



Straws in the wind

India's voters do not seem averse to fresh political experiments

The by-elections held on July 30, 2026 in three Assembly constituencies across three Bharatiya Janata Party (BJP)-ruled States threw up some surprises, but it may be risky to read them as indicators of any definitive or enduring political trend. Still, Bankipur in Bihar, Datia in Madhya Pradesh and Manjalpur in Gujarat were among the most closely watched electoral contests. Though involving only three seats, the results were significant, offering clues about regional political currents, the strength of major parties and the prospects of emerging political formations. These were also the first electoral tests after student protests forced the BJP to remove Union Education Minister Dharmendra Pradhan on July 25. The most consequential result came from Bankipur. The seat fell vacant after BJP national president Nitin Nabin resigned following his election to the Rajya Sabha. Jan Suraj Party (JSP) founder Prashant Kishor chose the constituency for his electoral debut, turning what would otherwise have been a routine by-election into a high-profile political contest. He defeated BJP candidate Neeraj Kumar by 19,324 votes, ending decades of BJP dominance in the constituency. It marks the JSP's first major electoral success and gives Mr. Kishor political legitimacy after years as an election strategist.

In Datia, the Congress secured an important victory as its candidate, Ghanashyam Singh, defeated BJP candidate Ashutosh Tiwari by just over 6,000 votes. Unlike Bankipur, Datia witnessed a robust voter turnout of 71.44%, indicating strong local engagement with the contest and suggesting that the Congress retains pockets of resilience in Madhya Pradesh despite the BJP's dominance. The victory does not alter the balance of power in the Assembly, but gives the Congress evidence that local anti-incumbency and candidate-specific factors can still work in its favour. For the BJP, the defeat serves as a reminder that its Statewide strength does not automatically translate into victory in every constituency. The third contest, in Manjalpur produced a different outcome. The BJP retained the constituency, with Satish Govindbhai Patel defeating his rival by over 30,000 votes. Manjalpur demonstrates the BJP's ability to hold its core support base. At the same time, the outcomes in Bankipur and Datia suggest some volatility among the BJP's core social base of Hindu voters, particularly the upper castes. There is also a larger acceptance among the electorate for fresh political experiments, and that is a trend that connects what happened in the Tamil Nadu Assembly elections with Bankipur. If this trend holds, the challenge will be not only for the BJP but also for other legacy parties, including and particularly the Congress.

Top spot

India needs to upgrade infrastructure, train coaches

One of the biggest impediments to India's aspiration to bid for the 2036 Olympics is the lack of enough world-class performers. For India, a prospective host, targeting a prestigious top-10 finish is a humongous task. In the 21st century, the country achieved its best-ever result of 48th with seven medals at the Tokyo Olympics in 2021 and was 71st with six medals at Paris 2024. India needs to win approximately 30 to 40 medals, including gold in double digits, to be in the elite club. To chase this Olympic dream, the Union Cabinet has approved an allocation of ₹29,054 crore – an eight-fold increase – for the new phase of the Khelo India Scheme. The primary goal of this ambitious grassroots programme is to tap talent early for the 2036 Olympics. It aims to increase Khelo India centres, State and National centres of excellence and accredited academies from roughly one per district – more than 1,000 centres at present – to an average of two or three. Involving schools and clubs, encouraging talented children to compete in club-level events, upgrading facilities, and assimilating grassroots-coaches and technical officials are essential ingredients of the wholesome scheme.

A novel concept of upgrading the knowledge of local coaches by helping them overcome the language barrier posed by English, the formation of a National Coach Accreditation Board to standardise coaching and better utilisation of physical education teachers are expected to impart correct training at the basic level. In sync with the National Education Policy, the Khelo India Feeder Schools and Khelo India Utkrisha Vidyalaya initiatives are designed to integrate education and sports. The existing Khelo India Athletes programme, with 2,904 athletes, and the new Emerging Khelo India Athletes initiative aim to expand the talent pool to around 28,000. Talent identification, digitisation of the sports ecosystem to maintain data on every athlete, and a bottom-to-top communication channel are its key components. The overall output, including assistance to National Sports Federations, stands at a staggering ₹36,441 crore for 2026-31. However, the biggest challenge will be effective and transparent implementation of the scheme. Enabling talent to graduate to the highest level, already backed by the Target Olympic Podium Scheme, with an eye on the 2036 Olympics and beyond will be crucial. The 2030 Commonwealth Games in Ahmedabad will be an immediate test. The other major hurdle for India's attempt to emerge as a sporting power is its dubious distinction as a doping hub. Strict anti-doping measures, promotion of a sports culture by maximising the scope of the Fit India Movement, and a focus on grassroots development must go hand-in-hand to achieve the desired results.

Jammu and Kashmir — the elusive quest for Statehood

August 5 marks seven years since Jammu and Kashmir (J&K)'s special status (Article 370) was revoked by the Narendra Modi administration; a few days hence, August 9 will mark seven years of J&K's loss of Statehood. Both actions were accompanied by the most dubious lockdown in India's history. Thousands of troops were flown in, over 5,000 political leaders and cadre were detained, and curfew was imposed together with a communications blockade.

