluru, and Hyderabad.

When India Post first introduced Speed Post on 1 August 1986, the service was confined to a restricted booking and delivery network operating on an assured D+2 (Day of Posting + 2 days) standard. However, by the first decade of the 21st century, as post offices were integrated into a Wide Area Network (WAN), Speed Post booking and delivery became nearly universal. Around the same time, real-time tracking became the global industry norm, prompting India Post to introduce tracking features for Registered Post as well.

This technological parity erased the qualitative differences between Registered Post and Speed Post, leading to their eventual consolidation. Today, while standard Speed Post is considered to be a universal service which can be availed anywhere in India, 24 Speed Post and 48 Speed Post operate as premium, guaranteed alternatives within a dedicated network. The concept of Registered Post - which guarantees addressee-specific delivery as opposed to standard, address-specific Speed Post - now

survives exclusively as a value-added feature under the Speed Post framework.

Old-timers may recall that a little more than three decades ago, India Post introduced the 'Metro Channel' - a mail delivery service that guaranteed next-day delivery for ordinary household mail between six major metropolitan cities. Postcards, inland letters, and envelopes dropped into the blue-coloured street letterboxes in the morning were delivered at their destinations the following morning, while those posted after the cut-off hours arrived the next afternoon.

The newly launched '24 Speed Post' appears to be a reincarnation of that classic Metro Channel. The primary difference is that users must now pay a premium - though it remains much cheaper compared to the major private couriers (for retail users) - in exchange for a secured, money-back guarantee if the post office fails to meet its deadline. For this premium service, deliveries are fulfilled even on Sundays and public holidays, protected by secure OTP verification. This enhanced security and holiday distribution have truly become the new threshold for industry standards nationwide.

Enhanced security for self-booking, transit, and delivery has been made possible through a major digital transformation initiative launched by the Department of Posts in 2025, known as Advanced Postal Technology (India Post IT 2.0). Backed by an investment of Rs 5,785 crore, the system replaced legacy infrastructure with an indigenously developed, cloud-native architecture hosted on the government's Megh Raj 2.0 Cloud platform.

The new technology integrates dynamic QR code scanning to allow

users to pay for postal services seamlessly via UPI. It enables retail and bulk customers to handle self-booking, select available time slots for pick-up, and complete digital payments. Customers can download and print generated shipping labels directly onto their packages, keeping them ready for pick-up by the designated Beat Postman. Automated SMS notifications are triggered at every milestone - from pick-up to sorting, dispatch, subsequent handling at sorting hubs and transit points, right up to final delivery.

In spite of India Post's strides to strengthen its technological infrastructure, there is hardly any indication of market share of Speed Post rising up. The organisation's financial health over the years indicates no improvement. Private commercial giants like DHL Express, FedEx and UPS command the high-value time definite global express market. India Post is yet to make any dent in that segment. The post office network of Dak Ghar Niryat Kendras (Export Post Offices) primarily target MSMEs needing cost-effective, non-time-critical global parcel shipping.

India Post recently introduced DIGIPIN, a 10-character alphanumeric digital postal index number. Based on latitude and longitude coordinates, DIGIPIN divides the country into a uniform 4x4-metre grid and identifies exact digital address for every physical location of the country. This infrastructure facilitates precise last-mile delivery within vast complexes like shipping ports, major railway stations, airports, and warehouse hubs. Consequently, it significantly streamlines operations for logistics service providers and e-commerce platforms.



However, the long-term effectiveness of DIGIPIN hinges on India Post's capability to educate and drive user adoption. To date, no visible public awareness campaigns have been seen to promote this initiative, or otherwise DIGIPIN could be an effective tool in House-listing in the current Census operations. Can DIGIPIN be a source of earning for India Post? The answer is 'No'. The geo-coded addressing system developed by a government department for public use can't be monopolised under copyright law.

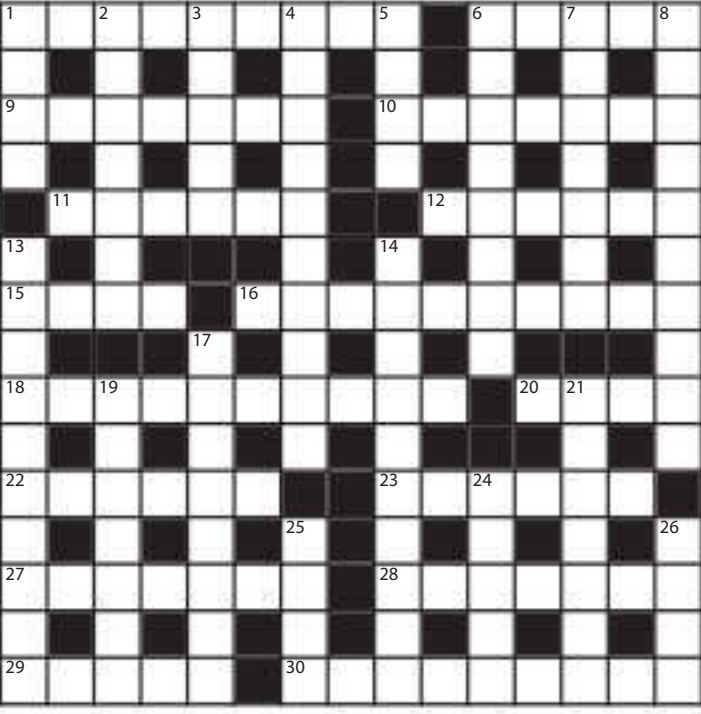
Some countries earlier developed a digital addressing system similar to India's DIGIPIN. However, India Post's DIGIPIN is unique because it is an entirely public, open sourced and native geospatial network. Google Maps is not open sourced; though publicly accessible for anyone to use via web-browsers and mobile apps, it's a proprietary item owned by Google. DIGIPIN lays the foundation for accurate parcel drops at designated spots laying the critical groundwork for autonomous drone deliveries in future.

Regarding the financial health of India Post, a notable highlight is the recent turnaround of India Post Payments Bank (IPPB) - a fully owned public sector undertaking set up under the Department of Posts in 2018. IPPB has recorded a net profit of Rs 134 crore. This may appear to be a paltry sum, but it is important that the bank has made the turnaround by leveraging the vast network of 1.65 lakh post offices to enable low-cost customer acquisition and high transaction volumes in rural areas.

Recognized for leading the industry in doorstep, bio-authenticated rural withdrawals, the IPPB generated its primary revenue by routing central and state government subsidy disbursements direct to the account of the beneficiaries, which currently average Rs 45,000 crore annually. The synergy of IPPB and post office can go a long way in strengthening rural financial infrastructure of the nation, not directly measurable in terms of profitability.

The writer is a former civil servant, and an independent commentator on socio-economic issues and public policies.

Crossword | No. 293571



Yesterday's Solution



ACROSS

1 Outlaw experiencing life as a bird? (5,4)

6 Silly craze recalled fairly heartlessly (5)

9 Children behaving wildly in vehicle (7)

10 Scoundrels accommodating remote depressive states (7)

11 Plan that is a recurring idea, but not initially (6)

12 Wolf, evasive, returning to back of butte (6)

15 Cumbrian river valley last to take prime position (4)

16 Offering temptation, friend embraces university lecturer bearing sign of being married (10)

18 Staff harbouring a fugitive? That's cuckoo! (10)

20 A delightful thing recalled in story (4)

22 Tense character in Macbeth making sudden movement (6)

23 Measurements of length, the very thing adopted by Baden-Powell's groups (6)

27 Runs a decrepit hotel, home to vermin (7)

28 French verse form, right-hand page with Auden's translation (7)

29 Offers to cage rook or rooks? (5)

30 A bit of sense, holding back my number, concealing identity (9)

DOWN

1 Popular music, something often encountered at the seaside (4)

2 Woman to briefly boil eggs, at the outset (7)

3 Definitely not cancelling women's public talk (5)

4 British, in playing golf, say, mostly not going well (2,3,5)

5 Avoid love (4)

6 Day off upheld in European Parliament? That's a bloomer (8)

7 Hide bit of wood around new section of course? (7)

8 Sure injecting drug into damaged artery is history (10)

13 Perhaps film-star's hot - bother getting upset about skill (5-5)

14 Senior figure in boat group's upset about failure in race (10)

17 Endless complaint about one supporting account? I am surprised! (8)

19 A first: corps replaced by Australian pilot (7)

21 Old style trade ruined company (3,4)

24 Notes brought in to purchase rabbit (5)

25 Hindu festival? Some time later (4)

26 Annoys German aboard vehicle (4)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with The Independent, London)

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Editor's
TAKE

Overshoot: The climate warning

The United Nations' stark warning comes as climate disasters linked to the melting Himalayas are causing an immediate human and regional security crisis

This week, the United Nations delivered a verdict scientists have long feared but stopped short of declaring outright: the 1.5°C ceiling set by the Paris Agreement will be breached “within the next few years,” not decades. The UN Environment Programme's first “overshoot” report does not ask how to avoid crossing that line - it assumes we already have, and asks instead how briefly and how narrowly the world can stand on the other side. Secretary-General António Guterres called it what it is: humanity, he said, is “speeding past the limit to avoid climate catastrophe.”

That the world can still return below 1.5°C by the end of the century, as the report insists, is true. That doing so now requires halving emissions by 2035 and hauling billions of tonnes of carbon back out of the sky - after a decade of broken promises since Paris - is the harder headline.

Nepal did not need a UN report to know this. As UNEP's scientists finalised their charts, rescuers in Rasuwa were still pulling bodies from mud left by a glacier collapse that sent flash floods down the Bhotekoshi-Trishuli river system on August 26. Nepal's death toll has crossed 1,100; nearly 4,500 people remain missing across Nepal and Tibet; a newly forming lake threatens to repeat the flood that burst from the first one. Reporting since suggests warning signs were visible before the glacier gave way.

This is not an abstraction. This is overshoot with a body count. India cannot watch from a distance. The Bhotekoshi feeds into the Trishuli, the Narayani and the Gandak - the river system that put Bihar and Uttar Pradesh on flood alert, and that reportedly carried some of Nepal's dead across the border into India. But Delhi does not need its neighbour's tragedy to see its own risk. Germanwatch's 2026 Climate Risk Index places India ninth among nations hit hardest by extreme weather over three decades - 80,000 dead, a billion affected and \$170 billion lost. Government data shows extreme weather struck India on 99 per cent of days in 2025 alone. One independent study projects that eight in 10 Indians will face high exposure to extreme events by 2036 - a decade away, not a century.

The way forward runs on two tracks, and India must walk both. Globally, it means using whatever leverage remains - at climate negotiations and beyond - to push for the emissions cuts and finance that make a short, shallow overshoot possible rather than a long, brutal one. Regionally, it means what Nepal's tragedy has made urgent: real-time glacial and river monitoring shared across the Himalayas, joint early-warning systems with Nepal and China, and hard investment in floodplain and mountain infrastructure at home - before the next warning is missed, not after.

The situation is grave, but not irretrievable. The UN's own report insists 1.5°C remains recoverable if action starts now. But it is grave enough that India, sitting downstream of a melting Himalaya and inside the world's most climate-battered belt, cannot afford to treat this as someone else's emergency.

India's steel sector and decarbonisation

India's new greenhouse gas emission intensity targets for the iron and steel sector mark a significant step towards industrial decarbonisation. The facility-specific approach recognises technological diversity, while robust monitoring, financial support and stronger compliance will be crucial for success

GOPAL K SARANGI, SUHANI YADAV AND SHUBHI GOEL

There are compelling reasons why the iron and steel sector has become a critical experimental ground for India's compliance carbon market. The steel sector constitutes a critical sector of importance to the economy and positions India as the second-largest crude steel producer globally. Importantly, the steel sector is under policy scrutiny due to its heavy dependence on coal-based production routes and the energy-intensive nature of ironmaking. High carbon intensity has put the sector under stress in the emerging context of global environmental trade measures such as the Carbon Border Adjustment Mechanism (CBAM). Given the strategic importance of India's steel exports, decarbonisation of the steel industry is no longer a policy choice but an implementation necessity for its business viability. The challenge, therefore, is not whether India should produce more steel, but how it can produce more steel with progressively lower emissions.

GEI targets for the iron and steel industry under CCTS

In this context, the recent notification of the emission intensity targets for the iron and steel industry under India's Carbon Credit Trading Scheme (CCTS) merits a deeper examination of its emissions implications for such a critical sector. Greenhouse gas emission intensity (GEI) targets, built on the mechanism of emissions per tonne of equivalent product, are very much in alignment with the developmental aspirations of the country. This strategic approach is designed considering the economic reality of India's developmental trajectory, where absolute emissions reduction could jeopardise the much-needed industrial expansion of the country. An intensity-based approach instead seeks to improve the carbon efficiency of every additional tonne of steel produced, allowing economic development and climate action to advance simultaneously. The framework, therefore, attempts to reconcile two objectives that are often portrayed as competing priorities: sustaining industrial growth while steadily reducing the carbon footprint of production.

The inherent design principles of GEI for the iron and steel sector, based on the facility-specific emission intensity targets, appear to be fitting to the sectoral context, characterised by a large degree of heterogeneity in many operational aspects. India's steel industry is far from homogeneous in its use of technology, fuel and other critical aspects of functioning. Integrated blast furnace-basic oxygen furnace plants, coal and gas-based direct reduced iron (DRI) units, electric arc furnaces (EAFs), induction furnaces, ferro-alloy producers, and rolling mills differ substantially in their production routes, energy sources, raw materials and



AS INDUSTRIES ADAPT TO EMISSIONS REPORTING AND INTENSITY TARGETS, FUTURE COMPLIANCE CYCLES ARE LIKELY TO INTRODUCE MORE AMBITIOUS BENCHMARKS, BROADER SECTORAL COVERAGE, AND A MORE ACTIVE MARKET FOR CARBON CREDIT CERTIFICATES

Gopal Krishna Sarangi is Associate Professor, Department of Policy and Management Studies, TERI School of Advanced Studies. Suhani Yadav is a researcher, Parijata Earth Foundation, New Delhi, and Shubhi Goel is the Founder and CEO, Parijata Earth Foundation, New Delhi

emissions profiles. Hence, applying a uniform emissions benchmark across such diverse technologies would impose a disproportionate compliance burden on facilities. Facility-specific targets instead recognise technological diversity and firm-specific heterogeneities while ensuring that every facility contributes to the sector's decarbonisation journey according to its operational realities. By bringing 255 obligated entities under the CCTS, the government is extending the compliance framework across a substantial share of India's steel sector rather than limiting it to a pilot initiative. Collectively, these facilities account for approximately 149 million tonnes of equivalent product output and 359 million tonnes of CO₂-equivalent baseline GHG emissions based on FY 2023-24 data. According to the proposed targets, the framework could deliver an estimated 20 million tonnes of CO₂-equivalent emissions reductions by FY 2026-27, representing roughly a 5.6 per cent production-weighted improvement in emission intensity. More importantly, the notification marks the gradual evolution of India's industrial climate policy in tune with the overarching goal of 'Viksit Bharat' by 2047.

MRV becomes the key

The real innovation, however, lies not in the numbers themselves but in the institutional architecture governing the GEI. Effective carbon markets are built on trust in reliable and credible emissions data. Facility-specific baselines, transparent methodologies, and robust measurement, reporting and verification (MRV) systems form the foundation of any credible emissions trading mechanism. Without them, carbon credits risk becoming accounting exercises rather than drivers of genuine emissions reductions. Establishing consistent MRV systems across hundreds of facilities with diverse technologies and operational practices will require institutional capacity-building, integration of

digital reporting systems, development of technical expertise, independent third-party verification, and strong regulatory oversight.

Beyond domestic policy, the notified GEI targets carry important international implications. Export-oriented industries are facing growing pressure from investors, multinational buyers, and regulators to demonstrate transparent carbon accounting and measurable emissions reductions. Besides, mechanisms such as the European Union's CBAM indicate that carbon intensity will increasingly shape access to global markets. Improving emissions performance is therefore becoming an economic necessity rather than merely an environmental responsibility. The facility-specific GEI targets, while offering considerable flexibility and reflecting the operational realities of sectoral emissions, could create distinctive impacts for the MSME sector. Many small and medium-sized facilities may face higher compliance costs associated with emissions monitoring, reporting systems, process improvements, and technology upgrades. Without complementary measures such as technical assistance, capacity-building programmes, and targeted financial support, the transition risks widening the competitiveness gap within the sector. Ensuring that decarbonisation remains inclusive will therefore be essential to the long-term success of the framework.

The GEI targets should also be viewed as the beginning rather than the culmination of India's carbon market journey. As industries adapt to emissions reporting and intensity targets, future compliance cycles are likely to introduce more ambitious benchmarks, broader sectoral coverage, and a more active market for Carbon Credit Certificates. The credibility established during this initial phase will therefore determine the effectiveness of future market expansion and India's ability to position carbon markets as a central pillar of industrial climate policy.

This Teacher's Day, give teachers their time back



SAKSHI SETHI

2ND OPINION

Every few months, schools seem to discover something new that instructors must do: a fresh report, another portal, photographs from an activity, updated data, responses to messages and much more. Individually, each request sounds perfectly reasonable. Collectively, they are quietly changing the profession.

With Teacher's Day approaching, educators are frequently honoured as foundational mentors who guide future generations. Nonetheless, a more crucial question is how much of their daily time is genuinely allocated to teaching. A regular school day is a never-ending balancing act for teachers. A teacher walks between classes while juggling a slew of obligations, including tracking a troublesome pupil, remembering an ill child, grading notebooks or assignments, com-

pleting reports and notifying parents. Even the regular lunch break rarely provides relaxation. Instead, teachers use this time to help children, monitor corridors and playgrounds, manage playground conflicts and organise future activities. By the time these immediate responsibilities are completed, the break is over and the next bell rings. The unopened lunch box merely demonstrates a common systemic issue: the belief that a teacher's time is endless. Technological improvements have hastened this expectation.

Although parent communication and administrative efficiency are critical, the convenience of digital messaging has created an expectation of a fast response. As a result, professional responsibilities extend well beyond dismissal. Furthermore, the modern emphasis on compliance paperwork has reached a crucial point where documenting educational achievements actively undermines their delivery. It is teachers who photograph activities, upload evidence, maintain records and prepare reports. Yet some of the most important work in a classroom is precisely what cannot be photographed. Nobody documents the moment when a teacher notices that a normally talkative child has become unusually quiet.

There is no portal entry for the extra explanation that prevents a ten-year-old from deciding, 'I am bad at maths.' No photograph captures a teacher choosing to correct a child privately because public embarrassment

might stay with the child longer than the mistake. These are small decisions. They are also education.

This is why teacher wellbeing should not be treated merely as a workplace benefit. A teacher's attention is part of a child's learning environment. So are patience, preparation and emotional energy. When these are constantly fragmented, the cost does not remain in the staffroom. It eventually reaches the classroom. This is not an argument against accountability. Teachers must be accountable. Parents deserve communication. Schools require systems and records.

However, successful systems should allow teachers to teach more effectively rather than making them busier proving that they have taught.

Perhaps this Teacher's Day, we should avoid expecting teachers to do more. Instead, school officials, policymakers and even parents might address a more difficult question: Which aspects of a teacher's workload truly benefit a child's education, and which have just become routines that we no longer question?

While presents, flowers and speeches on September 5 are well-deserved, the most effective way to thank a teacher is to give them the time and mental peace they need to focus on their children.

The writer is an educator and a counsellor

LETTERS TO THE EDITOR

SCO summit: India's uncertain win

Apologies of the editorial, “SCO Summit: A Win for India in Bishkek” (*The Pioneer*, September 3), the summit cannot yet be described unequivocally as a win for India or other participating nations. Its long-term consequences will become clear only with time. The editorial's concluding observation that “what New Delhi does with it will decide whether this was a turning point or one more ritual repeated on schedule” rightly captures the uncertainty. The larger questions before the international community remain peaceful coexistence, human values and improved living standards. Global groupings such as the G20, G7, Quad, BRICS, NATO and the European Union often appear more focused on national interests than on addressing these concerns. Major powers, including Russia, China and the United States, continue to pursue competing strategic interests.

India, too, needs greater clarity, consistency and diplomatic foresight. Its distinguished role in the Non-Aligned Movement under Jawaharlal Nehru remains a reminder of the influence principled diplomacy can bring. The government must also address questions of accountability over intelligence failures and terrorism. As John C. Maxwell aptly observed, “A leader is one who knows the way, goes the way and shows the way.

PK SHARMS | PUNJAB

US green card queue tightens

Indian professionals face fresh uncertainty in the US green-card queue, with the State Department warning that the employment-based EB-1 category could become unavailable within weeks because of heavy demand. In its September Visa Bulletin, the State Department said demand from applicants chargeable to India could exhaust the country's EB-1 allocation before the US fiscal year ends on September 30. For September, the EB-1 India final action date is October 15, 2022. If the allocation is exhausted, the category could become unavailable until additional visa numbers become available under the applicable annual limits. The situation is even tighter in EB-2, which covers professionals with advanced degrees and people of exceptional ability. EB-2 India remains unavailable in September, after also being listed as unavailable in August.

The EB-3 queue is also heavily backlogged. India's EB-3 final action date is January 1, 2014, leaving many applicants waiting more than 12 years for their priority dates to become current.

The latest warning highlights the intense pressure on Indian applicants, driven by high demand and statutory limits on employment-based immigrant visas.

G DAVID MILTON | MARUTHANCODE

Teachers deserve our highest respect

Every year, we celebrate Teachers' Day on September 5 to honour the revered status of the guru in our lives.

This reminds me of a personal experience shared by one of my relatives, who was a teacher and later retired as a principal. He once said that he used to visit the district collector to teach his son.

One day, when he reached the collector's bungalow, he noticed the collector walking around the lawn while his son was sitting there. On seeing my relative, the collector rushed to open the gate, took his bicycle and placed it in its proper place.

Surprised by the gesture, my relative hesitantly asked, “Sir, what are you doing?” The collector softly replied, “Sir, I am a collector today because of the guidance of teachers like you. I also never want my growing son to believe that his father holds a higher position in society than his teacher. He must always respect you.”

Such examples truly celebrate the contribution of teachers to our lives and careers.

Former President S Radhakrishnan, whose birthday falls on September 5, similarly believed that teachers should be remembered for their contribution to shaping our personalities, values and future.

SUNIL OKHADE | INDORE

Daiv Vani

WISDOM FOR A MEANINGFUL LIFE

The Unlikely Journey of a Birth

Krishna - Teacher, Guide and the one most revered as God in our tradition did not arrive into the world the way we might expect greatness to begin. Consider the strangeness of the story before we even reach the Gita's teachings. A child born in a prison cell, in the dead of night, to parents who could not keep him, facing the possibility of death the moment he was born. Carried across a flooding river in secrecy, raised far from where he began, in a home that was never meant to be his. For people like us, such a start would raise doubts, not hope. We understand its greatness only later, when extraordinary work begins with something even less than ordinary circumstances. And yet, from that uncertain, displaced start came the Teacher who gave Humanity one of its most complete philosophies of living - The Bhagavad Gita, a life manual still read and leaned on, thousands of years later, on battlefields far removed from Kurukshetra.

Perhaps that is the real miracle of Janmashtami - greatness arriving not through comfort, but through displacement and uncertainty. If your own beginning felt uncertain or far from where you imagined that is never a proof that greatness isn't still possible. Sometimes, it's the very journey it takes.

Happy Krishna Janmashtami!

-DAIV

The green advantage: Why sustainability could decide the future of India’s MSMEs

Given the scale and contribution of the MSME sector, the sustainability of India’s growth will depend, in no small measure, on the sustainability of its small businesses. The green transition is undoubtedly a challenge, but it is also one of the great industrial opportunities of the next decade



SHISHIR PRIYADARSHI

Then, just before confirming the order, the European buyer sent a new set of questions. What was the carbon footprint of the product? How much renewable energy did the company use? Could it trace its raw materials? How was its waste managed? The company had no ready answers.

There was nothing wrong with its product, quality, price point or delivery record. Yet, for the first time, none of these seemed sufficient. The company had not suddenly become less efficient, but the rules of competition had simply changed. Versions of this story are likely to become increasingly common. For millions of Indian MSMEs, sustainability is moving from the margins of business strategy towards its centre. Increasingly, in global supply chains, the evolving question is whether they can produce responsibly, transparently and sustainably. This is not merely an environmental issue. India’s MSME sector is simply too important to be left behind. MSMEs account for over 30 per cent of India’s GDP, around 35 per cent of manufacturing and close to half of the country’s exports. The green transition of Indian MSMEs is therefore not a niche sustainability agenda. It is a question about the competitiveness of a substantial part of the Indian economy.

From obligation to business strategy

The biggest mistake would be to present sustainability to an MSME as yet another cost of doing business. If approached purely as compliance, it will inevitably look like a burden. A small enterprise operating on narrow margins may have to collect new data, change processes, or invest in equipment. It is therefore understandable that entrepreneurs ask: where is the return?

A more important question is: what is the cost of not becoming more sustainable? For an MSME, sustainability can mean very practical things: using less electricity, reducing material waste, using water more efficiently, improving logistics, reducing packaging and adopting cleaner technologies. These are not merely environmental improvements; they are improvements in productivity. Every kilowatt of energy saved reduces operating costs. Every kilogram of material wasted represents money spent without generating revenue. The green transition is therefore also an efficiency transition.

This is where the conversation needs to change. Sustainability should not be sold to Indian MSMEs primarily as an act of environmental virtue, but as a strategy for becoming a better business. When companies eliminate waste, improve resource productivity and redesign production processes, they reduce emissions while lowering costs and strengthening competitiveness. The choice is not between growth and sustainability. It is between old models of growth and a more efficient model of growth suited to future markets.

The new passport to global markets

For decades, Indian exporters competed on a familiar formula: price, quality and delivery. But a fourth dimension is becoming increasingly important: sustainability and traceability. Global buyers increasingly demand transparency regarding raw materials, energy sources, carbon footprints and labour standards. For Indian MSMEs, this represents both a risk and an extraordinary opportunity. Enterprises failing to meet evolving sustainability standards risk exclusion from high-value supply chains as buyers tighten requirements. This may not happen overnight. But as buyers tighten their standards, suppliers unable to demonstrate credible sustainability performance could lose business to those that can.

That matters enormously for India, whose development strategy increasingly depends on manufacturing and exports. But there is also a significant opportunity. Indian MSMEs are already highly competitive in engineering, textiles, pharmaceuticals, food processing, electronics and a range of other sectors. If these enterprises can become more resource-efficient, transparent and sustainable, they can position themselves for the next genera-

For fifteen years, a small engineering company in Pune had done everything right. It supplied precision components to a European buyer on time, met exacting quality standards, and remained competitive on price. The relationship was strong, and the next purchase order seemed routine.



tion of global supply chains. Ultimately, sustainability is no longer a separate environmental agenda — it is becoming a core export strategy. Global commerce has evolved from asking, ‘Can you make it cheaply and reliably?’ to ‘Can you make it responsibly, transparently and sustainably?’ The MSME that learns to answer that question early could gain a significant first-mover advantage — access to premium markets, global supply chains and longer-term relationships with major buyers. Waiting until compliance becomes mandatory, expensive and urgent is rarely a good business strategy.

Making sustainability affordable

There is, however, a genuine concern. If sustainability becomes synonymous with complex reporting, expensive consultants and layers of compliance, it could create a new competitive barrier—one that large corporations can cross much more easily than smaller enterprises.

Indian MSMEs need ESG intelligence

A small enterprise should not have to produce a 200-page sustainability report. It should be able to answer simple questions: How much energy am I consuming? How much water? How much material am I wasting? Where are my biggest inefficiencies? What do my customers expect? Which improvements will save me money? The objective should be simple, affordable and actionable tools that help MSMEs make better business decisions rather than generate more paperwork.

Technology can increasingly make this possible. Digital energy-management systems, emissions calculators, supply-chain platforms and resource-efficiency tools can bring capabilities once available only to large companies within the reach of smaller enterprises. But technology alone will not be enough. India needs an ecosystem involving government, industry associations, financial institutions, technology providers and large corporations.

Government can establish common standards, simplified measurement frameworks and sector-specific templates. Financial institutions must provide affordable green finance to help smaller companies invest in energy-efficient equipment, while large companies must help build greener supply chains through technical expertise, common standards, transition periods, and access to finance and technology. Sustainability should not become another barrier to entry. It should become a ladder helping Indian MSMEs climb into higher-value domestic and global supply chains.

The race to 2030 starts now

For an MSME wondering where to begin, the starting point need not be complicated. First, measure energy, water and material waste, as it is impossible to manage what cannot be measured. Second, identify key inefficiencies where environmental performance and economics overlap. Third, set measurable targets for energy reduction, waste minimisation and renewable adoption. Fourth, engage with buyers to understand upcoming sustainability expectations. Finally, invest in data-driven digital tools and AI to optimise operations.

India’s journey towards Viksit Bharat requires rapid economic growth, but also growth that is more efficient, resilient and globally competitive. Given the scale of the MSME sector, the sustainability of India’s growth will depend significantly on the sustainability of its small businesses. The green transition is one of the great industrial opportunities of the next decade. The Indian MSMEs that lead in 2030 may not be those that simply produce more cheaply. They are likely to be those that produce better, cleaner, smarter and more sustainably.

That is the real competitive advantage the green transition can create. The question for Indian MSMEs, therefore, is not whether they can afford sustainability. The real question is whether, in the markets of tomorrow, they can afford to be without it.

The writer is the President of the Chintan Research Foundation

The NE’s drug menace needs a coordinated war



SABIR NISHAT

transported towards Assam through the Imphal-Jiribam National Highway. Preliminary assessment suggests that Cachar and Sribhumí were being used as transit corridors for moving narcotics towards mainland India.

Assam Chief Minister Himanta Biswa Sarma recently highlighted the changing nature of the trafficking routes. Speaking to the press in New Delhi on Wednesday (August 26), he said drug traffickers were constantly looking for new corridors to move contraband.

“For a long time, drugs were coming through Moreh. Now a new corridor has emerged from Myanmar through Changlang to Tinsukia,” Sarma said. He also pointed to the earlier use of the Mizoram-Myanmar and Manipur-Myanmar routes, while noting that the Arunachal Pradesh-Myanmar border had not previously emerged as a major route for narcotics. This changing pattern should concern policymakers. A successful operation can disrupt a particular route, but it does not necessarily dismantle the network behind it. The Northeast, therefore, needs to be viewed not as a collection of separate state-level drug markets and routes, but as a single interconnected trafficking ecosystem.

The latest seizure comes amid a series of significant narcotics recoveries in Assam in recent weeks. Earlier this month, Guwahati Police seized 1.4 lakh Yaba tablets and 10 packets of heroin, collectively valued at around ₹39.4 crore, from a truck near the city’s Inter-State Bus Terminal. Two persons were arrested. Cachar has also witnessed repeated seizures. On August 21, police recovered around 70,000 suspected Yaba tablets weighing about 7.6 kg from a rented premises in South Krishnapur and arrested two brothers. The Narcotics Control Bureau has also recently reviewed the seizure of 80,000 Yaba tablets in Sribhumí, along with other major drug cases in Assam. Taken together, these seizures indicate both the scale of the challenge and the growing importance of Assam as a transit state.

The response now needs to go beyond individual seizures and arrests. Assam, Manipur, Mizoram, Nagaland, Arunachal Pradesh, Tripura and other northeastern states must work within a common anti-narcotics framework, with the Centre and central enforcement agencies providing institutional and technological support. Information about a suspected consignment intercepted in one state should immediately reach police and enforcement agencies in neighbouring states. Similarly, details of known traffickers, vehicles, financiers, safe houses and distribution networks should be shared through a secure, real-time intelligence mechanism. A permanent Northeast anti-narcotics coordination mechanism could bring together state police forces, the Narcotics Control Bureau, DRI, Assam Rifles, the Army, border-guarding forces and other relevant agencies. Such a mechanism should maintain an integrated intelligence grid, identify emerging routes, track repeat offenders and coordinate operations that cross state boundaries.

The emphasis also needs to shift from simply recovering drugs to dismantling the financial infrastructure that sustains trafficking. Every major consignment involves money: financing, procurement, transportation, payments to couriers, local distribution and the laundering of proceeds.

Significantly, Guwahati itself hosted the two-day BRICS Heads of Anti-Drug Agencies Meeting on July 6-7, 2026, bringing the international dimension of the narcotics challenge directly to the Northeast. The summit concluded with the adoption of the Guwahati Declaration, committing member nations to deeper operational cooperation and joint action against organised transnational drug crime. The declaration underscored the importance of timely intelligence sharing, stronger operational cooperation, technology-driven enforcement and coordinated efforts against emerging threats, including synthetic drugs and new psychoactive substances. The significance of the meeting goes beyond its diplomatic symbolism. Drug trafficking is inherently transnational. A consignment can originate in one country, cross several borders, pass through multiple states and eventually reach consumers thousands of kilometres away. No single police force or country can effectively tackle such networks alone.

The Guwahati Declaration should therefore translate into practical mechanisms for information exchange, joint investigations, capacity-building and coordinated action against trafficking syndicates. For the Northeast, this international cooperation is particularly important because of the region’s proximity to Myanmar and the wider Golden Triangle, one of the world’s major areas associated with illicit drug production and trafficking. At the same time, enforcement alone cannot win the war against drugs. Every seizure prevents a quantity of narcotics from reaching the market, but the demand that sustains trafficking must also be addressed. Governments need to strengthen awareness programmes, particularly among young people, while ensuring accessible treatment, rehabilitation and reintegration services for those affected by substance dependence. Schools, colleges, families, civil society organisations and local communities must become partners in prevention. Communities located along vulnerable border and transit areas can also play an important role in identifying suspicious activity and supporting law enforcement. The objective should be to create an environment in which traffickers find it increasingly difficult to operate while vulnerable individuals have access to support before addiction becomes entrenched.

The Northeast’s strategic location has made it vulnerable to international trafficking networks. But the same geography can also make it India’s first line of defence against the narcotics trade.

The ₹168-crore Yaba seizure in Cachar should therefore be treated as a call for a larger, coordinated response. The repeated movement of large consignments through the region shows that the challenge is systemic and cannot be addressed by isolated operations. The Centre and the northeastern states need a unified action plan combining intelligence sharing, coordinated enforcement, financial investigations, border surveillance, technology and prevention. The message from the BRICS meeting in Guwahati is equally relevant at the regional level: criminal networks do not respect borders, and neither should the cooperation of those fighting them.



The writer is Deputy Director, Assam Information Centre, New Delhi



SHARMILA DAS

description. Yoga must make us flexible, strong, slim, toned, youthful and, preferably, photogenic. The more complicated the posture, the more impressive the photograph. If one can fold oneself into an improbable shape while standing on a mountain at sunrise, the internet is suitably impressed.

There is nothing wrong with being strong or flexible. There is certainly nothing wrong with looking after the body. But perhaps we have become so occupied with what the body can do that we have forgotten to ask what the body is trying to tell us.

And that is where Yoga becomes interesting. Because the body does not always ask for another workout. Sometimes it asks us to stop. Sometimes it asks us to breathe.

Sometimes it asks for movement after hours of sitting still. Sometimes it asks for rest after weeks of pushing too hard. Sometimes it tells us, quite unmistakably, that something is not right, and we respond by telling it to try harder.

We are remarkably demanding employers of our

Nobody told us that Yoga would one day become so interested in our six-pack.

Some where along the way, a practice that has existed for thousands of years acquired a rather modern job

own bodies. We tell our legs to walk farther, our backs to sit straighter, our muscles to become stronger, our weight to go down, our heart rate to go up and our minds to remain productive through all of it. We count steps, calories, repetitions, minutes and milestones.

But how often do we simply notice?

After years of teaching Yoga, I have watched people arrive on a mat with very different bodies and very different stories. One person may be looking for strength. Another may be trying to recover movement. Someone else may simply be exhausted. There are those who arrive because their doctor suggested movement, those who arrive because life has become overwhelming, and those who arrive because somewhere inside they know they have stopped listening to themselves. The mat does something rather extraordinary to all of them. It removes the audience. There is no competition with the person on the next mat. There is no prize for reaching the floor first. The body does not care how beautiful the posture looks. It only knows whether it is comfortable, uncomfortable, tense, relaxed, balanced or struggling. And gradually, the practice changes. The question moves from, “Can I do this posture?” to, “What is happening while I am doing it?” That is a profound shift. Yoga does not necessarily ask us to make the body obey the mind. It invites a conversation between the two.

A posture becomes less about achievement and more about awareness. A stretch becomes less about how far we can go and more about whether we can recognise the point at which



enough is enough. Balance becomes an experience rather than an Instagram-worthy accomplishment.

And sometimes, wonderfully, we wobble. We fall out of the posture.

We begin again.

Perhaps that is one of Yoga’s quietest lessons: the body does not have to perform perfectly for the practice to be valuable. The modern world, however, has become very fond of performance. We measure almost everything. Fitness has numbers. Sleep has numbers. Exercise has numbers. Progress has numbers. Even relaxation seems to require a score.

Yoga offers a rather inconvenient alternative. Awareness cannot always be measured. Neither can peace. Nor can the quality of a breath that arrives just when we need it.

This is why the real transformation of Yoga may have very little to do with whether we can touch our toes. Perhaps the person who learns to breathe calmly before responding to an angry

email has practised more Yoga that day than the person who has performed the most spectacular posture. Perhaps the person who recognises fatigue and rests instead of pushing through it has understood something essential.

Perhaps the person who notices that the shoulders have been clenched all morning and consciously releases them has already begun to change a habit that the body had been carrying silently. The body is constantly communicating. Tightness, ease, fatigue, energy, discomfort, steadiness and restlessness are all forms of information. We do not have to obey every sensation. Nor should every discomfort be interpreted dramatically. But we can learn to listen before we react.

That may be one of Yoga’s greatest gifts. It teaches us to replace command with conversation, and conversation requires attention.

This is also why Yoga can be so different from the pursuit of a six-pack. The six-pack is visible. Awareness is not. Muscle can be photographed. A calmer nervous system cannot. Flexibility can be demonstrated. The ability to remain composed when life becomes difficult is much harder to display. Yet perhaps those invisible changes are the ones that stay with us longest.

A Yoga practice may begin with the body, but it need not end there.

We stretch the body and discover patience. We hold a posture and discover resistance. We lose balance and discover humility.

We breathe and discover that we have been holding our breath through more of life than we realised. We become still and discover how noisy

the mind has been. None of these lessons requires a perfect body. In fact, perhaps Yoga becomes most meaningful when we stop asking whether our body looks like someone else’s and begin asking whether we are inhabiting our own body with greater awareness. There will always be another posture to master, another degree of flexibility to achieve and another fitness goal to pursue. There is nothing inherently wrong with any of them.

But perhaps they are not the destination.

Perhaps the real practice is learning to recognise what our body needs and having the wisdom to respond. Because the body is not a machine that exists merely to carry us through an endless list of tasks.

It is our oldest companion.

It has been with us through every celebration, every disappointment, every hurried morning, every sleepless night, every journey and every quiet moment we barely noticed.

Maybe it has been speaking all along.

Yoga simply teaches us to listen.

And perhaps the next time we step onto the mat, instead of asking, “How much more can I make my body do?” we could ask a gentler question: “What is my body asking me for today?”

The answer may not be another exercise.

It may be a breath. A stretch. A pause. A little patience. Or simply the permission to be exactly where we are. And perhaps that is where Yoga begins, not when the body performs, but when we finally listen.

The writer is a trained Sivananda Yoga teacher

What if your body isn’t asking you to exercise?

The Tribune

ESTABLISHED IN 1881

Quick commerce

It's imperative to sustain the momentum

INDIA's e-commerce economy is entering a decisive phase. According to research consultancy Infusum's report 'Smart Growth in a Fast Market', the sector is projected to nearly treble from \$125 billion in 2024 to \$345 billion by 2030. This scale of expansion is impressive, but its sustainability will matter as much as its pace. Quick commerce is emerging as a key engine of growth. Its networks have reached over 475 cities, indicating that rapid delivery is no longer confined to the metros. The shift is also demographic and geographic. GenZ accounts for nearly one-third of online shoppers and is expected to become the largest digital spending cohort by the end of this decade. The next wave of e-commerce will depend increasingly on smaller cities, local preferences, vernacular content and affordable logistics.

Competition is intensifying. Blinkit leads the market, followed by Zepto and Swiggy Instamart. Newer entrants and established retailers are expanding their dark-store footprint, making efficiency and profitability increasingly important. Technology could further reshape the sector. Artificial intelligence (AI) and machine learning are expected to significantly improve retail productivity, while AI shopping assistants, conversational commerce and virtual try-ons could alter how consumers discover products.

However, growth cannot be measured only in terms of orders, stores or delivery times. Regulatory requirements and profitability pressures remain serious concerns. The rapid expansion of the gig economy also raises questions about worker protection and social security. India should welcome the e-commerce opportunity, but not pursue growth at any cost. The real test of this boom will be whether businesses can combine technological innovation and consumer convenience with sustainable economics, responsible employment practices and broader access. A flourishing market's foundations should be as strong as its ambitions.

Ayushman arrears

Haryana govt must clear hospital dues

A health insurance scheme meant to protect the poor cannot be sustained by making hospitals wait months for their money. The Haryana government must recognise this fundamental contradiction in the continuing dispute over Ayushman Bharat payments. Private hospitals affiliated with the scheme have protested against what the Indian Medical Association says are dues of around Rs 1,200 crore pending with nearly 650 hospitals for more than six months. The one-day suspension of Ayushman services on September 1 was described as symbolic, but the warning of an indefinite stoppage from September 16 should not be dismissed.

The government maintains that Ayushman services remained largely unaffected, with thousands of claims being processed during the protest. That may be reassuring in the immediate term, but it does not address the underlying problem. Haryana has expanded health-care coverage through Ayushman Bharat and its CHI-RAYU scheme, making private hospitals an important part of the delivery network. But this partnership cannot work if reimbursements are unpredictable. A large hospital may have the financial muscle to carry receivables for months; smaller hospitals cannot. Their withdrawal from the scheme would disproportionately hurt patients in smaller towns who have fewer alternatives.

The government is justified in scrutinising claims, particularly where documentation is incomplete or fraudulent billing is suspected. But it must separate legitimate claims from disputed ones. It should clear undisputed dues immediately, provide written reasons for deductions or rejections and create a time-bound mechanism for appeals. Most importantly, the state must end the cycle of protest, assurance and renewed arrears. A cashless scheme cannot run indefinitely on credit from those who provide the care. The ultimate measure of Ayushman Bharat is whether a poor patient can walk into an empanelled hospital without money and receive treatment with dignity.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, SATURDAY, SEPTEMBER 4, 1926

Christians and communal representation

THE Indian Christians as a community have always opposed communal representation as such, whether in the legislatures or in the services. In their address of welcome to the Viceroy they have maintained that attitude, and they definitely state that they have set their face against any practice which would still further divide the voters along communal interests. As to the extension of this pernicious system to the public services, they observe: "We regret that the extension of the principle of communal representation to the public services has also been accepted. We would urge upon Your Excellency that merit should constitute the main condition for admission to, as well as promotion in, government service. In the case of the backward classes, in the opinion of our community, it is incumbent on the government to provide those educational facilities which will enable their members to compete on equal terms. To us the efficiency and purity of the public services are a guarantee that the humblest of His Majesty's subjects in India can continue to live without let or hindrance, and we express the hope that a high standard, irrespective of communal considerations, will be preserved." No one who is not blinded by communal fanaticism and has the good of the country at heart will dispute that this is the only correct and proper attitude to adopt with regard to the public services. All that the "backward" communities can reasonably claim is that they will have full opportunity to compete on equal terms with other communities.

OPINION

The case for jurists as judges

Constitutional mandate for appointments should not remain unused



SANJAY HEGDE
SENIOR ADVOCATE, SUPREME COURT

IN the autumn of 1947, a quiet Indian civil servant went choosing ideas for a Constitution. BN Rau, constitutional adviser to the Constituent Assembly, sailed to America. In Washington, he called on Justice Felix Frankfurter, who told him to keep "due process of law" out of the Indian Constitution. Rau carried the warning home. Article 21 speaks instead of procedure established by law.

We remember the advice. We have forgotten what the man himself was. Frankfurter taught at Harvard from 1914 to 1939, and had never been a judge of anything when US President Franklin D Roosevelt sent him to the highest court in America. The man India's constitutional adviser consulted about a Supreme Court was a law professor.

Two years later, the Constituent Assembly wrote him into our text without knowing it. On May 24, 1949, HV Kamath moved an amendment to draft Article 103, to give the President a third door: Ambedkar accepted it, but he was unsure whether "distinguished" or "eminent" was the better word, and he left the choice to the Drafting Committee. The Committee kept "distinguished". That clause is now Article 124(3)(c). A citizen who is, in the President's opinion, a distinguished jurist may be appointed to the Supreme Court. However, nobody has ever been so appointed.

Justice Ujjal Bhuyan of the Supreme Court said so recently at the convocation of National Law University, Delhi. He called it one of our Constitution's unused mandates. Either the Collegium finds our academia



ROUTE : As per the Constitution, a "distinguished jurist" may be appointed to the Supreme Court by the President. ANI

too shallow, he said, or nobody has tried. He dismissed as shallow the objection that scholars lack practical experience.

We filled the Court from two pools instead: High Court judges by seniority, and advocates from the Bar. That second route opened later. SM Sikri, Advocate General of Punjab, came directly from the Bar in February 1964. Subimal Chandra Roy followed in 1971, then Kuldip Singh, Santosh Hegde, Rohinton Nariman, UU Lalit, L Nageswara Rao, Indu Malhotra, PS Narasimha and KV Viswanathan. Justice V Mohana, sworn in this June, is the eleventh. Eleven in seventy-six years. Everyone else climbed the High Court ladder.

The ladder has always had loose rungs for the right person. TL Venkatarama Aiyar sat on the Madras High Court for under three years. He retired on his sixtieth birthday in 1953 and joined the Supreme Court six weeks later, as an advocate of long standing and not a judge of five years. VR Krishna Iyer left the Kerala High Court after three years for the Law Commission, and reached the Supreme Court from there in 1973. Both entered through

A court recruited from one pool thinks in one groove. It is slower to ask where a rule came from and whether it still deserves to stand.

clause (b), as appointments of a mind rather than of a queue. When the appointing power wanted a particular intelligence, it found a door. It has never wanted a professor.

It came close once. In the Justice PN Bhagwati years (Chief Justice of India in 1985-86), an American university addressed Prof Upendra Baxi as "Judge Baxi" in a seminar invitation. Justice Bhagwati had told them that Baxi would be on the Court within four months. Baxi's ver-

dict, decades later, was drier — Presidents had looked for a jurist through a telescope and found none, so jurists must not exist.

Four things keep the clause asleep. There is no nursery: Article 217 has no jurist clause, so nobody can be tried out on a High Court first. There is no mechanism: the Memorandum of Procedure knows only how to find judges and advocates. There is the arithmetic: a jurist appointed young sits long and disturbs the succession to the office of Chief Justice. And there is our own rulebook. We forbid our academics the courtroom, then disqualify them for never having been in one.

Age narrows the field cruelly. Judges retire at sixty-five, and the Court in practice takes nobody under fifty-five. Let's discuss a few names only for illustration, and I apologise to the many I have left out. The argument is for the search and not for these names alone. Upendra Baxi is eighty-seven. G Mohan Gopal and Amita Dhanda are also past the line. We simply lost them. At the other end stand scholars still too young. Sudhir Krishnaswamy, who wrote the standard study of the

Basic Structure Doctrine, is fifty-one. Aparna Chandra, Anup Surendranath and Tarunabh Khaitan, who work on the Court, the death penalty and discrimination law, are still younger. Their turn may come later, if at all, in the next decade.

One name sits inside the window between. Faizan Mustafa is nearly sixty. He has taught constitutional law for three decades and has built two national law universities. He would sit on the Court for around five years. That is the answer to the objection nobody states aloud. A jurist appointed at sixty-two can never enter the line for Chief Justice. A Collegium wishing to test the clause cheaply could begin here. In the late 1980s, the first woman judge of the Supreme Court, Justice Fathima Beevi, was similarly appointed for a term of less than three years.

The case for activating the distinguished jurist clause is not that scholars judge better. They may or may not. They judge differently. Frankfurter the professor became the great preacher of restraint. William O Douglas came from Yale and became the least restrained judge of his century. Lord Burrows moved from the Oxford chair of English law to the UK's Supreme Court in 2020, after twenty years of part-time judging.

England built a bridge but India built a wall. Some academics were fine judges while some were not. A directly appointed lawyer gave us *Kesavananda Bharati* (1973), and judges with seniority gave us *ADM Jabalpur* (1976). A court recruited from one pool thinks in one groove. It is slower to ask where a rule came from and whether it still deserves to stand.

Ambedkar's only worry was the adjective. Seventy-six years on, it has done no work at all. One appointment would not transform the Court. It would tell our law schools that scholarship leads somewhere. And it would remind the Court that when Rau wanted to know how to build a Supreme Court, he went to see a professor.

THOUGHT FOR THE DAY

Judges are no more than the mouth that pronounces the words of the law. — Montesquieu

Teachers on a mission

GURSHARAN SINGH

MORE than six decades ago, I was studying in Class VIII at a school in Hoshiarpur district of Punjab. Our teacher would spare time after school hours for an "extra class" to teach us mathematics and science. It was our good fortune that he did not charge us any money for this service; he simply demanded that we make serious efforts to excel in the examinations.

Teaching was a passion for him, and a good performance by his students gladdened him. I scored 100 per cent marks in mathematics and also fared quite well in science and other subjects.

This is not the story of just one teacher. Our headmaster wanted the school to make its presence felt in the matric exams. Many Class-X students, including my elder brother, had to cycle or walk to school from nearby villages; moreover, they had no electricity at home. So, a big hall was converted into living quarters for them to ensure that they optimally utilised their time for studies.

The headmaster would arrive on the campus at 4 am; the students were asked to get up early and have milk or tea before they settled down to study. The experiment was successful, and the class result exceeded expectations. Not even a paisa was charged for this endeavour; rather, sometimes refreshments were given free of cost.

Today, I am pained to see students going to tuition shops or coaching centres, where they have to pay hefty sums, putting a heavy burden on their parents. Much time is wasted commuting. The formal school is only a place to get oneself registered for the examinations. Wholehearted commitment to teaching is rarely witnessed.

Central and state governments seem helpless to curb the exploitation of students and parents. Quality education should be provided on the school campus itself. The education policy needs to be designed for this purpose; even a law can be enacted in this regard. Teaching shops must be closed. This will provide a huge relief both to the students and their parents, thereby rendering a great service to society.

Last but not least, teachers must be given adequate remuneration, be it in public or private schools. This will help in bringing out the best in them. Let us respect these nation-builders in both word and deed; merely celebrating Teachers' Day is not enough.

The writer is former Dean, PAU, Ludhiana

LETTERS TO THE EDITOR

Peace through strength

Apropos of "Tortuous journey of India-China talks", New Delhi must recognise two key maxims that drive Beijing's geopolitics: the Middle Kingdom wants to become the world's dominant superpower and wants to establish the 'one mountain cannot have two tigers' proverb as a geopolitical reality. It wants to confine India forever to South Asia through endless engagement on trivial issues. While India cannot match China's overall power, we must create military options to take the fight into Tibet at local levels. Simultaneously, New Delhi will have to dominate trade routes through the Indian Ocean. Our maxim should be: peace through strength.

MAJ GEN PUSHPENDRA SINGH (RETD), PANCHKULA

India's credible voice at BRICS

Apropos of 'Digital ambitions in a fractured BRICS', with the multilateral grouping of nations expanding its purview to accommodate diverse political systems and strategic interests, disagreements among members are inevitable. India's role should be to prevent geopolitical differences from overshadowing the organisation's core objectives. New Delhi must reinforce its image as a responsible, balanced and credible global voice. Strengthening cooperation in areas such as trade and investment, resilient supply chains, digital payments and technology can help members identify common ground. However, neutrality should not mean passivity.

VAIBHAV GOYAL, CHANDIGARH

Dialogue rather than obedience

With reference to 'When young Indians stop being afraid', the significance of the student protests at Jantar Mantar lay not in the immediate concern — the NEET paper leak, but in the deeper transformation of a generation learning to question authority. It is heartening to see a generation of young citizens willing to engage with constitutional issues. It signals a shift from passive citizenship to participatory democracy. Dialogue rather than obedience is the way forward. Such questioning, when responsible and informed, is not rebellion against democracy; it is democracy finding its voice.

SUNITA SIKRI, YAMUNANAGAR

Cooperation in critical minerals

Finance Minister Nirmala Sitharaman's meeting with US Treasury Secretary Scott Bessent to deepen cooperation in critical minerals is an important step towards strengthening India-US economic ties. For India, closer engagement with the US can help create reliable and diversified supply chains. At the same time, India must give equal priority to developing its own mineral resources. Faster exploration modern extraction techniques, efficient processing facilities and stronger recycling systems are necessary to build a self-reliant supply chain. Indian research institutions and industries should be encouraged to develop cost-effective technologies for recovering and processing these resources. Ministerial dialogue should therefore be translated into concrete projects and long-term agreements.

RUKMA SHARMA, JALANDHAR

Strong stand against terrorism

PM Modi delivered a strong message against terrorism at the SCO summit in Bishkek. He called for decisive action against countries that use terrorism as state policy. He advocated for the complete dismantling of the terror ecosystem, including terror financing networks, recruitment methods and providing safe havens for terrorists. He called for rejecting 'double standards' in the collective fight against terror, with his remarks directed squarely at Pakistan. The PM's message at the summit focused on uniting the member countries to take decisive action against nations that perpetrate terrorism.

RK ARORA, MOHALI

What children want

Refer to 'The invisible scissors and thread'; stay close to your children while they are still reaching for your attention. Deadlines, meetings and targets could make a child's voice sound like an interruption. The irony is that capitalism trains us to measure time in productivity while childhood measures it in moments of attention. Careers can demand long hours. Children can demand something far more finite: their parents' presence during the few years when they actively seek it.

HARSH PAWARIA, ROHTAK

The road West is narrowing to a toll lane



SUBIMAL BHATTACHARJEE
FORMER COUNTRY HEAD,
GENERAL DYNAMICS

TWO moves out of Washington this week have changed the arithmetic for India's software industry and the second one may hurt more than the first. On August 31, the US Department of Homeland Security (DHS) proposed a rule that would charge \$103,265 for every H-1B petition, subject to the annual cap of 85,000 visas, including the 20,000 set aside for holders of US master's degrees.

A few days earlier, the DHS had quietly revived a plan, now sitting on its 2026 regulatory agenda, to end work authorisation for certain spouses of H-1B holders. Neither is law yet. But the intent behind both is hard to miss.

Let us consider the fee first. H-1B visas used to cost somewhere between \$2,000 and \$5,000. Jumping to six figures

isn't a price increase; it's a barrier dressed up as a filing fee. The DHS says the rule would raise about \$8.8 billion a year, but that figure assumes 85,000 employers keep paying. They probably won't. When the administration tried a similar \$1,00,000 charge earlier, filings reportedly fell by nearly 90% and the government actually lost \$28 million in revenue. Its own lawyers told a court the fee was "arguably prohibitive" and did not raise money.

That version was struck down by a federal judge in June last. The DHS claims the new one rests on firmer legal ground, but it still has to survive a 30-day comment period and, almost certainly, another lawsuit.

For India, the exposure is enormous. Indian nationals took 71% of all H-1B approvals in fiscal 2024, some 2,83,397 of them. The industry those workers feed is worth roughly \$282.6 billion, with exports of about \$224.4 billion, and the US alone buys more than half of India's software services exports — around \$117 billion a year. Repriced the door to that market and the shock lands squarely in Bengaluru, Pune and Hyderabad.



INTENT : The exorbitant H-1B visa fee hike is a barrier dressed up as a filing fee. AI GENERATED IMAGE

New Delhi should stop treating skilled mobility as America's internal affair and put it on the table as a trade issue.

But the drift is clear, and one related change has already taken effect. Last October, the DHS scrapped the automatic 540-day extension that used to protect spouses waiting on a renewal, which means a slow processing queue can now push someone out of a job they already hold.

Indians are essentially the entire group affected. A Congressional Research Service study found that 93% of the 1,26,853 H-4 work permits

approved through late 2017 went to spouses from India. The reason is a structural trap: because of a 7% per-country cap on green cards, Indians wait longer than anyone, often decades.

The H-4 permit was the pressure valve that let a spouse, usually a woman with her own degree and career, work through that wait. Take it away and a two-income household becomes one, and the whole proposition of moving to America gets meaningfully worse.

One caveat cushions the big names. India's marquee firms sponsor fewer visas than people assume. Nasscom argues that all Indian IT companies together account for under 20% of approved H-1B visas, having already shifted towards hiring Americans and delivering work from home.

The real casualties are the mid-tier staffing shops and the individual engineer whose spouse can no longer earn. Add a lottery now tilted towards higher salaries and a proposed end to the grace period for laid-off workers and the pattern is obvious. The road West is narrowing to a toll lane.

So what should India do?

Two things.

Firstly, lean harder into the Global Capability Centre (GCC) model. Instead of shipping engineers and their families abroad, India can be where the work happens. It already holds about 58% of the global sourcing market, and the GCCs are among the fastest-growing parts of its tech economy. Steady tax rules, faster clearances and incentives to build in tier-2 cities could turn visa friction into domestic jobs. A career built in Hyderabad needs no permit from anyone.

And secondly, spread the risk. Leaning on one market that buys more than half your exports is the vulnerability. Europe already takes roughly a third of India's software services exports and the Gulf, Japan and Southeast Asia are barely tapped. New Delhi should also stop treating skilled mobility as America's internal affair and put it on the table as a trade issue, spouses' work rights included.

None of this is settled law. But the message behind it is settled enough. The country that built a \$224-billion export machine on easy access to the American office now has to build one that doesn't depend on it.

The Muslim 'Kavad Yatra'



SAEED SHERVANI
MUSLIM INTELLECTUAL AND
EX-BSP POLITICIAN

WE often hear that bad habits catch on quickly. On the auspicious occasion of Eid-un-Nabi, the birthday of the Prophet, I came across a procession: many flags, bearded men in skullcaps sitting on trucks, and *na'ats* (devotional poetry in praise of Prophet Muhammad) being played loudly.

This particular procession did not have a DJ, but I heard that in some places, there was dancing and DJ music as well. It made me wonder whether, slowly, we are seeing a Muslim version of the Kavad Yatra — not in terms of faith or tradition, of course, but in the manner of public display. Different uniforms, different songs and a different look, but increasingly, the same spectacle and the same inconvenience to the public.

Many may argue that the comparison is unfair: The Kavad Yatra stretches over weeks and affects highways and cities on a much larger scale, whereas an Eid procession may last only three or four hours. That is certainly true. But does the duration change the basic principle?

I have always been against religious processions on public roads that disrupt traffic and inconvenience ordinary people — whether they are Hindu, Muslim, Sikh, Christian or followers of any other faith.

Faith should be celebrated. Religious traditions should be respect-

ed and preserved. But why must every celebration become a procession on public roads?

Why cannot the faithful put up a tent in a designated place, play *na'ats*, hold religious programmes, distribute food to the poor and invite people to gather there? The occasion can still be celebrated with devotion, joy and dignity without blocking roads and disrupting the lives of thousands of people.

What worries me is this growing "they do it, so why shouldn't we?" syndrome. One community begins a particular form of public religious display. Others feel that they too must do the same. Gradually, devotion becomes a matter of showing numbers, noise and visibility. Religion begins to look

less like a matter of faith and more like a competition.

I have felt the same way about the Kavad Yatra for many years. The tradition should certainly continue, but surely it can be organised in a manner that preserves both faith and public convenience.

For example, a few devotees from each village could be given the honour of collecting the holy water, perhaps by rotation each year. They could bring it back to their nearest Shiva temple, where the entire village could participate in a proper religious ceremony. The tradition would continue. The faith would remain. The community would still celebrate. But our roads and highways would not have to remain blocked for long durations.

This principle should apply equally to every religion. The question, therefore, is not whether the government should stop people from practising their faith. It should not. The real question is whether those in authority have the political will to regulate religious activity equally and fairly.