These were emergency measures, yet no emergency was either visible or declared. The Modi administration argued that its measures were temporary and would lead to a violence-free region in which economic growth would be unleashed. Instead, and predictably, violence has continued, as last year's terrorist attacks in Kashmir's Pahalagam (April) and Delhi's Red Fort (November) attest; indeed, it has spread to areas that were relatively dormant, such as Poonch-Rajouri, and from there to adjoining districts of J&K.

Economically, the region continues to suffer. According to the J&K Economic Survey 2025-2026, the ratio of the region's per capita income to the national average is 76.6%, whereas it was 79.9% in 2013-14, a fall of 3.3 percentage points. Unemployment remains close to twice that of the national average; graduate unemployment is as high as 23.9%.

Lockdowns and summons

Kashmiri response to the Pahalagam attack was a wholehearted rejection of violence, expressed in peace marches and candlelit demonstrations. It offered the Modi administration an opportunity for peacebuilding on the ground, beginning with the restoration of Statehood. Instead, the Union Home Ministry chose an even more heavy-handed security response. This year's Amarath yatra is the most militarised in the history of J&K. Citizens are routinely charged under the draconian Jammu and Kashmir Public Safety Act (PSA) and the Unlawful Activities (Prevention) Act on the flimsiest of grounds; mass summons are common – over 2,000 were called in for questioning after Constable Ashiq Hussain Qureshi was shot on July 22 this year – curfews are more often in place than not; and the Union Territory has had the highest number of internet and communications shutdowns in the country since 2019.

At the time, few recognised how momentous



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Seven years on, J&K still awaits restored Statehood and accountable governance

the Modi administration's actions were, not only in what they did but also in how they did it. Article 370 was hollowed out by executive fiat – a Governor who later said he was 'ordered' to sign by the Union Home Minister. Statehood was removed by legislative fiat, via a Parliament which did not even consider consulting J&K's people or political leaders. No Indian State had been stripped of its Statehood since Delhi lost its Statehood in 1956.

Together, the two actions comprised a breathtaking violation of India's constitutional principles and the basic structure of the Union. They should have been seen as the second major salvo against India's democracy – the first being the re-communalisation of the Indian polity through state-sanctioned attacks on Muslims and Christians – but instead they were hived off as specific to conflict-ridden Jammu and Kashmir.

The belief that draconian measures are justified in a conflict-ridden region is fundamentally flawed both morally and pragmatically, as India knows from its own colonial past. Morally, the argument that subjugation is a means towards a desirable end masks the point that subjugation is a repugnant end *per se*, never a means. Pragmatically, as India knows from its more recent past, subjugation only breeds disaffection which will likely express itself in violence when peaceful means of expression are disallowed.

Yet, the deployment of the argument has allowed the Modi administration to get away with direct rule for seven years. The Supreme Court of India let Solicitor General of India Tushar Mehta parrot the argument for four years before weakly advising that Statehood be restored as soon as possible.

Three more years have passed since then, without the Court hearing petitions seeking a timeline for restoration. At no point did the Court question the Union on the utility of its measures on constitutionally moral, or even merely pragmatic, grounds.

Lieutenant-Governor holds power

The Constitution limited the imposition of emergency conditions to six months. Yet, in J&K, emergency conditions have not been lifted for seven years. Though the J&K High Court has repeatedly and increasingly lamented the misuse of draconian laws by the J&K police, its strictures do not appear to have led to reform. J&K held elections two years ago, but the elected

administration has few powers. It is the Lieutenant-Governor who controls the administration, the police and government prosecutors under the 2024 Transaction of Business Rules; he has now been granted emergency powers over telecommunications. As an appointee rather than an elected representative, the Lieutenant-Governor is not accountable to the people.

Accountability through democracy

Thanks to India's young, who so joyfully turned the derogatory 'crockrock' into an assertion of strength, accountability has acquired a salience that it had been stripped of over the past decade. Fortunately, J&K's ruling National Conference party had already decided to renew a campaign for the restoration of Statehood that the Congress party had launched two years ago but persisted with only fitfully. Now the campaign for Statehood must couch itself in the name of accountability.

As the Constitution clearly recognised, an elected administration is the only way to provide for accountability. Though accountability needs guarantees by an independent legislature, oversight and autonomous institutions and a free media, these too require an elected administration to develop. At base, civil society acquires some space to push for reform under an elected administration, which it lacks under an appointed administration.

Over the past decade, J&K has acquired a number of ugly firsts. It was the first State to undergo wide use of the semi-lethal pellet guns in 2016. (Ironically, pellet guns were developed partly as a less lethal response to the stone-pelting agitation in 2010. Our Interlocutors report had criticised their induction.) It was the first State to lose its special status and its Statehood in 2019. It was the first State to undergo a communal delimitation in which Jammu's demography was altered by the creation of additional Hindu-majority constituencies, some of them with populations below 50,000, in 2022.