Do they have the courage to stop this politics of religious appeasement — whichever religion is involved?

Do they have the guts to say that no religion should be given the right to inconvenience the public simply because politicians are afraid of offending its followers?

Religious occasions deserve dignity, sobriety, reflection, charity and fellowship. They should not become an excuse for noise, traffic disruption, public inconvenience and competitive displays of religious strength.

India does not need less religion. It needs more respect — for religion, and equally, for the rights and convenience of fellow citizens. Perhaps the real test of faith is not how loudly we proclaim it on the streets, but how quietly and sincerely we practise it.

The real question is whether those in power have the political will to regulate religious activity equally and fairly.

Punjab's definition of success



JAGDEEP SINGH
VC, PUNJABI UNIVERSITY

FOR generations, the Punjabi dream has had a familiar geography. It has pointed westwards. Canada, the US, Australia and other Western countries came to represent not only employment, but achievement, independence and social mobility. That aspiration has served Punjab well.

But the world around that aspiration is changing. A generation of young Punjabis and their families is being forced to reconsider what a successful future should look like. This need not become a crisis. It could become an opportunity for Punjab to broaden its definition of success. Going abroad should remain an opportunity. It should not remain our definition of opportunity.

That change begins at home. The decision to go abroad is rarely made by the youth alone. It is often a family aspiration. A promising career or business can sometimes appear less attractive than an uncertain opportunity overseas. We need to broaden that definition of achievement.

A young entrepreneur who employs ten people should command the same pride as a young person who secures a job abroad. Young people do not always need their parents to eliminate risk for them. Sometimes they need the freedom to experiment, fail, learn and try again.

Punjab already has many of the ingredients: universities and technical institutions, agricultural expertise, a strong SME base, skilled people and a global diaspora with capital, experience and professional networks. The Entrepreneurship Mind-

set Curriculum (an educational programme that teaches students practical business skills) in our universities and colleges is showing promising results.

The challenge is to connect these pieces. Programmes cannot stop at competitions, seminars and incubation centres. They must produce businesses that survive, create jobs and attract investment. Universities must give students room to explore entrepreneurship and research. Banks and investors must be willing to back promising founders, and industry must help connect good ideas to real markets.

At the same time, another opportunity is emerging. For years, Punjab's migration story was largely one-way. Punjab sent people abroad and received remittances in return.

Today, some members of the Punjabi diaspora are looking back towards Punjab as a place to return, invest, retire or raise their families. We should not exaggerate this into a mass movement. But neither should we ignore what it could represent.

We should view this not simply as reverse migration, but as a transfer of experience. A Punjabi returning from Toronto, Vancouver or Melbourne may bring knowledge of international markets, technology, management practices and professional networks. For years, we have measured the diaspora's relationship with Punjab largely through remittances, property and philanthropy. The next phase can be more ambitious.

Punjab should seek to bring back not only money, but intellectual capital. Imagine an entrepreneur in Punjab developing an agricultural technology product, a member of the diaspora providing market intelligence, another opening distribution channels in North America, and a university providing technical support. The diaspora becomes not merely a source of capital, but a bridge connecting Punjab's ideas with the world.

Rather than imitating the Silicon Valley, our greatest opportunities may lie in solving our own problems.

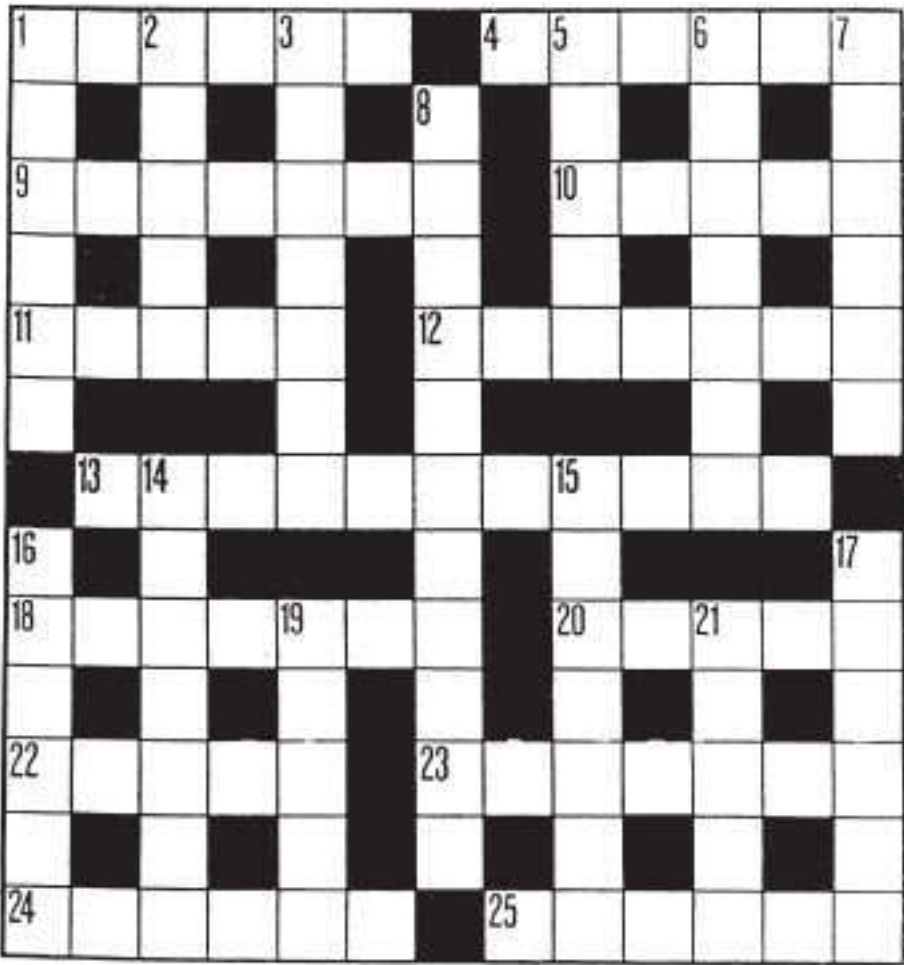
The objective should not simply be to create more startups. It should be to create enterprises that survive, grow and create meaningful employment. That is where the conversation about migration becomes a conversation about economic development.

The next chapter of Punjab's story may not be about how many young people leave the state. It may be about how many choose to stay, how many return, and how many build something here that the rest of the world wants. That would be a very different definition of progress, and perhaps a more meaningful one.

For full article, go to www.tribuneindia.com/opinion

A generation of young Punjabis and their families is being forced to reconsider their dream of a future abroad.

QUICK CROSSWORD



- ACROSS**
- 1 Number of votes cast (6)
 - 4 A summary (6)
 - 9 Bring ship to a stop (5,2)
 - 10 Bring about (5)
 - 11 Rapidity (5)
 - 12 A root vegetable (7)
 - 13 Be in full agreement (3,3,2,3)
 - 18 A heavy chopping tool (7)
 - 20 Exclude from admission (5)
 - 22 Confess (3,2)
 - 23 Absurd pretence (7)
 - 24 Showy but worthless (6)
 - 25 Dexteroes (6)
- DOWN**
- 1 Command (6)
 - 2 Allow to remain (5)
 - 3 Behind schedule (7)
 - 5 Be repeated (5)
 - 6 A pungent condiment (7)
 - 7 Grassy treeless plain (6)
 - 8 Decisive finishing stroke (4,2,5)
 - 14 In spite of that (4,3)
 - 15 Very experienced person (3,4)
 - 16 Approach and address (6)
 - 17 An ordained minister (6)
 - 19 A venomous snake (5)
 - 21 Well done! (5)

Yesterday's Solution

Across: 1 Lasting, 5 Stamp, 8 Creme de menthe, 9 Dogma, 10 Satiety, 11 Cutter, 12 Upward, 15 Affable, 17 Theme, 19 Stand out a mile, 20 Cadre, 21 Falsely.

Down: 1 Lucid, 2 Sleight of hand, 3 Iterate, 4 Grease, 5 Spent, 6 At the same time, 7 Pie-eyed, 11 Classic, 13 Pitfall, 14 Rebuff, 16 Budge, 18 Every.

SU DO KU



HARD
epaper.tribuneindia.com

FORECAST

YESTERDAY'S SOLUTION												
8	2	3	9	4	6	7	1	5				
1	9	4	3	7	5	8	6	2				
5	6	7	2	1	8	9	4	3				
4	1	6	5	8	7	3	2	9				
3	7	2	4	9	1	5	8	6				
6	8	5	1	2	3	4	9	7				
2	4	1	7	5	9	6	3	8				
7	3	9	8	6	4	2	5	1				

CALENDAR		
SEPTEMBER 4, 2026, FRIDAY		
■ Shaka Samvat	1948	
■ Bhadrabad Shaka	13	
■ Bhadrabad Parvishite	19	
■ Hijari	1448	
■ Krishna Paksha Tithi 8, up to 12:14 am		
■ Harshana Yoga up to 3:44 pm		
■ Rohini Nakshatra up to 11:05 am		
■ Moon in Taurus sign.		
■ Shri Krishna Janmashtami Vrat		

FORECAST		
SUNSET: FRIDAY 18:41 HRS		
SUNRISE: SATURDAY 06:01 HRS		
CITY	MAX	MIN
Chandigarh	34	25
New Delhi	32	26
Amritsar	34	25
Bathinda	35	25
Jalandhar	33	25
Ludhiana	34	25
Bhiwani	35	25
Hisar	37	26
Sirsa	35	25
Dharamsala	28	21
Manali	24	16
Shimla	22	16
Srinagar	27	19
Jammu	33	26
Kargil	28	13
Leh	26	12
Dehradun	28	21
Mussoorie	23	16

TEMPERATURE IN °C

INTERNATIONAL EDITORIALS



EDITORIAL

Wang Fuk Court flats deal clears way for recovery

With the first anniversary of the Tai Po fire less than three months away, Hong Kong's recovery from the disaster is making steady progress. Nearly all affected households have accepted the government's buyout offer, providing residents with a clear path towards rebuilding their lives. Meanwhile, the independent inquiry into the blaze is expected to table its report next month – an important step towards establishing accountability and ensuring that lessons are learned and acted upon.

The near-unanimous acceptance by Wang Fuk Court households of the HK\$7.8 billion buyout offer marks another milestone in handling the aftermath of the inferno that claimed 168 lives and displaced thousands of residents last November. Of the estate's 1,984 owners, 1,967 accepted the offer by the August 31 deadline, leaving only 17 outstanding cases.

The overwhelming 99.1 per cent response is an endorsement of the government's approach to help survivors rebuild their homes elsewhere. It also reflects a consensus among households that they should strive to move on, even as they await a fuller understanding of how their homes were wiped out in the city's worst high-rise building blaze and what must be done to prevent a recurrence.

Of course, no monetary offer can restore lives lost, erase the trauma of survivors or recreate the homes and neighbourly ties destroyed by the disaster. The residents have not forgotten what happened, nor should they be expected to. But most have decided that the practical path towards recovery lies in accepting the offer that enables them to start anew elsewhere.

The buy-back enables most owners to make new plans – whether it is to buy another home, opt for the special subsidised-housing arrangements, or simply put behind the months of agonising loss and uncertainty.

Their decision is also broadly in line with the wishes of society at large. Hong Kong people expect the authorities to handle a disaster of this magnitude with compassion, urgency and pragmatism. The outcome gives the government a clear basis to proceed with the next stage of recovery.

The 17 owners who did not accept the offer should not be dismissed as stubborn holdouts standing in the way of recovery. Given the different views and circumstances among the affected households, the offer was never expected to be taken up by all. Some owners may have accepted simply because the alternative – remaining in uncertainty while waiting for the legal process to run their course – was just more unbearable. Others who did not accept the deal may simply be too overwhelmed by their emotions to act. It is unfortunate that they missed the opportunity for an early conclusion to the resettlement issue, making it more challenging for them to move on.

The government could potentially trigger compulsory acquisition of the remaining flats by legislation. Whatever its next steps, it must proceed with sensitivity and transparency, offering the concerned homeowners a solution that is lawful, fair and reasonable.

Equally important are the pursuits of accountability and building and fire safety reforms. The questions of what went wrong and who should be held accountable are still weighing heavily on the minds of the survivors and the wider community. Answers are urgently needed, not just for the sake of justice, but also to hasten the necessary reforms to address and fix the systemic lapses that led to the fire.

The independent committee appointed by Chief Executive John Lee Ka-chiu must therefore proceed as quickly as possible. The family of those killed, injured residents and the wider public deserve a clear account of the circumstances that contributed to the disaster. Lee has rightly pledged to hold those responsible to account. Any individual, company or public body found to have breached legal obligations or failed in their responsibilities must answer for their failings through the appropriate channels.

The overwhelming acceptance of the flat buy-back is a positive step towards healing closure to this horrific episode. But it is only the first step. The tragedy can only be laid to rest when resettlement is resolved, justice is served, lessons are learned and institutional safeguards are strengthened.

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Post office must adapt to tough new normal

Regardless of which direction is chosen for the future of this financially strained service, any reductions in staffing must be done with sensitivity and transparency

The great debate about what to do with Hongkong Post has begun. There will be many twists and turns before we know the final outcome, but one thing is clear: it is vital to keep the staff on board at every step. We ultimately want to have an organisation of committed professionals running a world-class outfit. Early indications are that there could be problems.

We are here because of a sharp deterioration in the post office's financial position starting in 2017-18. A loss of more than HK\$100 million that year was followed by losses of over HK\$200 million in 2018-19 and more than HK\$300 million in 2019-20. Total losses in the past eight years amount to HK\$2.9 billion, and the Legislative Council recently approved a HK\$4.6 billion capital injection to cover the expense of maintaining the postal service's operations for the next three years while a review considers options for the long term.

This is a far cry from the heady days of 1995, when the post office was turned into a trading fund. That means it enjoyed more flexibility in business matters but had more responsibility for its overall financial situation.

The sudden swerve to substantial losses does not mean the original decision on trading fund status was wrong, but it is a reflection of the enormous changes in the operating environment in recent years.

Mail volumes everywhere have collapsed as people switch to email and other forms of electronic communication. Why bother with a long letter from home to a child studying overseas when you can make a free call on your mobile phone and see each other in the process?

The situation is still changing. In the past, the post office could count on substantial revenue from philatelic sales to offset shortfalls in other areas.

In the era of screens and electronic games, though, do children still collect stamps with the

same fervour of previous eras? Will this funding stream also fade in time?

Options being floated for the future include wholesale privatisation, corporatisation or reversion to normal government department status.

Notwithstanding the success of private courier firms in operating profitable businesses conveying small parcels and important documentation, I am not sure writing the government completely out of the script on postal services would ever be politically acceptable. For one, there is a need to maintain relationships with other postal jurisdictions, and that is a matter for the government.

Another way to improve post office finances is to charge appropriately for services

This leaves us with corporatisation or standard government department model. Whichever way we go, a measure of taxpayer support will be required, either to reflect the public service aspect of the corporation's work or standard expenditure estimates for a government department.

Regardless, all practicable means of running the services in the most commercially sensible way must be considered. That means cutting spending, boosting revenue or most likely a combination of the two.

Given that 65 per cent of Hongkong Post's spending is on staff costs, any meaningful reduction will require cuts in staffing. That will mean closing some existing post offices, starting with ones not frequently used. This

will not be popular, but it must be done. It is not the rental savings that will be critical but the cost of staffing a full-service outlet.

In essence, a postal operation comprises four elements: selling stamps to pay for future service, conveying posted envelopes safely to a sorting office, carefully sorting the mail, and delivering the sorted mail safely to addressees. Steps two to four need to be executed by vetted, reliable staff. Anybody can sell stamps, so in future most stamps should be sold via self-service vending machines or convenience store outlets. Only a few should be sold at fully staffed post offices, and these offices should be reduced to a bare minimum.

Another way to improve post office finances is to charge appropriately for services. Charging HK\$2.40 for local letter delivery is far below the actual cost. Moving quickly and steadily to HK\$5 with annual reviews thereafter would be a reasonable approach without causing serious social damage.

A programme along these lines would gradually restore the post office to financial health and reduce the burden on taxpayers of maintaining a reasonable service. However, the staff implications would require careful handling. Any reduction in overall numbers should be achieved by natural wastage, possibly supplemented by a voluntary redundancy scheme.

A recent episode sets an unfortunate example. Some officers had apparently been recruited on the understanding they would become permanent civil servants upon successful completion of their probation period. Now, they will be offered a limited-term contract with no guarantee of permanent status later.

The small cost savings of this manoeuvre are not worth the loss of trust. It might be legal, but it does not seem honourable. Is this what a good employer would do?

Mike Rowe is an independent commentator



Mike Rowe

Preserving nature prevents disasters

Every monsoon season, the Himalayan regions of Tibet and Nepal face the threat of recurring, destructive debris flows. These mud-and-rock avalanches are not purely random natural disasters. They stem from inherently fragile mountain geology, extreme terrain and unstable climatic conditions – risks steadily aggravated by human-induced environmental degradation and global warming.

The geological vulnerability comes from tectonic movement. As the Indian plate pushes northward into the Eurasian plate, the Himalayan bedrock remains permanently fractured and loose.

The 2015 Nepal earthquake worsened this fragility. Post-event satellite mapping recorded over 24,000 landslides across central and western Nepal. Importantly, most fractured hillsides did not collapse immediately. Seismic weakness lingers for years, turning routine monsoon rain into repeated debris-flow triggers.

Climate change has now become the most concerning accelerating factor. Intense monsoons with downpours saturate already fractured slopes, while rising temperatures speed up glacier retreat. This creates hundreds of unstable glacial lakes held together by weak natural embankments. Events such as the 2021 Sindhupalchowk flood and the 2025 Gylrong debris flow demonstrate how climate change is turning rare disasters into recurring threats.

Engineering measures help reduce harm. Controlled glacial lake drainage, slope stabilisation works, early-warning systems and careful land-use planning can shield

LETTERS

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communities from danger. Yet infrastructure can only mitigate damage; it cannot fix the root environmental and climatic drivers.

The clearest lesson from years of repeated Himalayan disasters is simple: sustained environmental protection is the most effective long-term defence.

Healthy mountain ecosystems stabilise slopes naturally through vegetation cover, root structures and soil retention. Deforestation, unregulated hill construction and ecological disturbance weaken this natural protection, leaving slopes vulnerable to collapse during heavy rain. Meanwhile, human-caused



Climate change is an accelerating factor in Himalayan disasters. Photo: AFP

global warming continues to destabilise glaciers, expanding high-risk glacial lakes year by year.

Protecting glacial forests, reinforcing mountain vegetation, limiting disruptive highland development and slowing global warming can reduce slope fragility and cut disaster frequency.

Engineering protects communities when hazards strike. But preserving nature prevents these disasters from happening in the first place.

P.L. Yuen, past president of the Hong Kong Institution of Engineers

Trump should learn from history

I refer to "Trump declares 'mission accomplished' in Iran as conflict drags on" (August 27). US President Donald Trump's delusional "mission accomplished" claim will have little or no credibility globally and at home in America.

On the contrary, for most observers, it is hard to see how his

threatening, bullying strategy of economic asphyxiation could succeed in defeating Iran.

History has some harsh lessons on the use of such aggressive economic strategies by nations to get what they want. In 1941, an allied embargo against Japan led by the United States to force Tokyo to abandon its imperial ambitions in Southeast Asia helped to trigger the attack on Pearl Harbor and the beginning of the Pacific War.

Trump and his supporters would be wise to be careful what they wish for in pursuing the strategy. In any case, it may be too late for this desperate strategy to succeed.

Terry Hewton, South Australia

Putin is unlikely to end Ukraine war

I refer to "Zelensky urges China to use its diplomatic weight to end Russia's war with Ukraine" (August 26).

In 1967, the Israeli politician Abba Eban said, "Men and nations behave wisely when they have exhausted all other resources." Obviously the latter may take years or even decades. Recall the Bosnian war (1992-1995), Iran-Iraq war (1980-1988) and the Vietnam war (1954-1975).

I can't imagine Russian President Vladimir Putin eating his leaf with a wry smile and signing a treaty now, when he has rejected peace talks. There may be a remote possibility of Volodymyr Zelensky sewing his case up if the Kremlin has a new leader. In the meantime, the Ukrainian president's appeals to China count for nothing.

Mergen Mongush, Moscow



Illustration: Henry Wong

China-Egypt drills are show of military reach

As recent exercises in the Arab country indicate, after decades of building economic interests abroad, Beijing is developing the ability to put military power behind them

China is beginning to match its economic presence abroad with the military reach required to operate across it. The clearest evidence came from Egypt. Chinese J-16 fighters flew there recently, supported by YU-20 tankers that refuelled them in the air. The Chinese jets are taking part in Egypt's "Eagles of Civilisation" alongside Egyptian Rafales and MIG-29s. This is the first time China has sent the jets to Africa, providing experience in moving a combat force across continents and operating with a major Arab military.

President Xi Jinping's visit to Egypt marks 70 years of diplomatic relations. Over those decades, ties have evolved from diplomacy and trade into infrastructure, technology and now military cooperation.

Chinese economic interests are deeply embedded around the Suez Canal. Chinese companies have established manufacturing and logistics operations, using Egypt as a production and distribution base linking their supply chains to European, African and Middle Eastern markets.

That footprint is still growing. Egyptian firms signed 12 export contracts worth US\$168 million with Chinese buyers last month. Beijing's investment in Egypt in the first half of 2026 is estimated at up to US\$2 billion, with much of the funds going into the expansion of existing projects.

Beijing has extended zero-tariff treatment to Egyptian goods, removing duties that had reached 30 per cent. Yet the commercial relationship remains asymmetric: Egypt's trade deficit with China exceeded US\$18 billion last year.

The stakes rise when China's economic footprint needs to be secured. Ports, factories, logistics networks and supply chains are exposed when instability disrupts access to them. The further Chinese interests extend, the more useful a military presence capable of reaching those regions becomes. The drill provided a glimpse of that capability.

For years, China's expanding global presence had been primarily commercial. Then, the Belt and Road Initiative built infrastructure, opened markets and established Chinese companies in strategic locations. The next stage is military reach to protect that economic presence, and Egypt shows what that transition can look like.

A similar pattern is emerging in technology. Huawei Technologies

has bid to build artificial intelligence (AI) data centres for the Egyptian government using Ascend chips, while Washington is trying to pull together a competing proposal involving Nvidia, Advanced Micro Devices and Microsoft.

Egypt's AI strategy aims to raise the gross domestic product contribution of its information and communications technology sector to 7.7 per cent by 2030, making access to American and Chinese technology suppliers part of a wider effort to build a technology industry. This also gives Cairo bargaining power over which companies gain a position in this strategic sector.

The Chinese presence is therefore extending across the sectors that matter to Beijing's long-term position in Egypt: manufacturing, logistics, technology and defence.

“
Cairo, however, is not building its ties with China at the expense of other partnerships

Cairo, however, is not building its ties with China at the expense of other partnerships. Egypt remains a major recipient of US military assistance and operates a mixed fleet of American, French and Russian aircraft. It has expanded relations with China, cultivated European and Gulf partners, and joined the Brics grouping.

Defence procurement reflects the same approach. Egypt has reportedly shown interest in China's J-10C as it diversifies its fighter fleet. The drills give Egyptian forces exposure to Chinese systems while Cairo continues to operate Western aircraft and maintain its defence relationships.

That gives both sides something they want. China gains access and operational experience in the Middle East and Africa. Egypt gains another military supplier and power with an interest in maintaining close ties. The same calculation extends into security policy. President Abdel Fattah el-Sisi declined to attend White House talks last year after US President

Donald Trump pressed his proposal to relocate Palestinians from Gaza. Egypt has also kept a distance from US military operations against the Houthis, despite the economic damage to the Suez Canal. The canal's revenues fell by 61 per cent in 2024 as attacks on Red Sea shipping diverted vessels away.

Cairo had a direct interest in restoring navigation and protecting the canal, yet its response was shaped by its assessment of what those interests required.

This is where China's growing presence becomes useful to Egypt. Chinese foreign direct investment can sit alongside American defence assistance. Chinese technology can compete with American tech. Chinese aircraft can train with Egyptian aircraft while Cairo keeps using Western systems.

For Washington, the calculation is more uncomfortable. Cairo only more credible alternatives to make American boldness more costly, and each additional supplier, investor or military partner gives Egypt more room to resist pressure from any one of them.

The implications extend globally. Washington and Beijing frame their rivalry around competing strategic camps. Cairo shows middle powers can keep both sides invested without giving either one exclusive influence, using the resulting competition to extract investment, technology, military capabilities and diplomatic leverage.

For China, the larger significance is the narrowing distance between its economic presence and its ability to project military power. Beijing, after decades of building economic interests abroad, is now developing the logistics, access and operational experience required to put military power behind those interests.

Egypt is where that transition is becoming visible as China's economic interests and military capabilities are beginning to connect. Cairo has an incentive to allow this because a more capable China gives Egypt another powerful relationship. The next geopolitical challenge will be how far China can extend this model, and how much military reach its global economic footprint can support and its rivals stand.

Mohamed Ibrahim Hafez is a researcher in the political economy of the Middle East and North Africa (MENA) at Nottingham Trent University. Sebastian Contín Trillo-Figueroa is a geopolitics analyst with a specialisation in EU-Asia relations



Mohamed Ibrahim Hafez & Sebastian Contín Trillo-Figueroa

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We invite stakeholders from all sectors to join us and share in the opportunities

How HK drives belt and road connectivity

The city is focused on fortifying ties related to infrastructure, standards, and people-to-people relationships

Recently, I joined Secretary for Commerce and Economic Development Algeron Yau Ying-wah in Malaysia for the official opening of the Hong Kong Economic and Trade Office in Kuala Lumpur. The occasion



Nicholas Ho

marked an elevation in the city's economic and trade ties with Malaysia and the broader Southeast Asian region. During the visit, Hong Kong's Belt and Road Office hosted a forum that brought government officials, business leaders and professionals together for substantive discussions – underscoring Hong Kong's practical role as a functional platform for Belt and Road Initiative cooperation.

The Belt and Road Office continues to coordinate efforts that strengthen “hard connectivity” in infrastructure, “soft connectivity” in rules and standards, and “people-to-people connectivity” with belt and road partner countries.

On hard connectivity, the Belt and Road Office engages the project authorities in partner countries and regions to build a structured cooperation platform. This platform identifies opportunities for Hong Kong companies and professional services to participate in both major and “small but beautiful” projects.

We also organise outbound missions that bring diverse sectors together to explore belt and road opportunities. In June this year, Chief Executive John Lee Ka-chiu led a business delegation to Kazakhstan and Uzbekistan, advancing Hong Kong's engagement with Central Asian economies. The visit yielded strong results, with 96 cooperation agreements and memorandums of understanding signed, covering projects valued at more than US\$1.65 billion.

The Belt and Road Office concluded memorandums with key institutions in both countries, laying solid groundwork for collaboration. We will encourage the relevant project authorities to conduct roadshows or release information in Hong Kong, enabling local enterprises to connect more precisely with these opportunities.

At the same time, we have brought major events from belt and road countries to Hong Kong. For instance, LEAP East, a premier global tech event, left the Middle East for the first time and chose Hong Kong as its host – positioning the city as a new international stage for technology exchange.

Soft connectivity in rules and standards serves as a vital pillar of high-quality belt and road cooperation. The Belt and Road Office has brought together more than 20 public organisations and institutions as Hong Kong belt and road capacity-building platforms. The platforms deliver training for personnel from partner countries across transport and logistics, financial services, legal services, development and construction, environment and ecology, innovation and technology, health and integrity. In doing so, the office facilitates the alignment of rules and standards and fosters understanding.

This April, we convened the Seminar on Belt and Road Capacity Building Platforms to strengthen collaboration among participating institutions, and share Hong Kong's governance experience and professional expertise.

People-to-people bonds form the foundation of genuine connectivity. We are building a shared belt and road talent pool. More than 6,000 students from belt and road countries are studying at Hong Kong's universities, and around 400 undertook internships in the city last summer.

On the cultural front, the Asia+ Festival runs from September to November each year, celebrating the cultural diversity of Asia, and belt and road countries. This year's event will bring together more than 30 countries and regions, and feature over 100 performances and activities. In parallel, major cultural exhibitions from Qatar and Egypt have been presented at the Hong Kong Palace Museum, while collaborations with Uzbekistan are advancing.

The Belt and Road Summit remains Hong Kong's flagship economic and trade platform for belt and road cooperation. The 10th edition last year drew 6,200 participants from more than 70 countries and regions, and facilitated cooperation agreements which, together with new projects and deals finalised before the summit, approached US\$1 billion in value.

The 11th Belt and Road Summit takes place on September 9-10 under the theme “Advancing High-Quality Development: Embarking on a New Journey”. For the first time, the programme will include a dedicated “Go Global Chapter”. The summit will also highlight opportunities in Central Asia and the Middle East, as well as emerging areas such as the low-altitude economy. Belt and road signature project sessions will continue, enabling precise matching between enterprises and projects. We invite stakeholders from all sectors to join us and share in the opportunities.

Hong Kong will continue to serve as both a “superconnector” and “super value-adder” between the mainland and the rest of the world. From delivering projects under hard connectivity, to aligning rules through soft connectivity, to bringing people closer through people-to-people bonds, Hong Kong is contributing our distinctive strengths – through practical action – to the building of a community with a shared future for mankind.

Nicholas Ho is Hong Kong's commissioner for belt and road

Taiwan is in need of a new deterrence strategy

With U.S. attention focused elsewhere, China's gray-zone pressure intensifies

TODD G. BUCHHOLZ
SAN DIEGO
PROJECT SYNDICATE

As the U.S.-Iran war threatens to ignite a worldwide energy crisis, another hotspot may come to a boil: Taiwan.

During a recent visit to Taipei, I didn't need to read Mandarin to spot the lead news story every day: another step in China's campaign to intimidate the island.

What once would have been deemed a crisis — People's Liberation Army aircraft crossing the Taiwan Strait's median line, PLA vessels and surveillance balloons pressing closer or Chinese authorities interrogating commercial ship captains — has become a daily ritual. For the Chinese government, this is a victory in itself. Constant gray-zone coercion is designed not only to frighten Taiwan but also to numb the rest of the world, making Taiwanese President Lai Ching-te sound like the tiresome boy who cried dragon.

Meanwhile, Chinese President Xi Jinping's strategy watch Hornum and study something even more valuable than naval frigates: American decision-making. How quickly does the United States respond to threats and attacks? How much political backlash can U.S. President Donald Trump tolerate? And how much economic pain are U.S. allies willing to bear? Every missile fired at Iran provides new information. Iran's mullahs, scoffing at incoming fire and defying conventional political logic, have inadvertently become China's defense research assistants.

But Taiwan is a different case. It's too valuable not to be vulnerable. The country dominates in semiconductors, accounting for 92% of the world's manufacturing capacity for the most advanced chips. If these factories shutter, the tremors will go far beyond Silicon Valley. Modern economies run on semiconductors, much like 19th-century economies depended on coal and whale oil. Without chips from Taiwan, refrigerators would stop cooling and traffic lights would stop working. We would witness crashes on trading floors and at road intersections.



A Taiwanese sailor adjusts the island's flag onboard ROCs Chang Chien ahead of the National Day celebration in Kaohsiung, Taiwan, in October 2021. REUTERS

systems, engineering talent, institutional knowledge and decades of collaboration cannot.

Economists call this moving up the value chain. I would also call it moving up the deterrence chain. Taiwanese leaders should call Palmer Luckey of Anduril and Alex Karp of Palantir for advice.

Equally important, Taiwan occupies an unusual position in Asia. Japan and South Korea have spent decades reopening and stitching closed the wounds of occupation. Taiwan is a regional player that neither side resents, making it a trusted intermediary — a rarity in global politics.

Rather than waiting for the U.S. to take the lead, Taiwan should establish a "Committee for the Defense of Freedom." This would be a practical institution devoted to defense technology and coordinated responses to economic coercion, not a formal military alliance requiring years of treaty negotiations, summit communiques and group photos in front of fancy hotels.

Eight centuries ago, the Hanseatic League connected independent cities around the Baltic and North Seas to share information and deter piracy. No emperor ordered them together; shared interests united them. Asian democracies need a 21st-century reboot — not to protect merchant ships from pirates, but to protect free societies from blackmail and invasion.

China has built artificial islands one dredge scoop at a time. Taiwan and its democratic partners can build deterrence in a similar fashion: one software platform, one intelligence agreement, one research partnership at a time.

Iran has been a practice test for the U.S. military and China's leaders have been peering over Trump's shoulder. Taiwan should not wait for the final exam. It should rewrite the syllabus.

Todd G. Buchholz, a former White House director of economic policy under U.S. President George H.W. Bush and managing director of the Tiger hedge fund, is the author of "New Ideas from Dead Economists" (Plume, 2021), "The Price of Prosperity" (Harper, 2016) and is the co-author of the musical "Glory Ride." © Project Syndicate, 2026

Decades ago, Kuwait and Saudi Arabia discovered that possessing the world's most valuable commodity was both a blessing and a glaring vulnerability. Oil made these kingdoms indispensable, putting a target on their backs. In 1990, Iraq's Saddam Hussein decided he could not resist trying to steal

an entire country. Taiwan faces a similar dilemma, because China knows precisely the prize it seeks.

Reining in China's designs on Taiwan requires a new kind of deterrence. Just as Saudi Arabia is spending trillions of dollars to be known as more than the world's

gas station, Taiwan must diversify. The country needs a second crown jewel to become indispensable to the democratic world. As I have recommended to Taiwanese officials, defense software offers the opportunity.

Future military advantage will depend

less on steel than on code: battlefield networking, AI, cybersecurity, logistics, communications and command-and-control software. While chip fabrication plants can be replicated — Taiwan Semiconductor Manufacturing Co. itself is in the process of expanding abroad — trusted software eco-

What's wrong with FIFA? Look beyond Infantino

MATTHEW BROOKER
BLOOMBERG

Gianni Infantino's recent capitulation looks like a textbook case of overreach by a leader unaccustomed to restraints on their power. The FIFA president's plan to sell a stake in a \$20 billion commercial vehicle to private investors unraveled in four days as a global backlash mounted and even close colleagues disowned the project. His own position is now in question. Anyone hoping that replacing the head will bring an end to recurring scandals is likely to be disappointed: What world soccer's governing body needs above all is structural change.

"We will restore the image of FIFA and the respect of FIFA, and everyone in the world will applaud us," Infantino said in 2016 after winning the presidency, going on to promise a new, transparent era for the organization. It's a statement that hasn't aged well. For many followers of the sport, what is most striking about Infantino's tenure is how little it has differed in style from that of his predecessor Sepp Blatter, who resigned and was subsequently banned after U.S. authorities arrested seven FIFA officials on racketeering, fraud and money laundering charges. There have been no comparable criminal scandals under Infantino's leadership, but his presidency has been characterized by the same imperial manner and the persistence of ethical and governance concerns.

Like Blatter and Joao Havelange before him, Infantino has increasingly behaved as if he is the personification of soccer. The most

visible example of that is the extraordinary 15-page message he posted on Instagram after the World Cup. The FIFA president gloated over the success of the tournament and repeatedly taunted those he called "haters," advising detractors who "missed all that joy and togetherness" to watch a soccer match. It doesn't seem to have occurred to Infantino that people could see and enjoy the games while simultaneously disapproving of him and his organization — nor that, rather than hatred, critics might be motivated by their love of the beautiful game.

Intolerance of adverse reporting — even over such obvious public-interest issues such as denial of visas or the bending of disciplinary rules to suit Donald Trump — are hallmarks of the autocrat, along with an inability to distinguish the interests of self from those of nation (the soccer nation, in this case). These signs of a bubble mentality explain how it was possible for Infantino to hatch a clandestine plan to sell a \$4.2 billion stake in FIFA's commercial interests to investors led by a family connection of Trump — with whom he has enjoyed a cozy relationship — without foreseeing the resulting tsunami of global outrage. Infantino didn't even involve his closest adviser. Those who live in echo chambers and reject the legitimacy of outside scrutiny aren't well placed to judge the mood beyond their immediate comfort zone.

What is it about FIFA that causes its top officials to trend toward this mode of leadership? Call it the "Animal Farm" syndrome. As in George Orwell's allegory, a new broom

may arrive with the best of intentions, but institutional power dynamics inevitably paint the new regime with the same hue as its predecessor. This has not been a sudden conversion for Infantino. By mid-2017, barely a year into his new era of alleged transparency, FIFA had ousted the heads of its ethics and governance committees; a year earlier, the chairman of the audit committee had resigned in protest at the executive giving its council the power to appoint and dismiss these supposedly independent watchdogs.

The root issue is a political structure that gives equal weight to each of FIFA's 211 constituent associations under a one-member, one-vote system. This may seem democratic; indeed, Infantino described his proposal, under which the proceeds of the stake sale would be distributed equally to all associations, as the "democratization" of soccer. From the perspective of many smaller and less developed footballing nations, this is fair. African players in Europe "contribute significantly economically in terms of TV viewership to the European leagues but how much of the revenue generated trickles down to the respective federations to grow the game?" as Rogers Byamukama, an executive with the Federation of Uganda Football Associations, told BBC radio. It's a reasonable complaint: The answer is almost nothing.

The trouble from a governance point of view is that this structure encourages the development and maintenance of patronage networks. FIFA's head can entrench support by directing money to the large number



FIFA President Gianni Infantino arrives for the World Cup 2026 final between Spain and Argentina in East Rutherford, New Jersey, on July 19. REUTERS

of small and underdeveloped associations. The leading soccer powers are too big to be bought; they are also grossly underrepresented in FIFA relative to their economic size and population. Germany, for example, with a population of 84 million and more than 2 million registered players, gets one vote; Montserrat, with a population of 4,300 — one vote.

The incentives embedded in this clientelist system have overwhelmed previous efforts at reform and shaped successive lead-

ers who've wound up behaving like quasi-sovereign dictators. It needs to be changed. Multiple parties have made serious proposals to reshape FIFA over the years. This need not mean ditching the one-association, one-vote structure, although weighed voting rights — as used in rugby — are worthy of consideration. What is critical is to curtail the patronage system. This can be done via objective and independently scrutinized funding formulas and by bringing underrepresented constituencies into the FIFA power

structure — such as from the women's game, players' unions and clubs.

Failing to capitalize on the momentum created by the current crisis would be a missed opportunity. To replace the FIFA president without changing the underlying system is only likely to result in an Infantino clone.

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EDITORIALS

In Lindsay Clancy story, don't forget the children who are no longer here

If you've gone to the grocery store lately, you may have found yourself forced to have an uncomfortable conversation with your kids. Tabloid magazines lining checkout aisles across Chicagoland tend to be at eye-level for youngsters. So odds are they've come across the Lindsay Clancy story.

Clancy is the mother at the center of a trial that has become something of a cultural phenomenon and a rallying cry for women across the country who identify in some way with her plight.

Before 2023, Clancy's life likely looked familiar to many suburban mothers around here. She and her husband, Patrick, shared a home in Duxbury, Massachusetts, not terribly far from Boston. With them lived their three young children.

Her story diverges on Jan. 24, 2023. That's the day she allegedly killed her children by strangling them to death in their basement with exercise bands.

Clancy reportedly cut her neck and wrists after committing this horrific act, then jumped from a second-story window. The fall left her paralyzed.

Clancy does not appear to have disputed that she killed her children. At issue in her trial is whether she can be held criminally responsible for doing so. Her attorneys argue that she was suffering from postpartum psychosis and lacked criminal responsibility; prosecutors contend that she deliberately planned the killings and understood what she was doing.

Before all of this took place, Clancy reportedly made multiple attempts to get help.

What are we supposed to do with this tragedy?

Some will reflect, some will pray, some will see it as a call for action and some will choose to ignore it.

But a growing number of women have taken the loose threads of the tragedy that played out in a coastal Boston suburb and have interwoven their own struggles with pregnancy, with birth, with postpartum, with the trials and tribulations of every day parenting that can feel lonely and isolating and underappreciated.

Society's fascination with



People rally in support of Lindsay Clancy on Aug 20 outside the Plymouth, Massachusetts, courthouse where Clancy is on trial in connection with the deaths of her three children. **JOSH REYNOLDS/AP**

the subjects of blockbuster trials, especially those involving murder in the home, is nothing new. But as this case has become amplified via social media, it has taken a dark turn.

Women have taken to posting videos of themselves crying while holding their children, crying while sitting and rocking in place. Some of the most disturbing trends feature mothers posting videos of themselves holding their small children with captions like "Same, Lindsay" or "Me too, Lindsay."

To write this off as an online phenomenon alone is inaccurate, because hundreds of women have been showing up to Clancy's trial, standing outside the Plymouth, Massachusetts, courthouse bearing signs emblazoned with slogans such as "Believe" and

"She Needed Help" and "Peace for Lindsay."

Some even bring their children. We wish to pause here to point out something obvious: You can — and should — absolutely have sympathy for women struggling with mental health issues. Whether or not you are a mother, you should be concerned about the insufficient attention paid to maternal mental health.

We do little as a society to prepare women for what may come once a baby arrives. Joy, yes, but shadows of darker things, of changes in their bodies and their hormones beyond their control that they may not understand.

The ways in which mothers suffer physically and mentally is very real. You may have had difficult pregnancies or compli-

cations during birth. The period after the baby arrived may have brought feelings of loneliness and despair that no one ever let on was possible. You may suffer silently at home.

All of this can be true. And yet we still must condemn the killing of children. Loudly and repeatedly.

We fear that this is where many of Clancy's supporters have lost the plot.

Lost in the fervor surrounding the trial are the alleged victims: 5-year-old Cora, 3-year-old Dawson and 8-month-old Callan. This is not a TV show, and the children strangled to death in a Massachusetts basement aren't child actors who will wake up at the end of the morally instructive scene.

If you feel the need to rally

behind someone who killed three kids, imagine explaining that urge to your children. Think of the words you'd need to use. Imagine their faces as you talk to them. Explain the nuance behind how you can cheer on Clancy while also harboring no urge to do them ill.

How would you feel if they then asked whether you'd ever hurt them? See if that doesn't throw some cold water on the whole thing.

If this trial struck a chord with you, by all means advocate for better postpartum care. Be honest about your own struggles, because you never know who you might help in doing so. Check in on anyone you know with little kids. Offer to help. Mean it.

But do not lose sight of three dead children.

As Cubs roll out rom-com, brawlers in the stands are spoiling the meet-cute vibes

On Friday, the Cubs will be in Miami to play the Marlins.

If the game starts to drag, fans will have the opportunity to tune into a 17-episode rom-com to be posted that day on the team's TikTok account called "Nine Innings to Love." The plot line centers on 20-somethings finding romance in the stands at Wrigley Field.

The production may not win any awards, but we expect the curiosity factor will be intense. And we salute the Cubs for this

creative way of marketing the singular Wrigley experience, which revolves around sunshine, beer and, yes, flirtation as much as it focuses on baseball. Heck, owner Tom Ricketts met his future wife in the bleachers way back when.

But of late the Wrigley bleachers experience has taken on a different sort of character.

One more akin to "Fight Club." There have been two brawls in the outfield stands in the past few weeks, the first involving several,

er, gentlemen during the Crosstown Classic with the White Sox on Aug. 17 and the second being more of a one-on-one bout just 12 days later during the Cubs' 17-5 drubbing of the Cincinnati Reds.

Perhaps there's another multi-episode Wrigley-focused drama crying out to be created. This one could be centered, say, on the life of a fan permanently banned from the park after fist-cuffs with a fellow attendee who insulted his family and his elaborate schemes to get back into

Wrigley to see his favorite team. The possibilities are legion.

The Cubs, of course, would want no part in that production, preferring naturally to accentuate the good vibes that permeate Wrigley Field the vast majority of the time — certainly during the many games we've attended over the years.

Even just general rowdy behavior has lessened in our experience over the past few decades, a period in which the Cubs have become more of a perennial contender

for postseason play instead of the "lovable losers" of lore.

So we're hopeful this rock-em-sock-em-robots era at Wrigley is short-lived and will be remembered simply as an aberration once this season is over. In the interest of fairness, we wish for the same on the other side of town at Rate Field, where a nasty fight erupted in the upper deck stands on Aug. 23.

They say all is fair in love and war. Let's stick to love at the ballpark.

ON THIS DAY 36 YEARS AGO BIG CITIES GET THE CENSUS BLUES

If Detroit needs a shoulder to cry on, it need look no farther than the City of Big Shoulders. Preliminary figures released by the Census Bureau say that Chicago and Detroit took the biggest population hits of the big cities during the 1980s, and that could translate into major political and financial losses.

The preliminary count of 2,725,979 Chicagoans is undoubtedly low, and the city will have to convince the Census Bureau that it should be higher. That's what it did in 1980. When the final 1990 count is reached, Chicago should be back around 3 million.

But it's aggravating for cities to have to protest their population counts, when federal aid and congressional and state legislative representation hinge on them. And it's not simply cities. Many of Chicago's suburbs, which also have a big financial stake, are scrambling to find residents that the census missed.

Some big-city officials think the undercount is a plot by

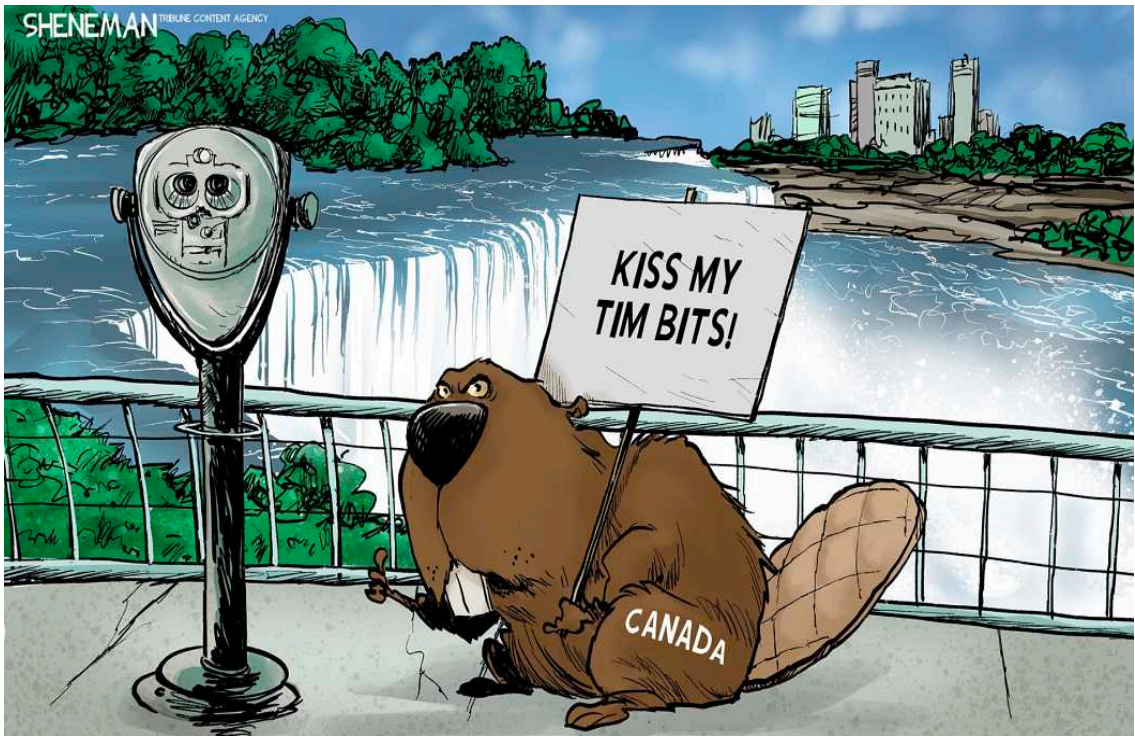
Republicans to diminish the influence of Democrats, who usually hold the urban congressional seats and the reins of big city government. It might just be that the census does a haphazard job of counting where counting is toughest, in neighborhoods where the population is densely packed and transient.

The census count has been shown to be somewhat capricious. In New York, there is a discrepancy of as many as 1 million people between the 1990 preliminary figure and the estimates made by the city and some outside experts. ... When the census is completed, no one will know how many thousands of people, and millions of dollars, escaped through the cracks. ...

The best hope for cities might be in a U.S. District Court judge's ruling that an adjustment to reflect the undercount of minority populations is valid. Chicago's among cities that brought the suit.

Tribune editorial board,
Sept. 3, 1990

EDITORIAL CARTOON



"TWO CAN PLAY AT THIS GAME. NIAGARA FALLS IS OFFICIALLY RENAMED TIM HORTON'S."

DREW SHENEMAN/TRIBUNE CONTENT AGENCY

OPINION

I worked on Hillary Clinton’s 2016 campaign. Abdul El-Sayed is repeating our biggest mistake

By Kaivan Shroff
SPECIAL TO THE TRIBUNE

“But her emails.”
It’s a callback to a 2016 sticking point during that year’s presidential campaign that refers to the email security practices of Democratic presidential candidate Hillary Clinton, in her previous capacity as the secretary of state. The outcry drew outsized media scrutiny, given all that was at stake in the election and the relative scandals Republican presidential candidate Donald Trump had brought to the table.

I worked on Clinton’s campaign. Today, as I watch Michigan Democratic U.S. Senate nominee Abdul El-Sayed respond to controversy surrounding leftist streamer Hasan Piker, I see the same mistake being made that our campaign made.

Across that cycle, evening newscasts of the three main networks gave roughly 100 minutes to Clinton’s emails and about 32 minutes combined to the policy positions of every candidate in the race. The Clinton campaign had published 65 policy fact sheets — an entire campaign policy book, which even included a plan for pandemics, and more than 112,000 words on Alzheimer’s research, Wall Street reform, criminal justice and just about everything else a presidential administration might touch on. None of it registered.

There was one unresolved question sucking up all the oxygen: “What about the emails?”

Now, El-Sayed is being dragged down by nonstop media cycles around his previous choice to campaign with Piker, who has made extreme comments. Last week, several Democratic Party leaders and elected officials condemned Piker over comments he made regarding Israel. Despite pleas from many, El-Sayed has yet to explicitly disavow Piker. To El-Sayed’s supporters, this criticism of him is in bad faith at best and a form of Islamophobia at worst.

Clinton was the establishment’s candidate, and El-Sayed is seen as an insurgent of the left, yet both decided on the same instinct: The scandal is illegitimate; engaging with it dignifies it.

When the email story broke in the spring of 2015, Clinton said use of her private server for State Department business was a matter of “convenience” and that it “would’ve been better” to carry a second phone for her official duties. That August, she said:



Streamer Hasan Piker, left, and Abdul El-Sayed, a progressive candidate for U.S. Senate in Michigan, center right, take a selfie with fans following a campaign event on April 7 at the University of Michigan in Ann Arbor. **JULIA DEMAREE NIKHINSON/AP**

“These years later it doesn’t look so convenient.” That September, she said: “I am sorry that this has been confusing to people.” Six months after the story broke, she conceded: “That was a mistake. I’m sorry about that. I take responsibility.”

In a book years later, Clinton communications director Jennifer Palmieri wrote that the campaign made a mistake in how it handled the email story and should have addressed it more head-on.

I thought about that flawed calculus again while reading El-Sayed’s recent statement about Piker, which does not mention the streamer by name. It ends this way: “While politicians and pundits try to make this race about a Twitch streamer, we’re going to be talking about gas, groceries, good schools, and healthcare.”

I believe he means it. Clinton meant it too.

Every day a candidate declines to give a clean answer, he or she isn’t starving the story. They are in essence writing the next installment.

This April, El-Sayed was asked

whether he would disavow Piker’s views. He said, “I’m not here to disavow people’s views. This whole ‘gotcha’ game, platform policing, cancel culture, I thought we were over it.” In early August, he said: “I’m less focused on folks who are campaigning with me, more focused on the folks I’m campaigning to.” A few days later, on the political show “Meet the Press,” El-Sayed dismissed Piker’s claim that America deserved 9/11 as “a dumb statement” — but he still would not say whether Piker would appear with him again.

Then, after Piker told his audience that if American Jews continue to insist they are singularly invested in Israel, “eventually someone’s going to come around and take action,” El-Sayed’s answer was: “Nobody speaks for this campaign besides me and my campaign spokespersons.”

In August, a question about why Michigan Democrats Dana Nessel and Hillary Scholten were criticizing El-Sayed inspired this answer from him: “I think the question right now is how do

we get together to beat Donald Trump?” He now says he has “no plans” to campaign with Piker. Still, when he recently was questioned about Piker, El-Sayed refused to address the issue directly, instead lambasting reporters for trying to “make this race about a streamer in California.”

Déjà vu.
El-Sayed may even be right that the news media are disproportionately covering the Piker controversy. But being right about a double standard does not shut down the story. It means only that you can be right while you lose.

Scholten, a U.S. representative, said she still hasn’t endorsed her party’s Senate nominee, and “a lot of it has to do with past associations with Hasan Piker.” Democratic state Sen. Jeremy Moss is still withholding his endorsement. And Debbie Dingell — about as loyal a Michigan Democrat as the state produces — snapped at reporters recently: “I am done! So don’t any reporter ask me again about Hasan Piker.”

That isn’t the story dying.

It’s the story expanding and entrenching itself into the remainder of the campaign cycle.

The clear exit here is embarrassingly cheap. El-Sayed should disavow Piker by name and make clear he is not welcome on his campaign or in his orbit. Then, take questions until reporters run out of them. That costs one bad news cycle — instead of an entire election.

We all know how the alternative works out: A scandal you don’t even believe in runs on a loop, occupying the exact space where your substantive campaign was supposed to go.

El-Sayed says nobody speaks for his campaign but him and that a streamer in California is not what this race is about. He’s right on both counts. He is also the only person who can make either one true, and he can do it in a single sentence today.

Kaivan Shroff is a politics and culture commentator, attorney and former digital organizer for Hillary Clinton’s 2016 presidential campaign.

Duffy doesn’t deserve credit for Midwest Amtrak funding

By John Greenfield
FOR CHICAGO MAGAZINE

I edit Streetsblog Chicago, which reports on and advocates for walking, biking and transit improvements. So you might assume I was delighted by the U.S. Department of Transportation’s recent announcement of a “\$5.3 billion investment in rail safety upgrades” and “new Amtrak train sets” to support Midwestern passenger rail.

That is, in fact, good news. But the press release heralding this as the start of a “Golden Age of Rail” delivered by President Donald Trump and U.S. Transportation Secretary Sean Duffy certainly raised my eyebrows.

First of all, Duffy’s retrograde track record during his 18 months on the job makes Trump’s previous transportation chief, Elaine Chao, a conservative married to U.S. Sen. Mitch McConnell, look like livable-streets activist Jane Jacobs.

Like Trump, an ex-reality TV star, Duffy has caused infuriating setbacks for countless sustainable transportation projects and agencies. This approach seems to be largely an effort to troll blue cities, and the mayhem he’s caused at the CTA is a great example.

Last October, the secretary announced his department was freezing over \$3 billion in already-approved federal funds for Chicago transit projects, including the Red Line extension and the Red and Purple Modernization project.

Duffy’s paradoxical reasoning was that the CTA’s disadvantaged Business Enterprise policies were “discriminatory” and “unconstitutional,” even though federal guidelines mandate equitable contracting for DOT-funded projects. Thankfully in March, a judge forced the feds to cough up the cash.

Similarly, last December, the DOT-controlled Federal Transit



Transportation Secretary Sean Duffy speaks during a press briefing on flight safety at the U.S. Department of Transportation on April 21 in Washington. **TOM BRENNER/AP**

Administration demanded that the CTA develop and implement a plan to reduce crime in the system or else face a \$50 million cut in operations funding. While the FTA cited the horrific recent case of a woman being set on fire on the Blue Line, once again it appeared Duffy’s main motive was owning the libs. After the feds rejected Chicago’s initial proposal for more policing as “materially deficient,” in March the CTA submitted a revised plan. The FTA acknowledged receipt and hasn’t bothered the transit agency since then.

Here are a few other recent examples of Duffy’s questionable behavior as DOT boss:

■ Last month, he took bike lanes, road diets or lane reductions, speed cameras and other

potentially lifesaving strategies off the Federal Highway Administration Proven Safety Countermeasures list, and called bikeways “DEI,” short for diversity, equity and inclusion. Former top New York City Transportation Department official Jon Orcutt called this “Duffy’s intentional infusion of stupidity into U.S. DOT policy.”

■ Earlier this month, a Los Angeles Times columnist blasted Duffy’s new TV program “The Great American Road Trip” as “Trump-era spectacle, wrapped in a reality show.”

■ On Aug. 26, Duffy tweeted a video of a truck with a thunderously loud tailpipe, writing, “Thanks to U.S. DOT, our trucks can go back to sounding like this.” Transit consultant Jarrett

Walker responded, “The top transportation official in the U.S. wishes to remind you that trucks are not really for transportation. They are a tool for forcing others to suffer for your fragile masculinity.”

But enough about Duffy’s dubious conduct. Let’s analyze the press release’s claims about the new Amtrak funding.

“Roughly \$2 billion of this grant package is funding Secretary Duffy saved the American people by canceling Gavin Newsom’s disastrous high-speed train to nowhere,” it states. “His California boondoggle has exploded in projected costs with estimates as high as \$231 billion — nearly seven times higher than its initial cost.”

The DOT is celebrating the

abandonment of grants it had already awarded but not paid to California high-speed rail. It’s a similar situation as Duffy’s failed attempt to defund Red Line initiatives.

The Republican-led department is making a big deal about the high-speed rail project’s cost increases. But the truth is that two of the biggest reasons the price tag is now greater than the original estimates are that California officials, when Republican Arnold Schwarzenegger was governor, badly lowballed the costs, and the construction timeline keeps getting disrupted by changing levels of government support for the project. Duffy’s recent actions exemplify that.

Meanwhile, High Speed Rail Alliance Executive Director Rick Harnish said Duffy and Trump shouldn’t be patting themselves on the back for the Amtrak funding.

“The money for that Midwest Amtrak stuff actually came from the Infrastructure Investment and Jobs Act, which passed in November 2021 under Joe Biden and (then-USDOT chief) Pete Buttigieg,” he told me. “So that was Biden’s money, and at the same time, Trump is trying to eliminate that program in 2027.”

“The other thing is, this is not a transformative investment,” Harnish added. “This is ‘state of good repair’ work. It’s a fraction of what’s needed to get more people on trains. So if we want a ‘Golden Age of Rail’ like Trump and Duffy say they do, we really need to step up investment in the program.”

This whole debacle makes me long for the good old days when a center-left Democrat such as Barack Obama could appoint a center-right Republican such as Ray LaHood as DOT secretary, and they’d actually do a great job of running the department.

John Greenfield is the editor of Streetsblog Chicago.

OPINION

Chicago and CPS cannot afford to bench themselves in the AI revolution

By Paul Vallas
SPECIAL TO THE TRIBUNE

Artificial intelligence is transforming at a rapid pace how we work, learn and live each day. It is already deeply embedded in every-day enterprise software, supply-chain operations and scientific research. Massive global capital investments, clear productivity gains and technical momentum mean AI will remain a permanent pillar of modern society and an expanding engine of the world economy. For Chicago, AI offers an unprecedented, generational economic and educational opportunity — one that could rival the transformative impact of the Industrial Age.

Unfortunately, recent events suggest that Chicago’s leadership may elect to bypass these opportunities altogether. Growing opposition to the Illinois Quantum & Microelectronics Park at the former U.S. Steel South Works site threatens the transformative project. Meanwhile, Chicago Public Schools has demonstrated a troubling willingness to yield to activist parent groups that are lobbying for delaying the use of generative AI in the district. The hesitation to deploy enterprise tools such as Google Gemini signals an alarming retreat from innovation.

A recent Community Over Quantum rally, during which Mayor Brandon Johnson spoke, devolved into political theater, with protesters shouting down economic development proposals and demanding the project be halted. The proposed park is not even a high-density AI data center, which has become the primary target of activists.

The park is designed as a research, development and advanced manufacturing campus on Chicago’s South Side. It is dedicated to quantum computing and microelectronics innovation, hosting anchor tenants such as PsiQuantum, research labs, testing equipment and cryogenic cooling infrastructure. It will also house premier federal and corporate initiatives, including the Defense Advanced Research Projects Agency-Illinois Quantum Proving Ground and an IBM innovation hub.

The park’s leadership has made it clear that the facility will not host standard server-farm data centers. Yet political opposition persists, driven largely by activists who do not live in the South Side neighborhoods devastated by decades of manufacturing decline.

Beyond quantum research, Chicago possesses a distinct advantage for broader digital infrastructure: vast stretches of abandoned industrial property and



Members of Southside Together rally with Joliet residents and supporters on July 15 outside Chicago City Hall to oppose the quantum facility and data center under construction on the south lakefront. **BRIAN CASSELLA/CHICAGO TRIBUNE**

freshwater access via Lake Michigan. For more than half a century, the city has struggled to repurpose industrial land. The AI and cloud infrastructure sector requires large parcels, heavy industrial zoning and high-voltage electrical infrastructure. Crucially, these facilities do not need to sit in trendy neighborhoods.

Transforming Chicago into a hub for data centers and technology infrastructure should not require massive city or state subsidies. Growing national scrutiny over power demands and taxpayer handouts has rightly shifted that policy landscape. Furthermore, much of the city’s South and West sides lie within federal Opportunity Zones, offering significant private capital-gains tax incentives, while federal brownfield programs assist with environmental remediation. As policy analyst Jordan Powell noted in the Chicago Contrarian, selling speed, streamlined site approvals and zoning clarity is incentive enough to attract private investment without spending a dime of taxpayer money.

As I argued previously, properly deployed AI can bring significant cost savings to school district oper-

ations by making real zero-based budgeting a reality and improving all aspects of school management. Most importantly, AI can significantly expand teacher instructional support, increase active learning time and provide one-on-one assistance at an affordable cost for each CPS student.

AI allows economically disadvantaged students to leapfrog historic infrastructural deficits while human-centered safeguards, data privacy protections and equitable access are maintained. Teacher union leadership and activists will resist these shifts to preserve legacy staffing models. But delaying AI in public schools will not stop children from using it.

It will simply guarantee that wealthy suburban kids with private tutors and paid AI subscriptions learn how to build with it.

When a school district chooses to wait and see, it isn’t playing it safe — it is actively widening the equity gap. Chicago’s students are not just competing against kids in Winnetka or Naperville; they are competing against students in Shanghai, Beijing, Tokyo and Singapore who leverage AI in

their classrooms. How can CPS expect its graduates to compete globally if it refuses to give them the tools of the modern economy?

Chicago has a world-class institution ready to help CPS take full advantage of the AI revolution. At the University of Illinois Urbana-Champaign, the Gies Disruption Lab’s Contextual AI Avatar project has created a state-of-the-art tool kit for enhancing educational support, as high school researcher and Chicago Rising founder Leo Fiascone, 17, recently highlighted in the Chicago Contrarian. It offers the equivalent of a 24/7 AI assistant for every teacher and a personalized tutor for every child.

The Disruption Lab is not about replacing dedicated teachers. It is about equipping them with powerful tools so they can focus on mentorship, deep relationship building and targeted academic support.

Fiascone urges in his piece that CPS should formally adopt the Gies Disruption Lab as its primary innovation laboratory. A structural partnership between CPS and U. of I. would honor the historic land-grant mandate by deploying university research to solve the

state’s most pressing urban challenge.

Skeptics once claimed the internet would never replace printed newspapers, that personal computers were unnecessary for the average home and that the automobile was a passing fad. In Chicago, traditionalists insisted that electronic trading platforms would never replace the floor pits of the financial exchanges.

For over five decades, Chicago has sought solutions for contaminated industrial land abandoned by manufacturing. Today, the technology sector offers a self-funding mechanism to remediate and redevelop those sites. Concurrently, AI presents the city with an actionable path to reform a struggling K-12 system that consumes an ever-increasing share of public resources while contributing to the exodus of middle-class families.

This is a once-in-a-generation economic and social opportunity Chicago must seize.

Paul Vallas is an adviser for the Illinois Policy Institute. He ran for Chicago mayor in 2023 and was previously budget director for the city and CEO of Chicago Public Schools.

Voice of the people

Resurrection of head tax?

The past few weeks have been bittersweet for friends. After weeks of searching for a job since graduating from college, one friend finally got one, but it’s located in New Hampshire. Her boyfriend also got a job, but it is in San Francisco. Although they love our city, they will not be able to stay here due to the lack of entry-level jobs.

Although I am sad they are leaving, they are faring better than my other friends, who have yet to get a job in their field since graduating or who are entering their senior year already writing Chicago off, because their summer internship gave the impression there is no future in this city.

I am no economist, but I know United cut 4% of its white-collar workforce in 2025, citing AI-related restructuring, and it plans more cuts this year. United has simply been more candid than peers that fear the backlash of admitting the same.

So when I heard Mayor Brandon Johnson talk about how the 2026 budget fiasco was caused by misguided aldermen and how they need to change their views as we come into the next budget, fear strikes my heart because I think that something very dangerous is coming around again: the head tax.

The head tax is not new to Chicago; it was phased out in 2014. Since then, that decision seems to have had no major impact on jobs in Chicago and not worth the cuts made to schools. But since 2014, outsourcing has gotten easier, work-from-home has gone from a joke to corporate policy, and AI has made white-collar tasks automatable.

So why is everyone discussing the head tax like it’s still 2014?

Would \$20 or even \$50 per employee per month push a large,

profitable corporation to restructure? Probably not. Would it give one the excuse to restructure here rather than elsewhere? Absolutely.

We tax cigarettes, liquor and gambling to reduce them. Tax jobs, and expect fewer jobs. When a corporation with offices nationwide needs to cut headcount, does it spread the pain and absorb the backlash, or concentrate the cuts in the one city that is asking it to shed “heads”?

During the next budget session, don’t let City Hall call the head tax a tax on corporations. Make City Hall call it what it is: an AI-replacement incentive.

Sincerely, from the emerging adults with no future.
— Connor Blandford, Chicago

Offer stance on candidate

The two major candidates for Illinois governor are incumbent JB Pritzker and Darren Bailey. Given that I don’t want to vote for either of them, the only alternatives I have are to not vote at all (a choice I would rather avoid) or vote for an independent candidate simply to register a “none of the above” vote. The independent candidate, Collin Corbett, whom I only found via web search, got my attention because he appears to be a centrist politically and neither a hard-right Republican zealot nor a borderline tax-and-spend progressive.

Although Corbett’s chances of winning may be slim, I wish the Tribune Editorial Board would at least offer an opinion of his political views versus the other two candidates.

— King Embry, Winnetka

Credit status of Illinois, Chicago

Irony of ironies. Illinois gets another credit upgrade while Chicago continues to founder

heading likely for another credit downgrade. But, of course, the people downstate who benefit from this will not be voting for Gov. JB Pritzker, while the people in Chicago who continue to get the short end of the stick from Springfield will be voting for Pritzker.

Go figure.
— Neil Gaffney, Chicago

Get speeding under control

Attention, mayoral candidates! DuSable Lake Shore Drive has turned into a race track. The current speed limit may be low, but most drivers go so far over it, and nonexistent enforcement makes it meaningless.

Please make this a top issue. Amend the relevant law, increase the limit to 50 mph and include strict enforcement.
— Phil Dorman, Chicago

Unbearable noise on the drive

Blessed are the days this summer when we can open the windows for fresh air. Living on DuSable Lake Shore Drive, one gets accustomed to the hum of the cars passing by. The trade-off for the splendid view.

However, in the evening, the noise generated by all sorts of modified vehicles is simply getting unbearable. I have a question for ward representatives: What is the status of the Vehicle Noise Reduction Pilot Program?
— Lise Haberman, Chicago

Medicine for a monthly fee

Thank you for publishing the op-ed by Marj Halperin discussing the many ways that our medical system is failing us (“Healthcare is more badly broken than political leaders admit,” Aug. 28).

One topic she does not touch upon but that is contributing to the lack of access to doctors is the

growth of concierge medicine.

I recently noticed a new medical office in my neighborhood. Out of curiosity, I Googled the name and called the office to find out what kinds of services were offered.

Not surprisingly, the office is a pay-per-month service that guarantees you same-day appointments and return telephone calls from the doctors in the practice. I was told the office does not use insurance and thus the payments it receives are not encumbered by the incessant paperwork and approvals needed by the insurance companies.

The doctors on staff would refer out any complex medical issues, and thus patients are free to use any doctor in their insurance network.

Sounds great — but only for people who can afford the almost \$100 per month fee and one-time registration charge. It does nothing to address the issue of the uninsured. Also important, this system removes doctors who might otherwise practice elsewhere.

It’s no wonder we have to wait months for appointments.
— Elsa Miller, Evanston

Politics and immunizations

As physicians caring for children across Illinois, we share a fundamental responsibility: to give families medical guidance grounded in the best available evidence. Vaccines remain one of the safest and most effective tools we have to prevent serious illness, disability and death. Decades of research and experience caring for millions of children support the recommen-

dations on vaccine timing. These recommendations are based on how kids’ immune systems develop and learn. There is no new scientific evidence that warrants abandoning that foundation.

At a time when routine immunization rates are declining and measles and other preventable diseases are re-emerging, introducing doubt about proven vaccines has real consequences. Concern and confusion fueled by rumors, not science, can lead to delayed or missed vaccinations, leaving individual children and entire communities more vulnerable.

Parents deserve clear, reliable information. They also deserve the opportunity to ask questions and make decisions with physicians who know their children, their families and their health histories. Parents should know that thankfully, at this time, nothing has changed around access to or insurance coverage of vaccines in Illinois.

As leaders of Illinois’ primary care communities, we stand together in support of evidence-based immunization recommendations and the physicians who put that evidence into practice every day. One child becoming ill or dying from a preventable disease is too many in our eyes.

Politics should not determine medical care. Science, evidence and the physician-patient relationship should.

— Dr. Anita Chandra-Puri, president, Illinois chapter, American Academy of Pediatrics, and Dr. Corinne Kohler, president, Illinois Academy of Family Physicians

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OPINION

Regime Change Returns—Again



UNRULY REPUBLIC
By Barton Swaim

Inside the Trump administration, belief in the Islamic Republic of Iran as a permanent feature of geopolitical life seems to have come and gone. Treasury Secretary Scott Bessent, asked Monday about the effects of America’s economic pressure campaign, remarked that Iran’s collapse could happen “within weeks or months.”

No one knows, but the observable facts don’t contradict his guess. A country can’t survive long with a shrinking

Trump might have taken an easy exit and called it a victory. He didn’t do that. Why?

economy, a worthless currency, a disaffected citizenry and a humiliated military. Last week President Masoud Pezeshkian spoke plainly of the country’s moribund economy and earned a rebuke from Supreme Leader Mojtaba Khamenei. The blockade on Iran’s ports has caused a severe fuel shortage, to which the government in Tehran can respond either by doing nothing and further immiserating an already restive population, or by lifting restrictions on gasoline price hikes. The last time gas prices shot upward, seven years ago, protests erupted all over the country and lasted eight months.

But, Mr. Bessent said, “the economy doesn’t have to col-

lapse. We just have to have the regime come to their senses.” A politic thing to say, maybe, but Iran’s rulers won’t come to their senses for the same reason Saddam Hussein in 2003 couldn’t admit he had no weapons of mass destruction. Rational behavior in the West can look more like shame and dishonor in the Middle East. The regime does, in fact, have to collapse if the Treasury secretary and his boss hope to call the war a success without being laughed at. Regime change or failure—pick one.

President Trump knows this. Which is why, despite all his boasts and threats and migraine-inducing equivocations, he hasn’t done what everybody thought he would do: let Iran keep its bogus sovereignty over the Strait of Hormuz and call the whole thing a win because its military and nuclear program lie in ruins. You can credit the regime’s incorrigibility for that outcome, too, but the fact remains: Mr. Trump might have settled for a de facto loss and hasn’t.

For six months the expert class has predicted global catastrophe caused by Mr. Trump’s decision to go to war. The war remains unpopular, and Republicans would rather talk about anything else. Media reports about weapons shortages and grumbling military commanders—some of them hyped and plainly meant to embarrass the administration—make an easy exit look more attractive all the time. Yet Mr. Trump hasn’t taken it.

He has detested Iran’s leadership for decades, but the regime has lately given him another, more potent reason to finish it off. Iran-linked would-be assassins have made at least



Iran’s Masoud Pezeshkian

two attempts on the president’s life. At the weeklong funeral of Ali Khamenei, Iran’s previous supreme leader, regime toadies waved signs offering monetary rewards for Mr. Trump’s life. Last week brought news that Iranian state media broadcast a three-minute video offering \$10 million for the life of his youngest son, Barron, and purporting to divulge his usual whereabouts. Other state-linked media have advocated the targeting of First Lady Melania Trump and the president’s daughter Ivanka.

Mr. Trump will leave office in 2029, but Iran’s calls for violence against him and his family won’t expire then. Thirty-three years passed between Ayatollah Ruhollah Khomeini’s pronouncement of a death sentence on Salman Rushdie for his novel “The Satanic Verses” and an attempt to carry it out by an American-born Islamist. Tehran claimed it had no knowledge of the would-be killer’s doings, but it celebrated Mr. Rushdie’s near-fatal injury all the same.

Hatred of this sort doesn’t mellow. As long as the revolu-

tion begun in 1979 endures, its bloodlust will, too. Barack Obama’s mistake was to believe otherwise.

Apart from military strikes and the blockade, Mr. Trump could use the resource he always has aplenty: words. When the war began, the president spoke directly to Iran’s downtrodden. “The hour of your freedom is at hand,” he said in prepared remarks the day Operation Epic Fury began. “Stay sheltered, don’t leave your home. It’s very dangerous outside. . . . When we are finished, take over your government. It will be yours to take. This will be, probably, your only chance for generations.”

When the government didn’t collapse, the ever-disciplined Mr. Trump indulged his appetite for showmanship and big-shot deal-making. That almost certainly discouraged any attempt to revolt. Anyway all the flirtations and memoranda came to nothing, as foreseen in these pages and elsewhere. Now, with an angry population and a government deprived of money, a bit of Reaganesque rhetoric might have a powerful effect.

And shelve the objection that Iran aggressively censors what its citizens can view online. If Ronald Reagan’s anti-communist speeches found their way into the dark cells of Siberian gulags, Mr. Trump can speak to the Islamic Republic’s domestic foes and know he’ll be heard. “How difficult it is,” wrote the great Polish poet and dissident Czesław Miłosz (1911-2004), “for totalitarian systems to combat the word, which slips over borders more rapidly and more effectively than people on the outside imagine.”

Trump Sticks With a Losing Midterm Plan

By Karl Rove

Reporting last week should give Republicans in toss-up races this fall some sleepless nights.

First, the Atlantic reported on a meeting in early August between President Trump and his political advisers on White House messaging for the midterms. According to people familiar with the gathering, the president’s people told him, in the magazine’s words, that “the voting public still does not know about many of his accomplishments.”

The president’s response was that since Democrats will make November a referendum on him anyway, the smart thing was to run ads touting his record. They’d be easy to create. Just mine Mr. Trump’s own on-camera statements, the president reportedly suggested. “Go look at the clips,” he said. “I cite accomplishments all the time.”

Then last Friday Fox News’s senior White House correspondent, Peter Doocy, reported he was “hearing some whispers of a ton of Trump travel in October, possibly as much as a Trump rally a day” in competitive states and districts. Mr. Doocy admitted you don’t typically see such an active presidential schedule, since midterms “are historically very hard for the president’s party.”

What could go wrong with a rally a day and hundreds of millions of dollars in ads in

battleground states featuring Mr. Trump? A lot.

For starters, if your approval rating is low, making the election even more about you only helps the opposition.

Midterms are almost always a choice for voters between more of the same and change. Mr. Trump has a 39.6% approval in the RealClearPolitics average, with 56.9% disapproval. Plastering his face on every screen in every toss-up race will make the midterms even more about him and tie

He reportedly wants to run ads touting his record, never mind his unpopularity.

those candidates to an intensely unpopular status quo.

A presidential rally a day in the final month of the midterms will have the same effect but with an additional downside: Mr. Trump is never disciplined. He’ll have no script, saying whatever comes to mind. His crazy comments will dominate the news, locally and nationally. Republican candidates will constantly have to fend off questions about whether they agree with his latest insult or half-baked idea. The narrative won’t be on anything positive about them or the GOP.

It would be far more sensi-

ble to put those candidates at the forefront of Republican ads—not Mr. Trump. They should be the ones framing the choice voters face. They could share their views, values, agendas and contrast them with those of their opponents. After all, it’s their fates voters will decide.

Given all this, why is Team Trump talking about giving Democrats what they want and making the president the face of the GOP campaign this fall?

The answer: narcissism. Mr. Trump believes that in 2024 “the beauty” was “that we won by so much.” He thinks “the mandate was massive,” the biggest in “129 years in terms of the overall mandate.”

Not so much. His popular-vote margin was the fourth-smallest in 60 years—and that support has rapidly eroded.

White House politicos may be thinking rallies and ads are a winning ticket because Mr. Trump’s pollster pegs the president’s approval at 48% with 48% disapproving, much cheerier than RealClearPolitics’ average, which last had him at 48% in March 2025. If the president’s pollster is right and the electorate is evenly divided, then energizing Mr. Trump’s followers should be good for a couple of points, even if it juices the opposition a little at the same time.

But could every other poll really be wrong and this one flattering survey correct? That’s quite the bet to take

with control of Congress on the line.

There’s an obvious better path for Mr. Trump to help GOP candidates: Act more presidential and empty his super PACs’ bank accounts.

The former requires taking time to explain what he’s doing in Iran and on the economy. Whoever helps him fling Truth Social messages out into the ether on other subjects should ask if each one helps Republicans. If not, don’t hit send.

The latter is easier. As of July 31, the president had \$403 million in his MAGA Inc. PAC. That could erase the spending advantage Democrats have in critical contests for the Senate and House. Rumor is Mr. Trump wants to save the money for his presidential library. That would really irritate donors. The GOP would be far better off if he started spending that cash. It would be better if he had already begun.

The White House is almost too late. Republican candidates are running out of time to change the dynamics of the midterms. Mr. Trump spending his dollars featuring them, while he focuses on his day job, could still make a difference. Clock’s ticking.

Mr. Rove was senior adviser and deputy chief of staff for President George W. Bush and is author of “The Triumph of William McKinley” (Simon & Schuster, 2015).

Why Send a Child to Public School?

By Brian D. Ray

Why home-school your children? The question should be flipped. Why *not* continue the schooling you started with your children at birth? Is there compelling evidence for sending one’s child to institutional school rather than continuing parent-directed, home-based education?

Podcasters call home schooling “trickle-down stupidity,” and teachers unions warn against it. But home schooling has surged to more than three million students nationwide—roughly twice the national Catholic-school enrollment.

For most of history, home-based education was normal. Parents and other adults took on the tasks of teaching children language, morals, practical skills, religion, reading, trades and habits needed for adult life. Mass institutional

schooling is comparatively recent. Yet today we treat it as the default and ask home-school parents to defend their choice.

Why not reverse the burden of proof? Our May systematic review covers four decades of home-school research. Fifteen of 24 studies of academic achievement—62%—reported positive outcomes for home-school students compared with institutionally schooled students. Sixteen of 25 studies—64%—on social and emotional development found positive outcomes for the home educated. Thirteen of 24 studies—54%—examining later adult outcomes found positive results. Most of the other studies found no differences.

These studies don’t prove home schooling causes every advantage. It is difficult to control for all variables. But the evidence doesn’t support the presumption that children need institutional schooling

for sound academic or social development.

Other evidence should also raise questions. The 2024 National Assessment of Educational Progress found about 7 in 10 eighth-grade public-school students scored below NAEP Proficient in mathematics and reading. Nearly 1 in 5

The common query about home schooling should be flipped.

American 15-year-olds report being bullied at least several times a month, and 13% don’t feel safe in hallways, cafeterias, restrooms or other places at school. Research shows that 11.7% of Americans report experiencing at least one form of school-employee sexual misconduct during K-12.

Consider what a caring, attentive home-education envi-

ronment naturally makes possible: more adult-child conversation; curriculum fitted to a child’s strengths, weaknesses and interests; greater flexibility; more time to read and pursue subjects deeply; stronger family interaction; and more contact with people of different ages.

We shouldn’t be surprised children do well in such an environment. Parents have already spent years teaching preschoolers to speak, ask questions, count and understand the world. Why would we think that at age 5 this process should stop?

If educators and policymakers want children to receive the best education possible, they should treat home education as the default option—not an eccentric one. Why not home-school?

Mr. Ray is president of the National Home Education Research Institute.

BOOKSHELF | By Charles Lane

Defying the Slave Catchers

The Ballad of the Fugitive William Parker

By Cristin O’Keefe Aptowicz

Simon & Schuster, 448 pages, \$31

Four enslaved black men fled Edward Gorsuch’s Maryland farm in November 1849. Over the next 22 months he hunted them like a man possessed. Finally, on Sept. 11, 1851, an informer’s tip brought Gorsuch to a stone house in Christiana, Pa., about 50 miles west of Philadelphia in Lancaster County. Some of the men had taken refuge there, protected by William Parker, who had also fled slavery in Maryland a dozen years earlier and established a new life in Christiana.

Accompanied by a deputy U.S. marshal, Gorsuch sought their arrest under the newly enacted Fugitive Slave Law. He brandished two pistols and declared, “I’ll have my property or go to hell.”

If Gorsuch saw himself as an irresistible force, Parker intended to be an immovable object. Having sworn never to be taken back to slavery alive—or to let that happen to anyone else—he had organized an armed self-defense force of black neighbors to fend off slave catchers. Now, Parker dared Gorsuch to take his “property,” announcing, “I intend to fight.” Meanwhile, Parker’s wife blew a horn to summon supporters from the surrounding countryside; a large group of local residents responded. Some were armed with guns, clubs or scythes.

The ensuing clash left Gorsuch dead, three of his white companions seriously wounded—and both Parker and the escapees from Gorsuch’s farm on the run. (Parker eventually made it to Canada with assistance from Frederick Douglass.)

The Christiana battle has been narrated before, but never more grippingly than in Cristin O’Keefe Aptowicz’s “The Ballad of the Fugitive William Parker.” Ms. Aptowicz, whose book “Dr. Mütter’s Marvels” (2014) explored the life of an innovative Philadelphia physician, situates the showdown in Christiana within the story of southeastern Pennsylvania’s pre-Civil War free black community. Black Pennsylvanians faced mob attacks and the loss of suffrage rights after the state’s 1838 constitutional convention, but, together with white Quakers, kept operating the Underground Railroad. They rallied to the defense of those who would face federal charges over the violence in Christiana.

Word of the bloodshed spread rapidly. Southern politicians and newspapers demanded that the president, Millard Fillmore, punish those responsible. Desperate to avoid secession, Fillmore obliged, sending Marines and federal officers to southeastern Pennsylvania. They rounded up more than two dozen alleged perpetrators (four were white, the rest black) of what became known as the Christiana Riot.

The plan was to try them all for treason—a crime punishable by death. The first defendant to be tried was Isaac Castner Hanway, a white miller who had been at the scene, and who had refused the deputy U.S. marshal’s order to tell Parker’s armed black allies to disperse. “The colored people have a right to defend themselves,” Hanway had replied. Prosecutors believed that if they convicted Hanway they would have an easier time getting juries to find the rest guilty.

In 1851 a Maryland man pursued what he thought to be his human property onto a Pennsylvania farm. It would be his last act.

In 1851, Supreme Court justices still “rode circuit,” traveling the country to preside at federal trials. Justice Robert C. Grier was assigned to the Christiana case, and he initially seemed friendly to the prosecution. Ferocious cross-examination of witnesses by one of Hanway’s defense lawyers, the abolitionist congressman Thaddeus Stevens, exposed the weaknesses in the prosecution’s case. In the end, Grier instructed the jury that the Fugitive Slave Law should be obeyed but that individual resistance did not amount to treason. The jury acquitted Hanway, forcing the government to dismiss charges against the others it had arrested.

The trial generated a national sensation, and Ms. Aptowicz effectively re-creates the courtroom drama, though she errs in implying that Hanway’s lawyers strategically chose not to put him on the stand. Common-law rules at the time forbade defendant testimony on the theory that it was self-interested and thus unreliable. She aptly notes, however, that the fierce defense of the fugitives in Christiana was rooted in “decades of tenacious, ever-evolving anti-slavery and Black rights efforts,” which had “spread out across Philadelphia and rural southeastern Pennsylvania.”

Her account shows that the Fugitive Slave Law was both morally wrong and a strategic error by the South. Estimates by historians suggest that, at most, a few thousand enslaved people fled north every year between 1800 and 1860—a tiny percentage of the total population held in slavery (more than three million by 1850). Yet Southern politicians had insisted there could be no Union-saving Compromise of 1850 without the law, which forced every citizen of the North to cooperate in returning black people to bondage. This suddenly made slavery a personal issue for Northern whites and “thrust the slavery debate back into newspapers and pulpits,” Ms. Aptowicz observes. The resulting revival of antislavery sentiment helped give rise to the Republican Party in 1854.

The Fugitive Slave Law created a crisis for abolitionists such as the Quakers, challenging their conviction that the struggle against slavery must be nonviolent. But Parker was no pacifist, and he was equipped to act accordingly. Tall, powerfully built and eloquent, he quoted scripture as competently as he wielded a firearm. He had been trained as a prizefighter by his erstwhile enslaver, who put Parker in the ring against other enslaved men, then wagered on the outcome. In Lancaster County “Parker became almost mythical,” Ms. Aptowicz writes, “a man who couldn’t be threatened, frightened, or killed.” He became known for fighting white men and leaving them “bleeding on the road while he returned home untroubled to a fat dinner of duck and apple cider.”

Ms. Aptowicz’s sympathetic portrait of the people who stood their ground at Christiana bolsters recent reconsideration of their actions as resistance rather than a riot. Whether such violence may be justified, even in a good cause, is a matter still debated. But if anyone had a right to resort to it, it was William Parker on that September morning in 1851.

Mr. Lane is the author of “Freedom’s Detective” and a non-resident senior fellow at the American Enterprise Institute.

REVIEW & OUTLOOK

The Food Stamp Reform Is Working

Sorry to be the bearer of good news in these ill-tempered times, but fewer Americans are using food stamps. The main reason is that Congress's reforms last year are causing states to police the rolls for abuse as they should have long ago.

Food-stamp enrollment fell to 36.6 million from 42.3 million between May 2025 and May 2026, according to new U.S. Department of Agriculture data. Enrollment has returned to pre-pandemic levels, though it's still higher as a share of the population (10.7%) than it was two decades ago (8.9%).

Nearly half of states registered enrollment declines greater than 10%, including Connecticut (15.7%), Indiana (15.8%), Texas (16.6%), Utah and Illinois (16.7%), Oklahoma (19.6%), Louisiana (21.5%), Florida (22.2%), Nevada (23.1%), Georgia (36.5%) and Arizona (53.8%).

As always, the political left is spinning these declines as a human tragedy. Not so. Republicans have merely ended the literal free lunch for able-bodied beneficiaries and states.

The GOP's 2025 budget expanded food-stamp work requirements for able-bodied adults to ages 55 to 64 and parents with children over age 13, and it eliminated exemptions for veterans and homeless. It also closed a loophole that had let 15 states suspend work requirements owing to "insufficient jobs."

A major reform goal was to encourage work and to stop enabling the homeless with drug addictions who resist treatment. The regrettable reality is that food stamps are fungible, giving addicts more money to spend on drugs.

The reform also generally required states with payment error rates at or above 6%—roughly the average before the pandemic—to pay an increasing share of benefits (between 5% and 15%). Error rates climbed during the pandemic and averaged 10.6% across all states last year. The point of reform is to give states a financial incentive to verify incomes and eligibility.

While the left claims errors are administrative lapses that can't be helped, this doesn't explain why overpayments are seven times larger

Spending is 20% below forecast as states police their rolls for abuse.

than underpayments. When the feds footed the entire bill, the political incentive for states was to expand enrollment and boost payments, even if it meant some people received benefits they shouldn't have.

Now that states have skin in the game, they are doing more due diligence. Food stamps are on track to cost \$85.7 billion this fiscal year, far less than the \$100 billion the Congressional Budget Office projected in its baseline budget in February and the \$107 billion forecasted in January 2025. That's a 20% decline in the program's baseline.

CBO tends to undershoot the cost of entitlement expansions by discounting how financial incentives affect behavior. In this case, CBO appears to have underestimated savings from the GOP reforms for the same reasons. Memo to Republicans in Congress: Ending incentives that turbocharge spending is the easiest way to slim entitlements.

Republicans last summer also imposed work requirements on working-age, able-bodied Medicaid beneficiaries and limited a scheme that states use to launder more federal funds. It was a good start, but states still have little incentive to attack abuse and fraud since they receive more money from the feds the more they spend.

Congress ought to reduce the 90% federal payment match for the ObamaCare expansion population on Medicaid, which encourages states to spend more on healthy working-age adults than on the disabled. How about banning federal waivers that let states cover non-medical benefits that are especially vulnerable to fraud, like housing and in-home chefs?

The feds operate more than a dozen food assistance programs, which provide grocery money for new parents and their toddlers, as well as free school breakfasts and lunches for lower-income children. Some states provide free school meals for all children. If states want to boost food assistance with their own tax dollars, they can.

Washington's welfare buffet is fiscally unsustainable and promotes dependency. The GOP's food stamp results show reform can succeed if lawmakers have the political will.

Albany's raid on fossil-fuel firms is unconstitutional.

The progressive government raid on fossil-fuel producers hit a roadblock this week, with a federal judge striking down a New York law that would make companies pay reparations for their worldwide CO2 emissions. Sorry, climate change doesn't let states ignore the Constitution.

Democrats in Albany in 2024 passed a law that required fossil-fuel companies to cough up \$75 billion to compensate for alleged damage from their CO2 emissions. "This landmark legislation shifts the cost of climate adaptation from everyday New Yorkers to the fossil fuel companies most responsible for the pollution," Gov. Kathy Hochul's office said at the time.

Under the law, the state apportions liability among three dozen or so companies that sold fossil fuels in the state based on their estimated contribution to global CO2 emissions dating to 2000. This amounted to a giant tax on the companies—many of which don't operate in New York—their customers and shareholders.

The U.S. Chamber of Commerce, fossil-fuel producers and 22 states sued, arguing that the tax intrudes on federal authority, violates the Constitution's Commerce Clause and is preempted by the federal Clean Air Act. Federal

Congress and the White House are making little effort to fund defense.

Another round of press leaks is warning that the U.S. military arsenal is in dire straits, and the Trump Administration is vowing to prosecute the leakers. But this news wouldn't be so damaging if President Trump and Congress were fighting harder against Democrats to address U.S. shortfalls in naval power and ammunition.

The stories that U.S. military commanders oppose further action in Iran should be viewed warily. They are selectively released with malice aforethought to constrain Mr. Trump's options in Iran, and you can bet the regime in Tehran is reading.

But the costs to U.S. military readiness are compounding in the Middle East, and Washington isn't paying the bills. The U.S. naval blockade of Iran is a long play to squeeze the regime, and it's the best option if the President is reluctant to re-engage militarily. Yet the Navy's top officer told the press recently that the fleet is \$6 billion to \$8 billion short of what it needs to operate this fiscal year owing to the costs of the Iran conflict.

The Trump Administration has asked Congress for \$67 billion in supplemental Pentagon funding, but Democrats are blocking it. Meanwhile, the President's proposed \$1.5 trillion defense budget for next year relies on Republicans passing \$350 billion of it through the reconciliation process with only GOP votes.

That money is supposed to expand underlying U.S. power, instead of refilling gas tanks and operations accounts. For example:

Judge Brenda Sannes, a Barack Obama appointee, more or less agreed. New York's Climate Act is "simply beyond the limits of state law," she wrote.

In instances of "interstate and international disputes implicating the conflicting rights of States or our relations with foreign nations . . . our federal system does not permit the

controversy to be resolved under state law," she explained, citing Supreme Court precedents. Climate change is a issue that involves all 50 states and foreign countries.

Her opinion draws on the Second Circuit Court of Appeals ruling in 2021 that dismissed a lawsuit by New York City that sought to hold fossil-fuel producers liable for CO2 emissions. "There is very little daylight left to distinguish the Climate Act from the common-law claims in *City of New York*," she wrote.

The judge's ruling is a welcome rebuke to politicians who are hoping to pillage energy producers. The Supreme Court next month will have an opportunity to shut down these raids when it hears arguments in *Suncor Energy v. County Commissioners of Boulder*, which concerns whether federal law pre-empts state law claims for damages from CO2 emissions. The Justices can't rule soon enough.

military planners have warned for years that U.S. forces lack air cover for a long war with China or Russia—a warning borne out as the U.S. fired half of its Patriot interceptors within weeks in Iran.

The Pentagon wants 3,200 advanced Patriot interceptors next year, an increase Joe Biden should have ordered after Vladimir Putin invaded Ukraine. Yet about 2,900 of those 3,200 are earmarked for a reconciliation bill that so far hasn't appeared. Ditto for tens of billions for other munitions.

Also at risk is money for the Pentagon's drone dominance program and homeland missile defense. The President asked for about \$17 billion for his Golden Dome air defense next year, nearly all in reconciliation. "If they don't figure it out," Gen. Michael Guetlein said this summer, "there is no Golden Dome."

These are supposedly presidential priorities, and Republicans still control Congress, or so we've been led to believe. Yet around Washington the word is that the defense money has no chance until the lame-duck session—and maybe not then. Color us skeptical the GOP will rally after an electoral drubbing. The better answer is for Republicans to pass as much of this funding as possible in one budget bill before the elections.

The Ukraine war appears to be entering an ugly new phase, and the U.S. had to divert its forward-deployed Pacific carrier to the Middle East. On present trend Congress is defunding the military, and Republicans should be making Democrats pay a political price for it.

LETTERS TO THE EDITOR

Aluminum Tariffs Harm U.S. Manufacturers

Your editorial "The Metals Lobby's Big Steal" (Aug. 26) gets the diagnosis right and the prescription wrong. You correctly state that tariffs add to the cost of aluminum. The tariff costs are wrapped into the Midwest Premium price, an aluminum market-clearing price for every ton of aluminum sold in the U.S.

The American Aluminum Alliance represents domestic downstream manufacturers. Our U.S. employees turn bare metal into products like aircraft components, fencing, windows, accessibility ramps, truck bodies, solar racking and thousands of other products. We are on the receiving end of the tariff costs, which we can't avoid even if we purchase from a domestic smelter.

Tariffs on primary aluminum won't build a single smelter in the U.S. Electricity in the U.S. costs up to four times more than the rates smelters pay in some other countries, including Canada. Without securing long-term, competitive electricity, building and operating a new smelter in the U.S. isn't economically feasible—a fact the primary tariffs can't fix.

A tariff on derivative aluminum products, on the other hand, is essential to protect domestic manufacturers from foreign competitors who benefit from cheap electricity. Taxing raw aluminum while ignoring derivative products only encourages the downstream fabrication industry to offshore.

The U.S. needs affordable electric-

ity to make domestic smelters economically viable, and enforcement on derivative aluminum goods to support the 870,000 U.S. jobs in the downstream aluminum sector.

JOE DONOVAN
Executive director
American Aluminum Alliance
Washington

Your editorial is right that U.S. businesses and manufacturers are paying too much for aluminum. But you overlook an important part of the story: the Midwest Premium.

The Midwest Premium, a surcharge added to the cost of primary aluminum, has increased more than 300% over the past three years and reached an all-time high this year. That is due in part to the imposition of import duties on aluminum sold in the U.S., even when that aluminum is produced or recycled here at home. Buyers pay this premium on aluminum every time it is recycled and reused.

For manufacturers reliant on domestic recycled aluminum, like the beer industry, this effectively requires U.S. businesses to pay a tariff on recycled metal that never crosses a border. This punishes companies for using recycled metal already circulating through our domestic supply chain. It's time to end the recycling penalty.

BRIAN CRAWFORD
President and CEO, Beer Institute
Washington

Medicare's Below Market Reimbursements

It's sad, but not surprising, that many Medicare beneficiaries have to wait longer than those with private insurance to receive cancer treatment ("Dying for Medicare for All," Review & Outlook, Aug. 28).

Medicare reimbursement hasn't kept up with the market, essentially leaving commercial insurers to subsidize Medicare and Medicaid. Medicare's chronic underpayments are akin to arbitrary, socialist-style price controls that lead to care rationing, or in this case seemingly giving priority to those with private health plans.

Relatedly, when adjusted for practice-cost inflation, Medicare physician payments have dropped 33% over the past 25 years, according to the American Medical Association. Compounding Medicare cuts have forced many physicians to opt out of independent practice, sell to larger institutions or retire early. Many physicians have stopped accepting new patients with certain Medicare plans, exacerbating

the healthcare access crisis.

It's little wonder that Americans are frustrated by long wait times and worse health outcomes. Look around the world at failing healthcare systems in Canada, Germany and the United Kingdom, to name a few egregious examples. The U.S. isn't far behind if Congress doesn't right the ship. Failure to link payments to inflation has only hastened the decline of our healthcare system and added fuel to the "Medicare for All" fire that progressives champion, putting our seniors at the back of the line.

Without ensuring Medicare reimbursement that mirrors reality, patients will soon learn the hard way that Medicare for All means healthcare for no one. Take note, Congress: Worse delays in care, longer lines and more access problems lurk ahead if we don't fix the system now.

TERRY WILCOX
CEO, Patients Rising
Vienna, Va.

Hands Off the Free Market, Mr. Vice President

Regarding Andrew Langer's op-ed "What JD Vance Gets Wrong About Hamilton" (Aug. 28): Vice President JD Vance is mistaken: It isn't necessary for the government to provide a framework for functional free markets. Adam Smith's invisible hand does that, along with contractual law and the inherent principle of fair play, whether prompted by religion or ethics.

John Adams warned in 1798 that republican government couldn't survive merely through political institutions; it required moral character. He wrote: "Our Constitution was made only for a moral and religious peo-

ple. It is wholly inadequate to the government of any other."

Hands off the free market, please, Mr. Vice President; you have strayed too far from bedrock conservatism. The religious, moral and ethical principles that you feel need to be mandated have existed for millennia.

MAJ. JOE SIEGEL, USAF (RET.)
Fox Island, Wash.

Trump's Policy on Venezuela Could Entrench an Oligarchy

Your editorial "Trump Takes the Oil in Venezuela" (Aug. 31) invokes "The Godfather Part II." History offers a more persuasive analogy. Russia's loans-for-shares program transferred strategic assets to political cronies and entrenched an oligarchic political economy.

President Trump's billet-doux to Ms. Rodríguez risks repeating that mistake in Venezuela. If Washington underwrites safe passage for the Chavista old guard by converting privileged access into clean title to the commanding heights, then elections, when and if they happen, will constitute at best a Potemkin democratic transition. Chavismo's political monopoly may begin to fade, but its economic power will remain firmly entrenched.

Venezuela needs American investment. It doesn't need a U.S.-backed oligarchy reigning over Caracas.

MARTÍN RODRÍGUEZ y RODRÍGUEZ
Washington

CORRECTION

Canada's Industry Minister Mélanie Joly has said in reference to tariffs: "We're also targeting products that will target states in the U.S., and so we're being wise and strategic to put political pressure." The Aug. 31 Americas column misattributed a comment to this effect.

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Pepper ... And Salt

THE WALL STREET JOURNAL



"It's my safe space."

OPINION

The Navy’s Overstretched Carrier Fleet

By Kate B. Odell

‘We’re an 11-carrier Navy in a 15-carrier world,” Rear Adm. Thomas Moore said in 2013. Since then the conversation has shifted to the power of drones and the vulnerabilities of carriers and other big assets. Meanwhile, factions of both political parties think America should spend less on warships and more on income redistribution.

The U.S. is dangerously short on core naval combat power, yet its undercapitalized carrier fleet remains the envy of its enemies. The exhausting combination of heavy demands and a shrinking fleet is producing longer deployments—and wearing out crews and capital assets. The press blames President Trump and his “war of choice” in Iran for what is a much larger crisis.

Underinvestment has led to long deployments, a pilot shortage and strains on ship maintenance.

The USS Abraham Lincoln spent more than 200 consecutive days at sea without a stop in port. The president’s decision to strike Iran epitomizes the kind of national-security interest that warrants an extended deployment. Reports about food and conditions on ship don’t grapple with the challenges of ferrying fresh lettuce into a combat zone.

The Navy has long struggled to stick to a 180-day deployment standard, which helps a carrier to reach maintenance yards on time and be made ready for its next assignment. Take your pick: The USS Eisenhower left in 2023 for 275 days; the USS Truman departed in 2024 for more than 250 days. Chief of Naval Opera-

tions Adm. Daryl Caudle made news in January when he said he would oppose extending the USS Gerald Ford’s deployment, owing to the cascading consequences for maintenance and crew.

“People want to have some type of certainty that they’re going to do a seven-month deployment,” Adm. Caudle said. But the Trump administration sent the carrier to the Middle East, and the Ford returned home in May after 326 days deployed.

A real worry is that service members return from a grueling and unpredictable deployment and decide to seek other work. Strike-fighter pilots are the scarcest asset in a carrier strike group. It takes years and millions of dollars to train them.

Lt. Cmdr. Brian Hall warned this summer of a retention crisis among midcareer fighter pilots. The Navy in 2025 needed 52 “department heads,” who are 30-something pilots on their way to making commanding officer. But only 31 accepted orders, according to Cmdr. Hall’s internal data, and roughly half of those had transferred from other aircraft and were less experienced. So many pilots are moving on that the Navy has to promote officers it otherwise wouldn’t.

The toll is evident in a bevy of accident reports in recent years. When an arresting wire that catches landing planes snapped aboard the Eisenhower in 2023, the “air department was postured for human error due to the aggregated effects of combat operational tempo, chronic manning shortfalls, and substandard leadership in areas of the air department,” a Navy accident report said.

About 18 months later, when another arresting wire failed on the



The USS Abraham Lincoln during Operation Epic Fury in the Arabian Sea.

Truman, the Navy investigation listed “high operational tempo and inadequate manning” as a “causal factor.” The Truman on the same deployment careened into a civilian ship, generating another report, which mentions issues such as ship watch standers “in a two-section rotation with only 60% manning, leading to excessive fatigue.”

The ships are as tired as the personnel. Longer deployments mean carriers require more maintenance. And as the USS Nimitz floats past its 2025 planned retirement, the fleet could shrink below the 11-carrier floor prescribed by Congress.

Much has been written recently about the silliness of the Trump administration’s attempt to rip electromagnetic aircraft catapults out of new Ford-class carriers, and it’s true the new tech can launch more aircraft than older steam iterations. But the administration is arguing that new Ford carriers are too complex to build and producing an untenable

status quo: The U.S. soon will retire a carrier every few years while struggling to add a single carrier each decade.

There are no cheap solutions for this problem, which remains intractable so long as the U.S. spends only 3% of gross domestic product on national defense, a modern low. Related expenses include expanding the Navy’s fleet so other ships can pick up more missions, recruiting and retaining a much larger force of sailors and pilots, expanding underlying ship maintenance capacity, and extending the life of more Nimitz-class carriers.

Many administrations have tried and failed to deal with this supply-side problem by reducing demand for naval assets, which means compromising on global interests. A carrier fleet looking weary after mere weeks of battle against America’s third-biggest adversary in Iran isn’t prepared for deterring China and Russia.

It is fantasy to imagine new technology can fully compensate for profound deficits in the U.S. fleet, when the organizing threat for the American military is a protracted air and naval war against China in the vast Western Pacific.

The usual rap on carriers is that they’re vulnerable to long-range Chinese missiles. Unmanned assets and longer-range weapons, including hypersonics, are indeed essential to improve the carrier’s reach. But as Adm. Sam Paparo, U.S. Pacific commander, has said, the reason the Chinese are working to strike the carrier’s mobile airfield is because they’ve already figured out how to target everything on land.

The carrier “is not more uniquely vulnerable to the PRC,” as Adm. Paparo told Congress. “It is more uniquely threatening to the PRC, which is why they are working so hard to strike it.” The carrier is not a sitting duck “but a moving duck with the ability to defend itself.”

The USS Abraham Lincoln will soon return from its deployment. Expect many homecoming speeches about an excellent performance in Iran. The crew deserves the valedictory. But behind the celebrations is a warning that a crucial element of U.S. national power is in trouble. President Trump could do worse than attend the homecoming and vow to spend the last two-plus years of his presidency passing and sustaining his \$1.5 trillion defense budget. He has few better legacy causes than making sure the fleet is ready, and today it isn’t.

Mrs. Odell is a member of the Journal’s editorial board.

California’s Pro-Business Wealth Tax Proposition

By Ro Khanna

Californians will vote on Proposition 40 in November. If it passes, it will establish a one-time 5% wealth tax on California’s billionaires, who have accumulated more than \$2 trillion combined. The tax will deliver up to \$100 billion to a 2026 Billionaire Tax Reserve Fund. Ninety percent of the revenue is earmarked for healthcare, the rest for education and food assistance.

The immediate impetus for the billionaire tax is the One Big Beautiful Bill Act of 2025, which gave extravagant tax cuts to wealthy Americans and initiated severe federal Medicaid cuts—expected to exceed \$1 trillion over the next decade. The loss of Medicaid funding will adversely affect millions of Californians, including children.

To put this in perspective: The wealth of California’s billionaires is equivalent to about half the state’s gross domestic product. So Proposition 40 would require California’s wealthiest citizens to devote a small share of their vast holdings to address the urgent needs of their fellow citizens. Basic fairness—indeed, simple decency—recommends support for the tax.

Nvidia CEO Jensen Huang, who could owe roughly \$8 billion, said

when asked about the proposed tax: “We chose to live in Silicon Valley, and whatever taxes I guess they would like to apply, so be it. I’m perfectly fine with it.”

Some critics have observed that a few founders who are paper billionaires will be unable to pay the tax because their wealth is locked up in shares they can’t sell. This is a genuine problem that Proposition 40’s provision on deferred tax payments aims to address.

Louder voices have condemned the initiative completely. They say that Proposition 40 and similar measures, such as the national wealth tax I have sponsored with Sen. Bernie Sanders, are antibusiness. Taxing billionaire wealth, they say, will do serious economic damage by killing the incentives of innovators.

This criticism is fundamentally misguided.

Let’s look back at the 1950s. The U.S. economy was innovating and growing rapidly. The top federal corporate rate in 1955 was 52% and the top individual marginal rate was 91%, compared with 21% and 37% now. Even if the wealthiest Americans didn’t pay those rates, their effective rates were well above current levels.

Critics who think taxes will deter entrepreneurship misunderstand the

motivations of innovators. Dario Amodei, Beyoncé, Tim Cook, Jensen Huang, Sundar Pichai and Steven Spielberg are all billionaires. Would any of them really have worked less or with diminished creativity if they had expected higher taxes and a little less wealth?

By funding healthcare and education, it would invest in the human capital that companies need to thrive.

The wealth tax won’t kneecap those with a burning passion to leave their mark on the world. More than that, it has strong pro-business elements.

Daron Acemoglu, Simon Johnson and James A. Robinson won the 2024 Nobel Prize in economics for their work on why some societies generate sustained innovation while others fail. Their answer contrasts inclusive and extractive institutions. Inclusive institutions work by combining secure property rights and rule of law with broad opportunities for economic participation and limits on elite extraction. Extractive institutions allow powerful groups to

remain in control and hoard resources. Once economic power translates into political power, the creative destruction and new firms that lasting innovation needs get starved and smothered.

In 2008, billionaires accounted for 0.3% of political spending; by 2024, they accounted for 19%. Jeff Bezos owns the Washington Post, Elon Musk owns X, and David Ellison is running CBS News. The dangers that Messrs. Acemoglu, Johnson and Robinson identify are real and growing threats. A wealth tax can help by dispersing economic and political power, protecting both the market economy and democracy.

Even if the tax imposes some efficiency costs, we need to consider the return on what its revenue finances. Spending on health and education is good both for the person who receives care and schooling and for the economy.

Nobel laureate Gary Becker, from whom I learned at the University of Chicago, argued the fundamental point 60 years ago in “Investment in Human Capital: A Theoretical Analysis.” Expenditures on education and healthcare—especially for children—are investments in human capital. These investments have positive returns for the individual and the broader society. In a digital economy,

these investments are more important than ever. Nvidia works in Silicon Valley, Mr. Huang said, “because that’s where the talent pool is.” Investments in human capital help replenish that pool.

The evidence on economic benefits from Medicaid is clear. According to a 2023 report from the Congressional Budget Office, “Medicaid enrollment during childhood has been shown to increase earnings in adulthood. Those higher earnings imply greater tax revenues and lower transfer payments by the federal government in the future.” Under reasonable assumptions, the report estimates that these long-run fiscal gains could offset half or more of the initial cost.

A vote to tax billionaires to fund healthcare and education is a vote for fairness and decency. The moral case is clear. But Proposition 40 is also a pro-business measure: It supports a healthier and better-educated workforce that will deliver economic benefits for all. And like other wealth taxes, it prevents concentration and supports a competitive market economy that can deliver on a promise of shared prosperity.

Mr. Khanna, a Democrat, represents California’s 17th Congressional District.

What Is Canada, Other Than the Un-America?

By James Stranko

It’s a strange time to have a master’s degree in Canadian studies. But with Prime Minister Mark Carney angrily trying to give President Trump a taste of his own medicine, my moment as a Canada observer has come. When I finished my studies, the mere existence of the discipline at a major American university was a punch line for everyone I knew. It’s still a punch line, but it isn’t as funny anymore: Over the past 15 years, Canada has grown poorer, more divided (with two active separatist movements, in Que-

bec and Alberta) and less confident in its own identity.

While it’s easy to pin the blame on Mr. Trump’s adventurism, it’s much harder to hold up a mirror to Canada’s perpetual problem: its weakness for defining itself in contrast to America. Mr. Carney’s smug statesmanship and focus on virtue signaling over substance makes matters worse. Boosters say this new round of tit-for-tat tariffing and flag waving might make Canada feel more united, but united in what?

Like Democrats who are incapable of working with the Trump administration on anything, even if it

benefits their constituents, many Canadians aren’t thinking about what this huffing and puffing means for them and what a true rupture in trade would do to their country.

A range of recent surveys conducted by serious polling firms found that Canadians overall believe America is a greater threat to the world than China or Russia. According to Pew Research, the number of Canadians holding an unfavorable view of the U.S. has gone from 26% in 2015 to 64% in 2025—the same period in which Russia invaded its neighbor and Canada’s Parliament formally accused China of genocide.

The same Pew study showed that unfavorable views toward the U.S. went from 26% to 42% during the George W. Bush presidency, dropping back to 28% after Barack Obama was elected. Then it shot from 26% in 2016 to 62% by 2020, aligning neatly with the years of the first Trump administration. So in 25 years Canadians have gone from being broadly happy with America during Democratic administrations to ready to file for divorce when Republicans are elected.

This unhappy marriage goes back centuries. Between 1800 and 1825, the U.S. clashed with Britain over its northern frontier and famously invaded British Canada during the War of 1812. Canada’s history is a pendulum of violent rejection, reluctant acceptance, begrudging conde-

sension and resigned cohabitation with America. Almost all of Canada’s major moments of national unity were born out of rejection of, or protection from, American power—from its conception by the British as a consolation prize in North America to its “independence” from the crown after Britain ran scared at the

Many of the special things our northern neighbors cherish, we in the U.S. can also count as our own.

end of the American Civil War. Unlike America, which fought and won its independence, in Canada France lost to England, and England lost to itself, making the country in many ways a much less intentional political construction than the U.S.

Its coasts were settled separately, unlike the broad settler-driven western expansion of America’s manifest destiny. As a result, Canada’s economy and society are poorly integrated between provinces, with a majority of Canada’s trade crossing the border north-south, versus east-west across its own national market.

The result is that too many Canadians spend too much energy identifying a diminishing number of ways to differentiate themselves

Opinion

The British Empire has a lesson for curbing Big Tech

What it took to dismantle the most powerful company in the world.

William Dalrymple

At noon on Feb. 13, 1788, huge crowds gathered outside Parliament to witness members of the House of Lords process into Westminster Hall. They were there to impeach the man who ran much of India as the East India Company's governor general of Bengal. This was the moment when the British state finally flexed its muscles to take on the greatest corporate oligarch of his day, the Elton Musk of 18th-century London.

In addition to about 170 lords in attendance, there were judges, lawyers and numerous members of the House of Commons. According to a celebrated account of the opening, the queen was "dressed in fawn colored satin, her headpiece plain, with a very slender sprinkling of diamonds," and took her place in the audience along with three of her children. Edward Thurlow, who presided over the trial, summed up the proceedings with a statement that is as true today as it was then: "Corporations," he said, "have neither bodies to be punished nor souls to be condemned. They therefore do as they like."

We still speak of the British conquering India. In reality, the conquest of the Indian subcontinent between 1756 and 1803 was the work not of a nation-state but of a private company, the East India Company. Headquartered in a small office in London, it was answerable to nobody but its shareholders.

While its original focus was the spice trade and then the export of Indian textiles, it was authorized from the start by its charter to found and run colonies and wage war. From its maiden voyage in 1601, it used violence to conduct its business and enhance its profits. By 1788, it was not just Britain's biggest corporation and largest employer; it was the company that had conquered what was then the richest country on earth: Mughal India, whose bejeweled loot helped power Britain into the Industrial Revolution.

HERE, AS IN SO MUCH OF IMPERIAL HISTORY, commerce, colonization and brute corporate power walked in lock step. As Tolstoy later wrote in a letter published by Gandhi, "A commercial company enslaved a nation comprising 200 million people." All that made the East India Company the most powerful corporation in history — until now. For in the past decade, Big Tech has, too, begun to take on the attributes of sovereign states, and in many ways is now as powerful as the East India Company at its height. Nvidia, a chip maker with some 42,000 employees, is valued at over \$5 trillion, roughly the gross domestic product of Germany, the world's third-largest economy, with a population of 84 million. Only the United States and China have gross domestic products larger than this one company's market capitalization. Apple is valued above the annual output of Britain, Alphabet above that of France.

The way these companies control crucial global choke points echoes the political and economic power of the East India Company and its network of outposts and garrisons at the apex of their power. Just as the Dutch East India Company in the 17th century controlled about 72 percent of seaborne trade around the Cape of Good Hope and the British East India Company at its height in the 1820s controlled about three-quarters of the tonnage transported between Europe and Asia, so SpaceX's share of everything humanity puts into orbit has risen from below 10 percent in 2014 to around three-quarters last year. It has more than 100 satellites in orbit — almost two out of every three functioning spacecraft circling the planet.

As the history of the East India Company shows, there can be a point when a corporation stops being just a company and begins seizing for itself the powers and trappings typically associated with a nation-state. True, today's tech giants don't have standing armies, nor have they conquered territory.

Nevertheless, like the East India Company, they are increasingly integrated with their country's military and have swayed events on the battlefield, particularly in Ukraine.

The East India Company used its political spending to purchase decision-making power in the most powerful legislature of its day. The tech giants are on a similar trajectory. Mr. Musk, after spending millions of dollars to help elect President Trump, arrogated to himself powers usually vested in Congress during his stint running the so-called Department of Government Efficiency.

The largest of the tech companies have grown powerful in ways that we are only now beginning to understand. History can help us untangle what's happening — both the dangers we face and the options available to a democracy for finding a way out.

It took Britain decades to rein in the

East India Company and gain direct control of the jewel in Britain's imperial crown, starting with the attempted impeachment of its boss in India, Warren Hastings. As the British viceroy and foreign secretary George Curzon noted, as long as Britain ruled India (meaning, as long as the state had direct control over the source of its wealth), it was the greatest power in the world.

The question today is: Does America have the appetite and the ability to check the power of the tech companies, or will they increasingly operate without limits or boundaries, just like the East India Company before them?

THE EAST INDIA COMPANY was established in London in 1600, with a monopoly on all British trade to the east of the Cape of Good Hope. By the mid-18th century, the company had begun conquering great chunks of the most prosperous provinces of the Mughal Empire, which encompassed most of what is now India, all of Pakistan and Bangladesh and half of Afghanistan. Before long, the East India Company was straddling the globe. Almost single-handedly it reversed the balance of trade, which from Roman times had led to a drain of Western wealth eastward. Now, goods flowed toward London, enriching both the government and the nation.

By the 1780s, the East India Company was ferrying opium east to China, and its troops participated in the Opium Wars in order to seize an offshore base at Hong Kong. Soon the company had become the largest drug cartel in history: by the 1860s, roughly a sixth of the revenue of British India came from narcotics, one of the largest sources of revenue after the land tax.

By the end of the 18th century, the East India Company had created a vast and sophisticated administration in India and built much of the London Docklands. Its annual spending in Britain — around 8.5 million pounds — equaled about a quarter of the British government's total annual expenditure. In India it collected taxes, minted coin, administered justice, ran its own courts and diplomatic service, flew its own flag, negotiated treaties and made war on sovereign states, all in pursuit of increased dividends. An international corporation that began trading spices ended up transferring itself into a colonial superpower.

The East India Company operated from its headquarters on Leadenhall Street in London. For much of the 18th century it was staffed with as few as 35 people, in a building five windows wide. Yet in India the East India Company owned a private army that by 1803 numbered some 200,000 men — roughly twice the size of the standing British Army. Its stock was a pillar of British public finance, and its profitability and solvency were matters of state.

The parliamentarian and philosopher Edmund Burke, who led the impeachment of Hastings, saw the problem with perfect clarity: The company was "a state in the disguise of a merchant," Burke said. "The constitution of the company began in commerce and ended in empire."

The East India Company is often thought of as having the compass of a nation as its primary focus, but in truth it always had two targets. One was the lands where its business was conducted; the other was the country that gave it birth.

Its lawyers and lobbyists and parliamentarian shareholders slowly and subtly worked to use its immense wealth to influence and sway legislation in its favor. In 1693 the company was discovered using its shares to buy influence with prominent members of Parliament and ministers. The following parliamentary investigation, the world's first corporate lobbying scandal, found the East India Company guilty of bribery and insider trading.

After that, the company became more subtle and instead backed candidates for the state. Around one in 20 members of Parliament sat on the East India Company's board, and more than a fifth of the company's directors sat in Parliament at some point; about 40 percent of members of Parliament were shareholders.

TODAY'S BIGGEST TECH FIRMS SPENT a combined \$36 million on federal lobbying in the first half of 2025 alone and retain roughly one lobbyist for every two members of Congress. Meta has one lobbyist per six members of Congress, Issue One's reporting has found.

Tech corporations and executives, not including cryptocurrency, gave \$35 million toward Mr. Trump's record \$239 million inauguration fund; Mr. Musk alone spent \$290 million on U.S. elections in 2024 and was rewarded with a powerful office inside the government. The returns arrived promptly, with an

executive order curbing state artificial intelligence regulation and tariff exemptions repaid in investment pledges. David Sacks, a venture capitalist who opposed regulating A.I., was put in charge of the Trump administration's policy on A.I.

In 2019, when I finished "The Anarchy," the most recent of my four books about the East India Company, I wrote that today's companies do not, thankfully, have private armies. Walmart "does not number among its assets a fleet of nuclear submarines; neither Facebook nor Shell possesses regiments of infantry." That now feels like a piece of history in itself, the innocent conclusion of a more innocent age.

For while the tech companies do not have standing armies of 200,000 troops, they increasingly have other military capabilities. In Ukraine, after Russia's defense minister destroyed terrestrial communications networks in 2022, Mr. Musk's Starlink became the technology binding together the Ukrainian war effort. It controlled drones, artillery correction and frontline communications. Ukraine's digital minister at the time, later its defense minister, Mykhailo Fedorov, called it the blood of the country's communications infrastructure.

It was catastrophic for Ukraine when Mr. Musk declined to enable coverage near Russian-occupied Crimea in 2022, reportedly frustrating a Ukrainian naval drone operation, purely on the strength of his assessment of the risk of escalation. SpaceX has at various points continued to restrict military uses of the network according to Mr. Musk's whims. Decisions of war and peace, in other words, are now taken in part by a private proprietor according to his personal judgment, exactly as the East India Company's Court of Directors once decided from Leadenhall Street whether

the nawab of Bengal or the Mughal emperor would be fought or befriended or bribed. When the company's brass made such decisions, charter and Crown at least stood behind them. Mr. Musk answers only to a share price and his own convictions.

In June 2025 the U.S. Army commissioned the chief technology officers of Palantir and Meta and OpenAI's chief product officer as lieutenant colonels in a new Reserve unit. The East India Company packed Parliament with retired officers and major shareholders. The new dispensation puts tech executives straight into a position of federal power, which in one way puts them ahead of their 18th-century counterparts. Then, at least, company men were required to buy their way into Parliament through purchasing a compromised seat known as a rotten borough.

The company was a trading business that became, in the course of a century, one of the most powerful military forces on the planet. Silicon Valley is making the same journey, at even a faster pace. Palantir, which draws more than 40 percent of its revenue from the U.S. government and whose valuation has been part of that of every traditional arms maker, holds a \$1.3 billion contract for the Pentagon's A.I. targeting program. It signed an upgraded strategic partnership with Israel's Ministry of Defense in January 2024 to supply technology in support of war-related missions.

Last month a clip emerged of Saifur Khatib, the executive vice chairman of Oracle, boasting that his company made "really profoundly scary technology" available to Israel and remarking that her proudest moment was coming out of Israel Defense Forces headquarters just as five of her employees were entering, in uniform.

Google and Amazon hold a \$1.2 billion contract to supply cloud and A.I. services to the Israeli government, reportedly including the Ministry of Defense and the Israel Defense Forces. The Pentagon has handed contracts of up to \$200 million each to OpenAI, Anthropic, Google and xAI. OpenAI has dropped its ban on military work. Google dropped its pledge not to build A.I. for weapons or surveillance.

THEN AS NOW, THAT GREAT CORPORATIONS can enrich the state. But they can also drag it down, and that is when the interests of the state and the interests of corporations begin to diverge.

In the summer of 1772, the greatest corporation on earth ran out of money. The East India Company had conquered Bengal, but the conquest had turned ruinous. A famine helped along by company negligence had killed perhaps a fifth of the province's people, and the company's share price had collapsed.

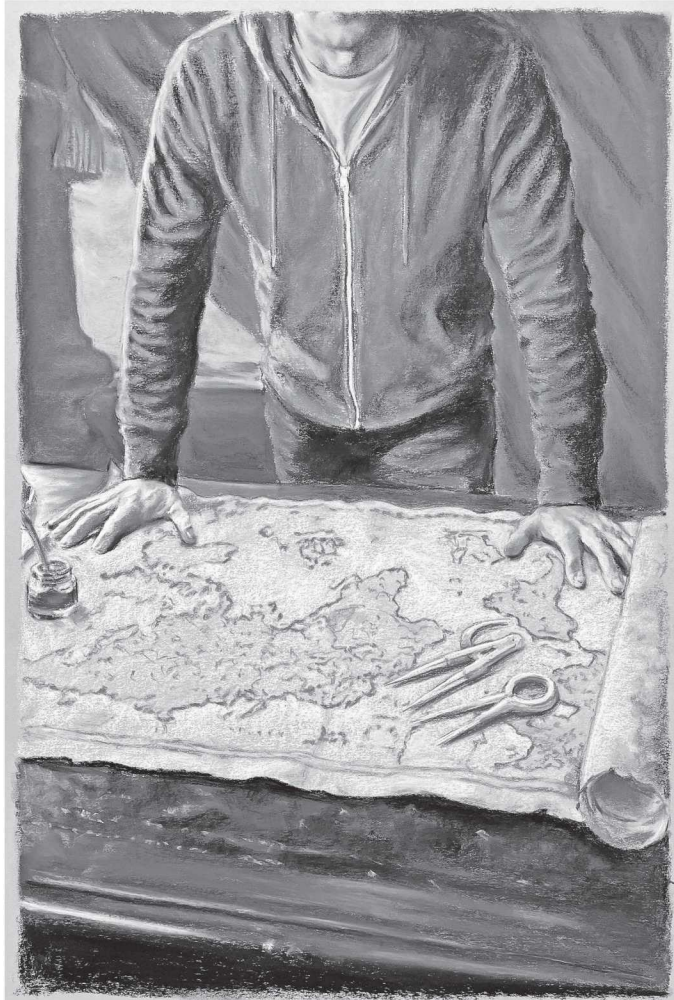
On June 8 a Scottish banker named Alexander Forry, having speculated heavily in East India Company stock, disappeared from his office, leaving debts of 550,000 pounds. His bank soon declared bankruptcy, followed a few days later by another. The financial crisis that spread across Britain into Europe. By the fall, company directors were asking for a bailout.

Parliament saved the East India Company because it could not afford otherwise. Like Lehman Brothers, the company really was too big to fail. Company stock was a pillar of British public credit and was held by around 40 percent of the members of the House of Commons. In 1773 the state advanced the East India Company £1.4 million, and then, casting about for some way to help it earn the money back, hit on the unsold tea sitting in London warehouses. The Tea Act let the company ship it directly to America, undercutting the colonial merchants who had handled the trade.

This was legislation written to solve one corporation's inventory problem. It cost Britain 13 colonies. That December, men in Boston threw tea into the harbor. One of the principal fears of the American patriots in the run-up to the American Revolution was that Parliament would unleash the East India Company in the America to lose there as it had done in India.

This "almost bankrupt company" having been occupied in wreaking "the most unparalleled barbarities, extortions and monopolies" in Bengal, had now "cast their eyes on America, as a new theater, wherein to exercise their talents of rapine, oppression and cruelty," wrote the American John Dickinson. Within

DALRYMPLE, PAGE 14



ERIC JOHNSON

The New York Times

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Did the Met just cancel the wrong fashionista?



Bret Stephens

In principle, and as often as possible in practice, it's best to separate judgments about an artist from judgments about the art.

Road Dahl was an unabashed Jew hater. But my childhood (and millions of others) would have been poorer without Willy Wonka and the Chocolate Factory. Pablo Picasso was monstrous in his treatment of women. He was vindicated in his depiction of them. Eldridge Cleaver was an admitted and condoned racist. Yet "Soul on Ice" is one of the most interesting books of its time.

Then there's the case of John Galiano, the British fashion designer, and the self-inflicted fiasco that has befallen New York's Metropolitan Museum of Art. On Monday, Galiano withdrew under pressure from a planned nine-month retrospective of his work at the museum, to be kicked off next May with the Met's lavish, lucrative, star-studded annual gala.

Galiano, by broad consensus, is a master of his craft whose creative gifts enriched Givenchy, Dior and Maison Margiela as international fashion powerhouses. He is also, by many accounts, a wretch.

"From his early days as a struggling designer in London and Paris through to the heights of the fashion industry, Mr. Galiano was known to be verbally abusive to employees, friends and strangers alike," wrote Dana Thomas, his biographer, in a guest essay in *The Times*. In 2011 a French court convicted him of a pair of hate crimes for antisemitic and anti-Asian tirades at a Paris bar. He apologized for the behavior, claiming he had been high and drunk.

But these were not isolated events. A video of a separate incident from 2010 captured him telling patrons of the same bar, "I love Hitler," adding, "Your mothers, your forefathers would be fucking gassed." In 2019, according to the fashion publicist Lauren London, Galiano "started screaming 'Merry Christmas, Merry Christmas' when he overheard a woman speaking Hebrew at an alcohol-free Italian spa. "When my friend asked him if he had a problem with Hebrew he promptly and very unapologetically responded that he did." London's friend and her daughter have confirmed the incident; a spokesman for Galiano says he denies it.

Galiano's troubled history was a secret to nobody when the museum decided to honor him, thanks largely to the tireless championing of Anna Wintour, the global editorial director of *Vogue* and a longtime trustee of the Met. It was a reminder that high fashion

and good judgment only rarely coincide.

For starters, the date of the gala coincided with Yom HaShoah, or Holocaust Remembrance Day. Whoops. Then the museum thought it could mollify the Jewish community by arranging meetings between Galiano and prominent rabbis so they could offer their benediction. But it seems not to have reckoned with Julie Menin, the speaker of New York's City Council, who denounced the tribute to Galiano as "wholly inappropriate" and a "serious mistake" at a time of steeply rising anti-Jewish hate crimes in the city. The city helps fund the Met to the tune of millions of dollars a year.

There was also the palaver from Andrew Bolton, the curator of the Met's Costume Institute. Bolton promised that the planned show would open with an "orientation gallery" on Galiano's transgressions that could "provide context" for visitors. It was a touch of self-important backside coverage for a show whose overriding, if unavowed, political message would have been that Jew hatred, unlike most other forms of bigotry, is a survivable mistake in elite Western culture today. As Elissa Wiesel said last week, "If someone had screamed the worst racial epithet you can imagine, said, 'You're a horrible Black person, and your ancestors would have been hung from a tree,' you could not imagine them being honored by a prominent cultural institution."

The good news is that that message will not be sent, at least not this time. The bad news is that the central lesson of this episode remains unlearned. The error of the Galiano retrospective was not the desire to display his outstanding body of work for the public. A dress, assuming it doesn't have a swastika stitched to it, doesn't convey a prejudice, and curious visitors, including Jewish ones, could learn a lot from an excellent exhibition. The outrage was the highly personalized form of the honor being bestowed on Galiano himself, above all through the Met Gala, which violated the principle of separation by celebrating the execrable career along with his extraordinary creations.

By the same token, efforts to explicate Galiano's conduct, examine his sincerity or extract another apology from him should not be in the museum's remit. The function of art museums is to display great art, period. It's not to serve as moral inquisitor, contextualizer or polemicist. The same attitude should apply to every other supposedly apolitical artist, whether it's Edgar Degas or Paul Gauguin or Chuck Close or Kehinde Wiley.

The smart play for the Met would have been to cancel the gala and go ahead with the retrospective — and to have used that decision as a template for every future political controversy. Instead, Wintour, in her capacity as a Met trustee, praised Galiano for being "very courageous" after he withdrew and offered him her "full support." That she cannot seem to separate the man from his work might prompt the rest of the museum's leadership to ask whether she hasn't done damage enough already.

Perhaps there's another fashionista the Met could have canceled.

A new world order is coming. We aren't ready.

MACMILLAN, FROM PAGE 1

Security intelligence continues its rapid, unrelenting rise, threatening jobs, security and, in darker projections, human existence.

Revisionist powers float rules and norms with impunity. Electorates are angry and volatile. Slow, deliberate, necessarily discreet diplomacy, which builds trust and understanding, has given way to a performative, brash style more suited for TikTok-added attention spans or the playground.

The Uppsala Conflict Data Program recorded 65 state-based conflicts last year — the highest number since 1946. Great powers find themselves bogged down in asymmetric wars with countries that are making the most of new technologies. President Vladimir Putin of Russia's war in Ukraine, meant to be won in a matter of days, is creaking through its fifth year. Iran, using inexpensive, mass-produced drones to attack American forces and allies, has gained control, perhaps permanently, over a crucial corridor of world trade, drastically reduced U.S. missile stocks and mired President Trump in a war of his own choosing.

A world war is not inevitable, but the threat of a catastrophic conflict between big and well-armed powers is greater than it has been for decades.

Like the people of Camus's *Oran*, we are understandably reluctant to recognize just how much the world has changed. The problems are thorny, complex and tedious, and it's easier to look away. So we holiday on beaches while wildfires rage; we ask A.I. how to train a new puppy, how to write a letter — to do our thinking for us. We hope that the wars will end, that the guardrails, institutions and alliances will be rebuilt, and that the world as we understand it will recover and endure.

But a new reality has arrived with startling speed. The world order that held together most of our lives instead started to erode when those within it got too comfortable and complacent, and when there was too much chaos as we understand it will recover and endure.

We have arrived in a new age of disorder. We must prepare ourselves, which begins with being honest about the seriousness of the moment we're in, and accepting that our fragile system is faltering. That countries are already adapting, for better and worse. And that any future of cooperation will have to look different.

WHAT HAPPENS TO those who refuse to adapt, and insist that a crumbling system can carry on? Consider three revolutions that were, and one that wasn't.

On the eve of the French Revolution, France's great tax collector, Calonne, was probably bankrupt, in large part because of the enormous amounts it had borrowed to help defeat the British in the American Revolution. Extravagant and corrupt ruling elites had lost their way, and a growing middle class, excluded from political power, was demanding reform. The tax collector, workers and peasants faced starvation and were increasingly desperate.

Powerful new Enlightenment ideas were circulating — some of which were imported from the American Revolution — about human rights and new forms of government. The people gave power to at least some of the people.

The French kings and their courtiers misunderstood the depth of the discontent and the power of the new ideas. They were wrong: The monarchy was overthrown, and a chaotic, violent republic was born. Within a decade, Napoleon would be emperor.

There is no single pattern for revolutionary change, but those at the summit of a regime often fail to recognize how brittle it is. The Russian Revolution of 1917 was the consequence of defeat abroad, rather than a costly victory. But Czar Nicholas II, instead, against all evidence, that no reforms were needed because Russians still adored him. In 1930s Germany, Hitler was invited into power by elites who thought, wrongly, that they would be able to use him, and that the existing system was strong enough to box him in.

Each of these revolutions had profound international ramifications.

Napoleon led France to dominance over the continent, smashing old institutions and ideas like the divine right of kings to rule. The Bolsheviks, who seized power in Russia, preached and fostered revolutionary internationalism, waging war worldwide on capitalism and democratic nations. Hitler rearmament Germany, conquered most of Europe and murdered millions of Jews and many others in the name of Aryan dominance.

Sometimes, though, nations and their leaders read the tea leaves in time. In the 1920s, the British govern-

ment could be that under a different president the United States will resume its role as hegemon, a willing supporter of international institutions and norms, a good and dependable ally and a firm opponent of tyrants. That world will once more go on as peacefully as it has — at least from some perspectives — since 1945. The big powers, including now China and India, will continue to rub along together, and something called an "international community" will recommit to its work to eliminate poverty, injustice, conflict and climate change.

deplore the breaches. The very existence of an international public opinion can still put pressure on our leaders. Many of the organizations of the failed structures, among them the United Nations, the World Trade Organization and the World Bank, are increasingly drained of resources and meaning, but they still exist.

In a much-discussed speech in Davos in January, Prime Minister Mark Carney of Canada, months before trade talks with the United States broke down, described the end of Pax Americana as the end of a "pleasant

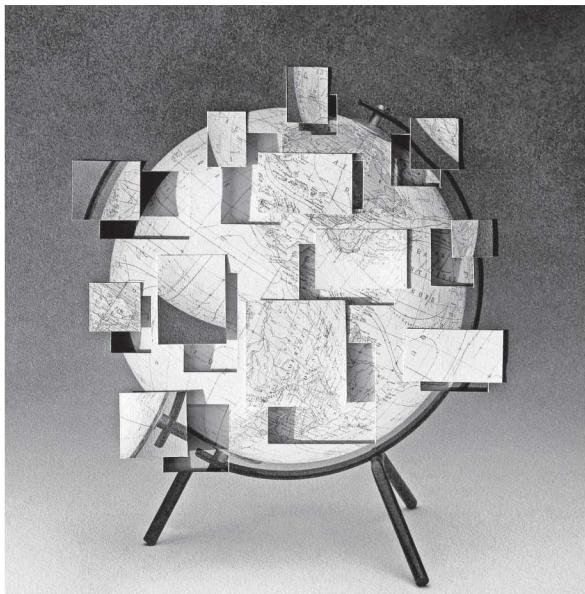


PHOTO ILLUSTRATION BY ADAM HANER FOR THE NEW YORK TIMES. SOURCE: PHOTOGRAPH BY PLANVIEW/GETTY IMAGES.

ment was facing pressure from the middle classes, newly created by the Industrial Revolution, but shut out of political decision making. The British elite, attached to the recent catastrophe in France, knew that it needed to adapt or to survive. The 1832 Great Reform Act served as a pressure valve that widened the franchise sufficiently to avert a wider crisis.

It is easy to find the parallels in our own moment. Angry populations. Unelected elites with enormous wealth

and the power to bend governments to their will. Leaders who refuse to build consensus or take advice. When Mr. Trump was asked in January what limits there were on his power, he answered, "my own morality"; King Louis XIV left France greatly weakened after the wars he fought, he said, "for gloriole," his glory.

Those who choose to ignore the warning signs and dismiss history as sufficient smaller powers. At the end of the Cold War, with the disappearance of the Soviet Union, the United States seemed ready to continue as the guarantor of the post-1945 system. Under President Trump, that's no longer the case.

INTERNATIONAL ORDER has always depended on the support of great powers and on the cooperation and buy-in of sufficient smaller powers. At the end of the Cold War, with the disappearance of the Soviet Union, the United States seemed ready to continue as the guarantor of the post-1945 system. Under President Trump, that's no longer the case.

But what if we are already in the early stages of what will be a protracted period of disorder? A world in which we cannot assume that what was true yesterday will be true tomorrow, or that seemingly solid institutions will endure. We might cease to be surprised at what the news brings each day. Natural disasters like the floods in Nepal and Tibet happen, and it's not clear who is sending the cavalry. Do we shrug and carry on with our own lives? Conflicts — some with the potential to bend great powers — occur with no obvious arbiter. Dependable alliances such as NATO are being tested and retested, and could fall apart. Russia's hybrid war with Europe is expanding; China and the United States could clash over Taiwan; competition for resources in a warming, drier world is already stimulating violence.

This is a world of increasing unpredictability in which we are left, to a much greater extent than we expected, at the whims of our leaders who are less bound by external frameworks and feel free to make it up as they go along. We should be choosing those decision makers more carefully than ever — just when electorates seem less inclined to do so.

These are dark clouds. But the end of the old system does not have to mean the end of cooperation. We still have many of the components of an effective world order. We have a rich web of international institutions, many of them largely invisible, which manage the links among nations, from civil aviation to the internet. Treaties are still largely observed. International law and sovereignty can be hard to enforce and defend, but many of us still

fiction." But other countries could push back, he said, particularly if they banded together in coalitions of shared values with shared goals. A number of middle powers, including Canada, Australia and Japan, are working together to fill the gap left by the withdrawal of the United States from its former role as the benevolent superpower.

CHANGE IS HARD, but clinging to the old ways can be a dangerous delusion. In the summer of 1914, the British foreign secretary, Sir Edward Grey, and many others in positions of power in Britain and across Europe assumed that the latest crisis in the Balkans would be settled, as similar ones had been before, by a conference of the great powers. He failed to understand how rapidly Europe was moving to war and to use Britain's great power to bring the different sides together. The First World War changed Europe and the world for good.

By 1945, Britain, the Soviet Union, the United States and their allies had fought two brutal world wars in the space of three decades. When they created the architecture of the existing order, they were very clear on what they wanted to prevent. The previous frameworks had failed, and they would create something new that would not. The Panglossian road of unwarranted optimism is a dead end. But that doesn't mean we cannot do what has so often been done before, and embark on the laborious process of building something afresh.

MARGARET MACMILLAN is a historian and a former ward of St. Antony's College, Oxford.

FROM READERS

A Reckoning with the rights and wrongs of wokeism

Re "Yes, Woke 1.0 was crazy: Now where's the accountability?" by Bret Stephens (column, Aug. 19):

Whatever term we wish to apply to this decade of insanity, I share Bret Stephens's shock and disappointment with the lack of accountability or self-reflection from those who participated in this broad cultural movement.

In their widely read article in *The Atlantic* in 2015, "The Coddling of the American Mind," Greg Lukersmith and Jonathan Haidt put a spotlight on a key turning point in higher education toward safetyism, which then spread much more widely in society, leading to many of the abuses that Mr. Stephens

pointed out in his column.

The period was marked by an assault on traditional liberal values from the progressive left. Merit was redefined as privilege. Dedication to universal values was patriarchal. Respect for the dignity of the individual was getting in the way of the revolution.

Traditional liberalism values self-reflection, and this has been largely absent when assessing what happened during this period and its costs.

MARK WOLFGANG, OTTAWA

Shame, feminism and face-lifts

Re "Does my face-lift make me a bad feminist?" by Molly Jong-Fast (Opinion, Aug. 13):

Ms. Jong-Fast is right to point out the uncompassionate treatment of older women in the public eye, and the double bind of being judged both for looking older and for trying to not visibly age.

But she's wrong to focus on the shame of getting plastic surgery as the main problem. We're actually living in a time of unprecedented openness and acceptance about cosmetic alterations. The real problem is the shame women are made to feel for looking older, shame that has been produced in no small measure by the industries that profit from pushing cosmetic fixes.

Ms. Jong-Fast asks if she's a "bad feminist" for getting a face-and-neck lift. We should all agree that there isn't a "right" way to be a feminist, and

judgment shouldn't be placed on individual women in a no-win situation. Instead, we should ask what forces are at play that have dramatically increased the number of cosmetic procedures in recent years and decreased the age at which women are getting them.

KAREN FLOOD, CAMBRIDGE, MASS. The writer is an associate of the Women, Gender and Sexuality Program at Harvard University.

It was extremely jarring seeing Molly Jong-Fast's examination of plastic surgery adjacent to the editorial that said 14 million Americans are losing their medical insurance.

Two nations, indeed.

TAMAR SINGER, NEW YORK

OPINION

The British Empire has a lesson for curbing Big Tech

DALRYMPLE, FROM PAGE 12
three years, America declared independence.
This is how a corporation crosses the line from doing business with a state to becoming inseparable from it; how the state, once the corporation is large enough, finds itself legislating on the corporation's behalf, and how the bill, when it arrives, is paid by the country rather than the shareholders. The government, under Prime Minister Frederick North, did not set out to lose America. It set out to keep a company solvent. The results were catastrophic for the British state and much to diminish its power.

ALL THIS RAISES THE QUESTION of what can be done to tame today's corporations. The British state eventually fought back against its greatest corporate competitor, realizing that it was becoming powerful enough to overcome entire nation-states and to make or break not just their economies but their militaries, too.
Burke spent seven years in Westminster Hall trying to impeach Hastings and lost. It took Britain an additional 63 years and the largest anticolonial uprising of the 19th century, which killed hundreds of thousands of people, to show that only robust legislation can tame corporations.

This happened after the East India Company's insensitivity provoked a bloody uprising in 1857, the war known in Britain as the Indian Mutiny and in India as the First War of Independence. The Victorian state, alerted to the dangers posed by greed and self-interest, moved to tame history's most voracious corporation by issuing a raft of legislation that essentially abolished the company and brought its functions under the purview of the Imperial Civil Service.
The company's navy was disbanded, and its army passed to the Crown. In 1858 the governor general of India announced that the company's Indian possessions would be nationalized and the Crown. The monarch, rather than the directors of the company, would henceforth rule India. The East India Company limped on in its amended form for an additional 15 years, when its charter expired, finally shutting down in 1874, "with less fanfare," noted one commentator, "than a regional railway bankruptcy."

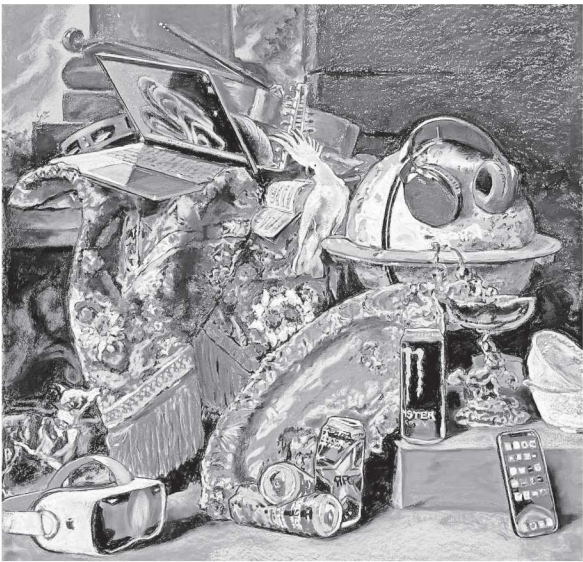
This not only broke the company's economic monopoly with the trade of the East; it also allowed Britain to take control of its most profitable colony, with

enormous benefits for the state (though not, it should be said, for India, whose economic exploitation in the service of British interests continued much as before).
China, reverting to its traditionally Communist approach to business, recently did something similar with its big corporations. A decade ago, many believed Alibaba and Tencent were the coming corporate giants. Today, China's economy may yet overtake that of the United States, but its corporations will not, because President Xi Jinping decided they would not. In October 2020, Jack Ma, a co-founder of Alibaba, criticized China's financial regulators for their "pawnshop mentality." Within

As the East India Company's excesses eventually provoked a reaction not just in Parliament but also in the country at large, so too a broad and strikingly bipartisan hostility to Big Tech is taking shape across America.

days, the over \$310 billion flotation of Mr. Ma's financial services unit, Ant Group, which at the time would have been the largest in history, was canceled two days before trading was set to begin.
The most sweeping regulatory assault in the history of corporate China followed. Alibaba was fined \$2.75 billion. Ant was forcibly restructured, and parallel campaigns were started against whole sectors of the Chinese economy. Mr. Ma, the highest-profile casualty of the crackdown, largely disappeared from public life in China, resurfacing in February 2025 to shake Mr. Xi's hand at a televised symposium of chastened entrepreneurs. Whereas Starlink is one man's company, China's answer is Guowang, run by a state enterprise reporting directly to Beijing, alongside the Shanghai-backed Qianfan. They plan to have over 27,000 satellites between them.

One recent incident shows that the American state retains the whip hand when it chooses to crack it. Anthropic is the A.I. laboratory that has gone deepest into classified government work while insisting on two restraints: no mass surveillance of Americans and no fully autonomous weapons. It was ordered by the Pentagon last winter to permit its models to be used "for all lawful purposes." It refused. The president directed every federal agency to stop



ERIC STUMACHER

using its technology, and the Defense Department branded Anthropic a "supply chain risk" — in other words, a major security threat, a designation never before publicly applied to an American company. (Anthropic has sued the Pentagon over the designation; litigation is ongoing.)

THE EAST INDIA COMPANY'S directors faced something similar in 1772 when Parliament passed the Regulating Act, an early attempt at state control. In Parliament's case, it intervened to restrain a corporation's violence. Mr. Trump's administration intervened to strip out a

corporation's self-imposed restraints on violence.
There are the first stirrings of something like popular resistance. As the East India Company's excesses eventually provoked a reaction not just in Parliament but also in the country at large, so too a broad and strikingly bipartisan hostility to Big Tech is taking shape across the United States.
Gallup found that nearly four in 10 Americans said A.I. did more harm than good, up sharply from a year earlier, and nearly eight in 10 expected it to reduce the number of American jobs. The anger has found its most tangible target in the

data centers that are the physical embodiment of the A.I. boom. In the first three months of 2026 alone, organized local opposition blocked or delayed 75 major projects worth some \$130 billion, and the same Gallup poll found that more than seven in 10 voters, including large majorities of both Democrats and Republicans, said they wanted no such facility built near their homes.
Senator Bernie Sanders and Representative Alexandria Ocasio-Cortez have called for a national moratorium on new data centers. Students have booed A.I. executives at commencement ceremonies. And rising utility

costs, driven in part by the tech companies' voracious demand for power, helped carry Democrats to victory in Virginia, Georgia and New Jersey. Just last week, Meta settled a lawsuit from 47 states, the District of Columbia and U.S. territories by agreeing to pay up to \$17.1 billion in penalties and make major changes to how it plans its power.

Whether any of this can be marshaled into the kind of legislation that in the end tamed the East India Company is in question, especially because a major corporate mogul occupies the presidency, one who treats his family business and that of the Republic as a single concern.

The lesson of the East India Company is not only that corporations can behave monstrously abroad. It is that they can flex their powers at home, too. Like the East India Company before them, today's giants are using their lobbying dollars and closeness to power to warp politics and economy as they take on the powers and functions of a nation-state. Burke understood this in the 1780s. His greatest anxiety was not what the company was doing in Bengal but what its money would do to Britain.

History shows that when a company starts acquiring the attributes of a state — the revenues, the courts, the treaties, the capacity to make war and peace — its transformation can damage the parent country at least as much as the territories it exploits. Its lobbying corrupts the legislature. It captures the treasury, because the corporation's solvency becomes a public interest. It converts its foreign policy into an extension of a balance sheet. And it shows that the threshold, once crossed, is astonishingly hard to reach. The window in which any of this can be undone closes fast.

States can master corporations. The taming of the mighty East India Company proved it, as does Beijing's recent muscle flexing. Because of the power of the company's corporate lobby, the British government has had to use three parliamentary interventions, a famine, a bankruptcy and the bloodiest colonial uprising of the century to get it back under control. And then, the damage in India was done.

The instruments still exist. What is lacking is the political nerve to use them.

WILLIAM DALRYMPLE is the author of "The Anarchy" and other books on the history of the East India Company. He is also a host of the podcast "Empire."



Eric Stumacher

Cooking

Make dinner delicious without all the dishes.

Explore recipe collections like Delicious One-Pot or Pan Dinners.

nytcooking.com

Bad economics at the U.S. Open

Natasha Sarin
Contributing Writer

The U.S. Open, the most lucrative tennis tournament on the planet, is having a moment. Last year, Queen Latifah, Ben Stiller and Bruce Springsteen joined over one million fans who attended in person, up more than 30 percent from the tournament's prepandemic high. This year's proceedings look to be at least as jam-packed.
Profits are way up, too. Between 2019 and 2024, the last year for which figures are available, operating profits increased by more than 75 percent.
That's a lot of Honey Deuces.

For all the attention that's going to the Billie Jean King National Tennis Center, the Open has also received a lot of negative publicity — for increasingly catering to the wealthy, at the expense of the ordinary tennis fans on whom the sport relies.
I am relatively new to tennis fandom, having come to it through the unsporting gateway of pregnancy-induced insomnia. In my third trimester, I lived here: Those affordable tickets tend to go quickly once they're on sale, and then it's open season for jacking up the cost. The U.S.T.A. does receive a cut, but a vast majority of the gains are pocketed by resellers and platforms such as Ticketmaster.

These aren't new frustrations. In fact, they're the reason President Trump issued an executive order last year aimed at "unfair practices in the live entertainment market." The U.S. Open makes for an unusually interesting case study because it has such clear comparisons with other Grand Slams in Australia, France and Britain. At those tournaments, tickets either cannot be resold or can be resold only for amounts close to face value. The result is less expensive tickets, lower profits for middlemen and happier fans.

These are issues for the U.S. government to address, which is why it's so frustrating that the Trump administration decided to settle its antitrust lawsuit against Live Nation, which owns Ticketmaster. Still, there are steps that the U.S.T.A. could take on its own. Some musicians have successfully negotiated with resellers to cap ticket prices on these platforms; the U.S.T.A. could do the same. It could make a lot more tickets available to a broader audience at a low price point. And it could let people buy a snack without being charged a cover price.

Literally: At the Open, six plain chicken nuggets cost \$26; you can get them with caviar for \$100.)

One way or another, for the sport to continue to grow in the United States, its marquee event needs to be more accessible.

The tournament did recently release a small number of less expensive tickets, in response to criticism. It also added a fan week with free admission, but then during the main part of the tournament, and this year the available spots got claimed so quickly that a great many people found themselves barred from entry. Many of the Open's efforts have gone toward expanding accessibility for the high end: Its largest stadium is being renovated to add more luxury seats, which means fewer affordable ones. The expenses side of the U.S. Open's ledger could also use some attention. The tournament this year announced



NOVAK DJOKOVIC

the largest compensation package in history for any such event, with a record \$108 million going to the players. The winner of the singles title takes home \$5.5 million; playing one match (and losing) nets \$140,000. That's not that far from double the median household income in the United States.

Don't blame the players for the escalating costs. Their earnings translate to less than 20 percent of the total revenue the tournament generates. By way of comparison, players in the N.B.A., N.H.L. and N.F.L. take home around 50 percent of league revenues.

Tennis is a weird sport. In that you pay your own way. Jalen Brunson can't pay his coach's salary out of his pocket, but tennis players do. So, too, the cost of their travel, their trainers and their medical expenses. That works if you're a superstar with lots of lucrative sponsorships. It works less well if you're trying to find your footing. At this year's French Open, the finalist, Maria Chvalinska had to compete in qualifiers before winning her coveted spot in the main draw of the tournament. Just getting to that point was so expensive that she would not have been able to keep playing had a new sponsor not stepped in at the last minute to cover her hotel costs.

Players are independent contractors, without a union to bargain for them, unlike athletes in leagues. It's hard to feel much sympathy for the seeds making millions of dollars over the course of a few weeks. But for economies needs like me, the difference between the relatively smaller players' rewards in tennis and those in other sports is a vivid example of the ways in which worker power (or a lack thereof) can shape outcomes.

There's been some progress, with players banding together to call for a fairer deal, and a recently announced Players Advisory Council to give them a direct voice in decisions such as how large the major tournaments' prize packages should be. But I worry change will be slow and hampered by the lack of any formal structure.

Some unsolicited economic advice for the U.S. Open: It should actively pursue a lower bottom line — less revenue through lower-cost tickets and bigger prizes with more profit-sharing for athletes. That would not be without consequence: The U.S.T.A. is responsible for promoting tennis and nurturing promising American athletes, and 90 percent of its revenues come from the Open. But there is most likely room to do more with less.

I'm happy to do my part, too. I have an extra set of tickets for this week. They're available for face value.

NATASHA SARIN is a professor at Yale Law School and the president of the *Burke Lab* at Yale. She serves on the Treasury Department during the Biden administration.

The FT View



FINANCIAL TIMES

"Without fear and without favour"

ft.com/opinion

Opinion Science

Time is running out for the leap second



Anjana Ahuja

The leap second is living on borrowed time. This interloper, inserted into global clocks 27 times since 1972 and last added in 2016, allows two competing systems of time to run in parallel: astronomical time, long measured by our species according to the Earth's slightly irregular rotation; and Coordinated Universal Time (UTC), the global time standard set by ultra-precise atomic clocks and used in infrastructure such as telecoms, power grids and data servers – plus phones and computers. The correction irks infrastructure operators, who apply the fix in different ways. Some operators "smear" the extra second into their systems across many hours, rather than adding it in one go. Global timekeeping authorities had already voted to abolish the leap second by 2035.

Replacing it would detach human timekeeping from its ancient, astronomical roots

But now there is a spanner – or spinner – in the works. Our planet has been spinning faster since about 2015, meaning that before the 2035 deadline, UTC might need to add a *negative* leap second. Deleting a leap second has never been tried and could, say scientists, create mayhem in the digital time-stamped continuum. "Even positive leap seconds are hard to implement reliably," explains Setnam Shemar, principal scientist at the UK's National Physical Laboratory, who manages timing matters for the UK. "Many computer programmes assume all leap seconds are positive ... [a negative leap second] could result in a major technology failure in telecommunications or electricity grid networks or satellite navigation systems." As the journal Nature reports, the horological crisis may condemn the leap second to an earlier grave. Next month, the world's timekeepers will vote on whether to replace it with a "leap hour". If the resolution passes, it could mean a 24-hour leap hour for a leap hour to accumulate, in effect nullifying the need for any corrective action at all. It would be a practical win for tech overlords, digital gatekeepers and official clock-watchers but something of a cultural loss for our stargazing species, detaching human

timekeeping from its ancient, astronomical roots. Over millions of years, the Earth's spin has been slowing very slightly due to the Moon's frictional drag. The lag between astronomical time and UTC must not exceed 0.9 seconds; once that looks likely, a positive leap second is inserted into UTC to yank them back into alignment. But changes in the Earth's core are now causing our planet to rotate faster, bringing a 30 per cent chance that a negative leap second will be needed by 2035. The "leap hour" vote will be overseen in mid-October by the International Bureau for Weights and Measures, based near Paris and the guardian of UTC, as well as other measurement standards such as the kilogram. Most of its 69 member states, Shemar said, want to get rid of leap seconds because of the risk posed to national infrastructure. But changes in the leap hour "would remove the risks entirely for a very long time".

Markus Kuhn, a computer scientist at Cambridge university, told me that a negative leap second should, in theory, cause less havoc than a positive one, because the clocks and computers will skip a second rather than add an extra one. "That should be less disruptive, as it doesn't affect the relative ordering of time-stamped events. But it is also a new situation, that hasn't been tested widely yet." Kuhn has been against the idea of a leap hour since it was first floated more than two decades ago, because tweaks would come so rarely: "The rarer an event is, the more disruptive it is."

Shemar, a former astronomer, thinks "a leap hour would never be applied ever, since life would be so different on Earth thousands of years from now." The immediate priority, he said, was to preserve safety-critical infrastructure, even if it means severing the cultural link between human timekeeping and the stars. Timekeeping may, of course, look very different in the millennia to come. Our ancestors would surely marvel at the caesium atomic clocks that have superseded sundials. Even these might one day seem old-fashioned: newer atomic clocks that use ytterbium instead of caesium are said to keep time so faithfully that, had they started ticking at the birth of the universe nearly 14bn years ago, they would have lost less than a second. Still, I shall mourn the probable passing of the leap second, whose lifetime nearly mirrors my own revolutions around the Sun. I always thrill at hearing the extra tick of the leap hour, a humbling reminder that we live on an erratically twirling rock orbiting a fireball, as chained to our ancestors to the unceasing rhythm of night and day.

The writer is a science commentator

The wrong way to revive Venezuela's economy

Oil deal is most striking example yet of Trump's new state capitalism

In the aftermath of the January raid to capture Nicolás Maduro, Donald Trump predicted a wave of new investment into Venezuela's depleted oil sector. It has been slow in coming. After more than a decade of corrupt mismanagement, many existing oil wells are in disrepair and the infrastructure depleted – requiring huge outlays. The oil itself is difficult and expensive to extract. But most of all, major oil companies are uneasy about the political situation. During the presidencies of Hugo Chávez and Maduro, the industry watched the economy being run into the ground and had some of its assets appropriated. Many executives do not believe a government run by Delcy Rodríguez, who was Maduro's vice-president, is a big enough change to restore confidence.

Some deals may be starting to flow. Chevron on Wednesday committed to invest \$7bn to more than double its Venezuelan production. But to speed the revival of Venezuela's oil sector, Trump has two options. One would be to push for early elections that would usher in a democratically elected government. A new president could present a clean break with the past and negotiate major investments on the basis of genuine political legitimacy. A US-backed dialogue on a new election is likely to take some time, however, and Trump wants to be able to show decisive progress to American voters before the midterms. An elected president could also bring complications: the Venezuelan opposition is anything but anti-American, but a new government would still have the authority to plough its own path. Trump has decided to take another route – through a burst of unorthodox dealmaking. In perhaps the most striking example of the White House's new

brand of state capitalism, the US is going into business with Alejandro Betancourt, one of the most divisive figures in the Venezuelan business world. Under the deal, the US will take a 35 per cent stake in Betancourt's oil business, North American Blue Energy Partners, which has been given a concession that covers 17 oilfields and almost one-fifth of Venezuela's reserves. Betancourt is already talking to investors about potential deals involving these assets. From the White House's point of view, the structure has two advantages. Oil companies looking to invest in Venezuela can now go through Betancourt – "a proven operator" – as a senior US official described him – rather than the slow-moving state oil company PDVSA. Some companies had been asking for guarantees before returning to Venezuela. The US investment will be held through the Pentagon's Office of Strategic Capital, which has sent its share of restaurant resources to provide financial guarantees to investors or their banks.

Potential investors are left to ask if this pact will survive political scrutiny in either country

But there are major flaws. While the deal's full details are not yet public, it faces legal questions in both the US and Venezuela. Democrats in Congress are calling it an abuse of power. There is Betancourt himself. The administration says that he has the sharp elbows needed to get things done in Venezuela. But he is also a figure for sections of the opposition because he is a leading member of the group who became hugely wealthy under Chávez, in some cases through sweetheart deals. Potential investors are left to ask if this deal will survive political scrutiny in either country – especially if elections bring in a new Venezuelan government. The sort of long-term commitment involved in a major oil investment requires a high level of confidence in the political conditions. In Venezuela's case, that means new elections that can establish a platform with deeper credibility. There is no short-term fix for a crisis of political legitimacy.

Letters

Battle of the food delivery apps will not be won in the kitchen

My first thought on reading your interview with the Wonder chief executive Mark Lore, which online ran with the headline "Nobody has automated the kitchen: the tech billionaire disrupting restaurants", was that he has reinvented Domino's (Interview, August 27). Wonder makes the food, owns the brands, employs the drivers and runs the app. Domino's has been doing a version of that since the 1960s. Where the two part company is over

who pays. Domino's franchises almost all of its stores, so the money that built its 22,000+ odd kitchens came from franchisees rather than from head office. Wonder is funding everything itself and has got through \$2.5bn to open 147 sites. What struck me more, though, was your opening line, that the next battle will be over who controls the kitchens. I don't think that is what your own article shows. There is nothing in it to suggest Wonder's kitchens are the

problem. The problem is that hardly anybody is ordering from them. Wonder attracts around 280,000 users a month against 60mn for DoorDash, while GrubHub, which Wonder bought in 2020, has seen its share of restaurant delivery in the US fall to 5 per cent from 15 per cent five years ago. Kitchens are not where the money is in delivery. It is in owning the customer, and more precisely in owning the moment they decide to order. Domino's worked this out early.

It sells through Uber Eats and DoorDash and takes the extra orders, but a Domino's driver still knocks on the door and the best deals are still on its own app. It rents the shelf space to establish platforms but it does not hand over the customer. None of which is to say Wonder will fail. It just won't be the kitchens that decide it. **Peter Backman** Founder, The Delivery World London N3, UK

A call for sanctions on Israel

Your editorial "Israel's de facto annexation of the West Bank" (September 7) draws attention to the disastrous impact of Israel's latest construction tender on a potential future Palestinian state. It also highlights Israel's western allies' "meek" efforts to stem the tide. Surely we cannot continue to stand by without action. What is needed is a change of tactics aimed at achieving a focused measurable outcome. One suggestion would be powerful sanctions on trade and arms supply to Israel linked to a limited but clearly measurable outcome, such as Israeli government action and policy to stop the building of new settlements and a clear commitment to the development of a plan for addressing the future of those settlements already built. In response to such sanctions there will be powerful concerns that they might affect Israel's right to self-defence and also severely impact the many Israeli citizens who oppose the policies and actions of the current Israeli government. Provided the conditions for removing sanctions are clear cut, easily implemented and



measurable, a rapid resolution would be possible, limiting any wider damage. Indeed, just the serious discussion of implementing such measures could be the conditions for their removal could lead to positive change in Israeli government policy and actions. **Mark Moody-Stuart** Hasocks, West Sussex, UK

Data centres can be part of a decarbonisation solution

Alexandra White and Nolan Shaffer's analysis (7 September) of the data centre boom poised to drive up carbon emissions' (Report, August 17) is right to point out the carbon cost of the data centre boom. But there is another side to the equation: the heat they produce can also displace carbon emissions elsewhere. Data centres generate vast amounts of heat. With the right technology and planning, that heat can be recovered and used to warm nearby homes, schools and hospitals, replacing energy that would otherwise need to be generated for heating. That is how data centres can help how much carbon a data centre emits, but how much carbon can be kept avoid. As demand for AI infrastructure grows, every unit of energy should be used twice: once for computing and once for the communities around it. That is how data centres can become part of the decarbonisation solution, rather than simply another source of emissions. **Mark Lee** CEO, Deep Green, London EC1, UK

Try the Tokyo Metro method of reading the FT

While I understand Neil McLaughlin's reasons for requesting that the newspaper be printed in a compact format for ease of handling ("With the slightest wind, my FT becomes a hang-glider", Letters, September 2), I ask that the publisher continue with the large pink pages. McLaughlin would still be able to take pleasure from "reading it performantly in the park" by practising the Tokyo Metro method. This involves flattening the paper's horizontal fold and folding the paper in half vertically. It will now be an easily managed 17.5cm wide. While maintaining the fold, the paper can be turned and folded back as one desires, the bottom half resting on the lap, or folded in half horizontally to make a compact 17.5cm x 29cm digest. His Ryanair seatmates needn't be elbowed nor have the paper in their faces. The density of the folded pages will also ensure that it will not become a hang-glider – even on a windy beach. **Cynthia Mishayita** Gathika, Biscaya

OUTLOOK RWANDA

How refugee camps can become mini economies



by David Pilling

What Jacqueline Bampire's tiny, mud-walled shopfront lacks in volume, it makes up in ingenuity. Crammed inside a space the size of an upturned coffin, alongside Bampire herself is an improbably large collection of stock. Items include sacks of beans, flour, maize and rice (both Rwandan and the more popular Tanzanian variety) and sachets of instant noodle soup. The ceiling is decorated. There's stew mix and tomato paste, bottles of palm oil, sunflower oil and cooking oil, sugar and maize meal, loose tea and packaged biscuits. If you need a bar of soap, a tube of toothpaste, laundry detergent, a candle or a padlock, Bampire has those too. She has a bright blue scale to weigh out bulk items and an account with MTN MoMo, a digital payment platform, to settle your bill with mobile money. The one-stop shop could be in almost any town or village in Africa. But this one is in a refugee camp – Mahama – on the Rwandan-Tanzanian border. Bampire, 45, came to Rwanda 11 years ago, fleeing violence in neighbouring Burundi. "There were things flying through the air, places," she says of her escape with her husband and five children. "When we came here, the very first night we slept outside." They spent the first year in a tent, then moved into a home provided by

the UN High Commissioner for Refugees. Back then, food rations from the World Food Programme – halved this year because of funding cuts – were more generous. Bampire sold the surplus to earn money to vary her family's diet and to save seed capital for a retail business similar to the one she had fled in Burundi. "This is nothing compared to what I used to have," she says of the shop space she now rents for \$20 a month. That is how data centres can help how much carbon a data centre emits, but how much carbon can be kept avoid. As demand for AI infrastructure grows, every unit of energy should be used twice: once for computing and once for the communities around it. That is how data centres can become part of the decarbonisation solution, rather than simply another source of emissions. **Mark Lee** CEO, Deep Green, London EC1, UK

increasingly relevant in an era of aid cuts when development agencies are less able to keep people fed, clothed and sheltered. Kampeta Sayinzoga, a daughter of refugees herself who rose to become chief executive of the Development Bank of Rwanda, says: "Refugees can be economic actors in a community, but very often they are seen as a burden." Sayinzoga is a board member of Inkomoko, a not-for-profit that gives subsidised loans to the businesses of displaced people, including several thousand of the 71,000 in Mahama camp. Bampire was one recipient. A quick walk through Mahama reveals tailors, wedding outfitters, hairdressers, tiny restaurants with their menus painted on the outside wall, a phone-charging business and even a cinema booth, where you can sit and download movies. One painted sign offers "Starlink internet". Robin Onyango, a director at Inkomoko, says loans go through cycles, starting typically at \$1,000 and rising to \$25,000 on subsequent funding rounds after lenders take a mandatory bookkeeping course. Borrowers are referred to as "clients", never refugees. "No one comes here with zero," Onyango says. "They all have talents and experience." Bampire shrugs off the misfortune that drove her to Rwanda. "I have big dreams for my children," she says. **david.pilling@ft.com**

Opinion

Fixing the AI industry's PR problem

COMPANIES

Robert Armstrong

The public reputation of the big AI companies is an absolute dumpster fire. According to Gallup, 9 per cent of Americans think AI will do more good than harm, versus 39 per cent who take the opposite view. To see how that translates to feelings about OpenAI or Anthropic, try talking to, oh, anyone who doesn't own a stake in one or the other.

What can the companies do to regain trust? What is the right PR strategy for AI? Doomers will say it's hopeless. There is no way to put lipstick on a pig of a technology that will make a few people rich while draining the livelihoods, privacy, freedom and natural resources of the many. For the utopians, productivity and abundance will soothe all fears

in a year or two. I don't know where I am on that spectrum, but I have been talking with a lot of PR professionals lately, and have been thinking about corporate reputation for years. Here, then, are five ideas for the industry, if it wants to put out the fire.

Start with the basics. *Be companies, not cults.* Enterprises that are worth almost a trillion dollars cannot operate like founder-led start-ups. They need to be institutions where the top job goes to whoever can do it best, under the supervision of a serious board and accountable to investors. OpenAI and Anthropic, in other words, cannot afford to be identified with Sam Altman and Dario Amodei in the way that Meta is identified with Mark Zuckerberg or SpaceX with Elon Musk. The public has to know that the boss is just a person, one who can be sacked if things go wrong. In the meantime, Altman and Amodei need to knock it off with the essays and manifestos. They're creepy, and the company's work needs to speak for itself.

Hand in hand with this, *don't think you can pull a Travis Kalanick.* Uber's

co-founder drove an (app-hailed) tank through the objections of regulators and taxi drivers, betting that happy riders would form a pro-Uber constituency that would carry the day eventually. It worked. But AI is much, much bigger than ride-hailing. Many people's professional lives are going to be rearranged by force (it's already happening), and there will be a lot more of them than

The public has to know that the boss is just a person, one who can be sacked if things go wrong

there ever were taxi drivers. Meanwhile, *know that your reputation for both character and competence is under threat.* I borrow the distinction from Rupert Younger of the Oxford University Centre for Corporate Reputation. He points out that a poor reputation for character is a relatively quick fix, usually involving getting rid of senior leadership (see above). But when a

company gains a reputation for incompetence, it's a long way back. When an experimental OpenAI model recently escaped its sandbox, accessed the internet and broke into another company's servers, OpenAI said it took its responsibility to prepare for such incidents "seriously" but described the incident as a technology or industry problem – not an OpenAI problem. The incident was "something we expect to become more commonplace", and "evidence that, without proper safeguards, highly capable AI agents are now able to work around technical controls".

Next time, instead of generalities, Altman could say this: "We have zero tolerance for our models breaking the law, autonomously or not, and all of our team members – myself included – will be held accountable for seeing that this does not happen again." If you can't say something like that, then either (a) you have made a technology you can't control, in which case you are bad at your job or (b) *you like that it is out of control*, in which case you are a bad person. Competes are now able to work around technical controls".

Be assured your foundation/think-tank

is worse than useless as a PR strategy. Hiring economists and philosophers to study how AI can be used for good may ultimately expand the horizons of knowledge. But given how low trust has fallen, everyone will suspect your foundation is a sales front or an effort to control the regulatory agenda. What the public needs is not white papers. It is to see you doing good: projects where your workers help families and small businesses prosper. Build something that changes the world now.

That is a specific instance of a general point: *stop talking so much about the distant future.* That is the timescale that Silicon Valley prefers. Back here on Earth, we are trying to get to Christmas. No one cares about a productivity boom that may take a couple of years to arrive. Focus your PR efforts on what is happening today.

Will AI companies take this, or any other advice? Not while their valuations are still screaming higher. Money confirms all strategies, even bad ones. But reputation always matters eventually.

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Tory attempts to repeal the UK Climate Act are tin-eared

John Gummer

The new shadow secretary of state for energy, Lord Gummer, has launched this stunt after Britain suffered the hottest summer and hottest year, and farmers are faced with what will probably be the worst harvest since records began.

This has been a year when firefighters across the UK, continental Europe, the US and Canada have been risking their lives to contain thousands of acres of disastrous wildfires – including one in my former constituency on the Suffolk coast, where crews from all over the country struggled with inadequate clothing and equipment to fight the blaze on heathland for hour upon hour. Half of England was declared in drought in July, for the third time in five years, with rainfall a fraction of usual levels – just 2 per cent in Suffolk.

How could any Conservative spokesman think it appropriate to try to overturn the system for minimising Britain's contribution to climate change? A system introduced in 2008 in legislation which his own party wrote and then convinced Gordon Brown, Labour's then prime minister, to enact? This was designed to be a cross-party commitment for the long term, and the very maintenance of the leadership shown by Margaret Thatcher addressing the UN in 1989 when she confronted the world with the "sobering" prospect of accelerated global warming. Her message was clear: "It

By attacking the legislation, the party leadership seeks to betray all that their predecessors achieved

is mankind and his activities which are changing the environment of our planet in damaging and dangerous ways".

How different the understanding shown by Conservative leaders today: what tin ear allows this attack on our cross-party agreements and international commitments that have seen that thousands of bodies are being recovered after climate-aggravated flooding in Nepal and Tibet? Did they not hear the Nepali foreign minister sum up the situation – reminding us that Nepal is responsible for less than 0.1 per cent of global greenhouse gas emissions and yet bears the brunt of the world's pollution?

The Climate Change Act has been the Conservative Party's greatest contribution to the British people this century. It was created by a party determined to protect the health and wellbeing of future generations. It was created by the science and its targets formed by the physics. Conservatives sought to act in time and in a measured way and, when we voted, all but five of our members of parliament supported the world-leading legislation they created. Now, in the very year when people in Britain finally discovered that climate change was a future threat but an immediate danger, the leadership seeks to betray all that their predecessors achieved.

Not least is the economic betrayal. We believe in the capitalist system and want growth to keep people in the UK in jobs and to ensure prosperity. To repeal the Climate Act is to send investment elsewhere, undermining all those businesses that have relied on the scientifically based statutory commitments that governments have made. A report for the CBI, released in June, credited over 11m workers and 20,000 small businesses in the net zero economy with helping to boost the UK's energy independence and getting the country over halfway to our emissions targets.

Instead of encouraging the new businesses which will provide more of these jobs and create that wealth, current Conservative shadow ministers want to hang on to the old. We will be stuck with the old technology, the energy equivalent of Kodak and Blockbuster, while many of our competitor economies have moved on to cleaner, safer, healthier and richer societies. There is no shame in going back to the stone age, and seeing how Conservatives can best continue to safeguard our future by building a more secure Britain.

The writer is a Conservative peer and was secretary of state for the environment 1995-97

Growth is a life-and-death matter

POLITICS

Janan Ganesh

Last week, in the UN Detention Unit in The Hague, Ratko Mladic died. The Bosnian Serb former general was 84.

Two contradictory thoughts occur.

First, Europe embarrassed itself in the 1990s. Sensing that its "hour" had come – a Luxembourg foreign minister's phrase – the continent was going to manage the break-up of Yugoslavia without America. Subsequent chaos, including the war crimes for which Mladic was convicted, falsified that boast.

Second, those were the good old days of European military seriousness. In 1990, Europe spent 4 per cent of national output on defence. France spent 2.8 and Germany 2.5. On the eve of the Ukraine war, those numbers had fallen to 2.1 per cent, 1.9 and 1.5. The number of armed personnel collapsed in all three countries over the period.

So, just to restore a bad position, in which Europe was powerless to stop local atrocities, its leading countries have to raise defence spending. How? Except for Germany, none of them can borrow much more. (Britain's public sector net debt was around 30 per cent

in the 1990s. It is three times that now.) None can tax much more, at least not without damping incentives in their already subdued economies. Take the case of welfare, and voters revolt. The one answer is GDP growth. In fact, every European politician of good conscience should have a flowchart as their smartphone wallpaper. Growth → tax receipts → defence expenditure.

Until now, the case for growth was thin, without it, Europe would become a bit poorer over time. This was never enough for voters to accept the upfront pain of, say, welfare cuts and lighter job protections. The prospect of national economic decline was too far off, and the starting point too high. So, reform packages came to almost naught: before Mario Draghi's proposals stalled in 2024, the Lisbon Agenda stalled in 2000. Reforms that were enacted often proved electorally unsurvivable. Gerhard Schröder knows.

Now, the case for growth is that, without it, Europe cannot deter its mortal enemies. The economic question has become an existential one. The politics may be lining up for pro-growth reform, as it hasn't for almost half a century.

As regular readers know, I am doubtful that rich and mature democracies can make painful reforms, except in a crisis. Just always assumed the crisis must be economic. The evidence suggests so: Britain's humiliating IMF loan of 1976, the stagflation that gave rise to Reaganism, the market revolt against François Mitterrand's government in France, the Eurozone crisis that spurred

change in Greece and Spain. There is nothing like a bond sell-off to make even a deluded government wake up. The system works.

But what if the crisis is geopolitical? What if the impetus for change is to survive as a nation, not just to recover lost influence? In that case, the proper historical parallel is the Meiji Restoration, when Japan modernised at light speed to save itself from conquest or vassalage. Unthinkable reforms, such as industrialisation, took on the air of patriotic necessity.

That was an imperial regime. The question is whether Europeans with a free vote will make the same connection between growth and survival. Perhaps, to nudge them along, governments will have The Conversation. That is, the seri-

Without it, Europe cannot deter its mortal enemies. The economic question has become an existential one

Free trade can shield us from El Niño

ENVIRONMENT

Alan Beattie

It's coming, whether we're ready or not. Scientific opinion is solidifying that this latest episode of the El Niño weather pattern will be the strongest in living memory.

With the El Niño already upon us and set to peak towards the end of the year, aggravating factors have worsened in just a few weeks. Food prices, previously gratingly quiescent despite the oil and fertiliser shortages from the Iran war, have been rising sharply since mid-August, with Russia attacks on Ukrainian shipping and vice versa severely choking grain shipments in the Black Sea. Droughts in the northern hemisphere have emphasised how climate change creates and amplifies shocks.

So how well prepared is the world, and specifically its food systems, for a

monster El Niño? Droughts, floods and storms will cause severe damage at local levels, but wider devastation can be limited as long as governments allow international markets in food to function and only intervene when necessary.

It is not the ferocity of a weather system that kills people but the lack of preparation for it. The destruction and subsequent famines that followed the infamous El Niño of 1877-78 killed 50m people out of a global population of around 1.4bn at the time. More than a century of agricultural productivity and state capacity building later, the 1997-98 episode, probably the most severe in the 20th century, killed only an estimated 22,000 people through droughts and floods, less than 0.001 per cent of the global population at the time.

One lesson from recent episodes is the importance of international trade. The protectionist impulse towards self-sufficiency in food, generally a bad idea, is particularly unwise during an El Niño episode. El Niños are typically asymmetric droughts in one place, floods in another; poor harvests in one country, increased crop yields elsewhere. Trade

can balance production and consumption across nations.

The 1997-98 El Niño disrupted farming across Asia, particularly rice cultivation – spectacularly bad timing given a financial crisis was ravaging much of the continent. Rice production in densely populated Bangladesh fell 30 per cent.

But while floods and a subsequent famine in the 1970s killed about 1.5m people in the country, the death toll in

It is not the ferocity of a weather system that kills people but the lack of preparation for it

1997-98 turned out to be far smaller. In the 1970s, Bangladesh lacked the ability to import rapidly a scale, and the US withheld grain shipments because of its links with communist Cuba. But in the late 1990s, having liberalised food trade, Bangladeshis traded imported rice from India, thereby stabilising prices and averting famine.

In a paper on the episode, Paul Dorosh at the International Food Policy Research Institute in Washington argued that while long-term domestic agricultural productivity was important, trade could play a critical role during emergencies. Subsequent research found the same in sub-Saharan Africa, with the most important factor in mitigating crises being the size of imports rather than the proximity of trading partners.

Such asymmetry is likely to be repeated this time round. Food production in Central America and northern Brazil will very probably suffer from droughts, but higher maize and soya production due to more rainfall in southern Brazil and Argentina is likely to weigh against it.

Governments should generally get out of the way and let international food markets function, but they have a vital role in crisis preparation and response.

The UN's World Food Programme and Food and Agriculture Organization have launched an appeal for preventive measures ahead of the arrival of El Niño. It is striking how precisely targeted their

plans are, with a focus on just 8.2m particularly vulnerable people in 22 countries and a modest budget of \$20.2m. Countries are also preparing their own targeted responses. Brazil, for example, has hired 4,600 personnel to combat wildfires.

In a 2021 report, the UNFCCC noted that while the number of recorded climate disasters had increased fivefold over the past 50 years, thanks to early-warning systems, the total number of deaths from them had dropped by roughly two-thirds. The extraordinary episode in Nepal this past week, where a school of 900 pupils was saved from drowning due to phone calls made to the headteacher a few minutes ahead of the flood, shows the immense power of good information at the right time.

El Niño isn't an unstoppable apocalypse. It's a stress test of a global trade network and an increasingly sophisticated crisis response system. El Niño is coming, but it's a threat humanity can manage rather than a fate to which it must resign itself.

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Carl Gustav