Is it not time for J&K to experience some positive firsts instead of suffering only ugly ones? After all, it was the first State to overcome communal gerrymandering when the 2024 elections yielded a majority for the pluralist National Conference-Congress alliance. It is only fitting that it also be the first State to regain the Statehood that has been withheld for so long.

NATO enters a new strategic era of transformation

For the first time since the creation of the North Atlantic Treaty Organization (NATO) in 1949, Washington is asking Europe not merely to spend more on defence but also to assume primary responsibility for its own security. This marks a fundamental shift in the transatlantic compact and signals the emergence of a new phase in the Alliance's evolution. The question is no longer whether NATO will endure, but how it is adapting to a changing strategic landscape.

America's shift

The National Security Strategy of the United States of America (November 2025) maintained NATO as America's principal transatlantic alliance while signalling a significant shift in Washington's expectations of European allies, particularly regarding burden-sharing and collective defence responsibilities. It argued that the era of the U.S. serving as Europe's primary security guarantor was drawing to a close and that prosperous European allies must shoulder greater responsibility for defending their own continent. While endorsing NATO's commitment to increase defence spending to 5% of GDP as the new benchmark for burden sharing, the strategy envisaged the U.S. remaining the Alliance's strategic enabler, nuclear guarantor and political convener rather than its sole military backbone. The objective is a stronger, more self-reliant Europe that allows Washington to devote greater strategic attention to the Indo-Pacific.

This rebalancing is already evident. Following Russia's invasion of Ukraine in 2022, U.S. troop strength in Europe rose to around 1,00,000 personnel. Since then, Washington has gradually reversed that surge. During 2025-26, it withdrew around 5,000 troops from Germany, cancelled the planned deployment of 4,000 troops to Poland, and reduced Brigade Combat Teams in Europe from four to three, bringing the U.S. military presence in Europe down to approximately 75,000-80,000 troops – close to pre-Ukraine war levels. The 36th NATO Summit in Ankara in July 2026 reinforced this transition. While reaffirming the Alliance's commitment to Article 5, members pledged €70 billion in military assistance for Ukraine in 2026, committed to sustaining comparable support in 2027, endorsed European-led development of long-range



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NATO's European shift offers India new strategic and defence opportunities

precision strike capabilities and accelerated efforts to strengthen NATO's defence industrial base. The underlying message was unmistakable: Europe must assume greater responsibility for its conventional defence as the U.S. increasingly prioritises the Indo-Pacific.

Lord Ismay, NATO's first Secretary General, famously described the Alliance's original purpose as "to keep the Russians out, the Americans in, and the Germans down". While that dictum captured the strategic logic of the Cold War, NATO today has entered a distinctly different phase that may be summed up as keeping Russia deterred, America engaged and Europe prepared.

NATO's evolution over time

The Alliance's evolution can be viewed in three phases. NATO 1.0 (1949-1991) relied overwhelmingly on American military and nuclear power to deter Soviet aggression and preserve transatlantic unity. NATO 2.0 (1991-2022) followed the collapse of the Soviet Union, expanding eastwards, incorporating former Warsaw Pact members and undertaking operations in the Balkans and Afghanistan. Yet, this period also witnessed declining European defence expenditure and growing dependence on the U.S. for intelligence, logistics, strategic mobility and high-end military capabilities, making burden sharing an increasingly contentious issue.

The Russian invasion of Ukraine has ushered in NATO's third phase, a more balanced transatlantic partnership in which Europe assumes primary responsibility for conventional defence while the U.S. continues to provide strategic enablers such as nuclear deterrence, intelligence, long-range precision strike capabilities and global power projection. This is less a story of American disengagement than one of strategic redistribution.

The scale of Europe's response was evident at the 2025 Hague Summit, where NATO members committed to increasing core defence spending to at least 3.5% of GDP by 2035, with progress to be reviewed in 2029. Germany has doubled defence expenditure since 2023 and aims to reach the same target by 2029 while rebuilding military capability to deter Russia. Moscow, meanwhile, has reorganised its western military

posture with new headquarters, formations and bases facing NATO.

The more difficult challenge, however, is not spending but replacing the American military ecosystem. Even as European armies become stronger, they continue to depend heavily on the U.S. for intelligence, surveillance, satellite support, command and control systems, strategic airlift, missile defence, long-range precision strike capabilities and, above all, the nuclear umbrella. Washington's reduction of rapid reaction assets, including bombers, fighter aircraft, air-refuelling tankers, warships, aircraft carriers, and attack submarines, together with the deferred deployment of Tomahawk cruise missiles to Germany, illustrates the extent of that dependence. Europe's central dilemma is therefore not simply building larger armed forces but developing the integrated capabilities that have long underpinned NATO's effectiveness. As Poland's Foreign Minister recently observed, Europe does not need to match American military power; it simply needs to be stronger than Russia.

New Delhi and the rebalance

For India, NATO's transformation is less about Europe than about the redistribution of American strategic attention. A Europe capable of assuming greater responsibility for its own security would enable Washington to devote more diplomatic attention, military resources and strategic investments to the Indo-Pacific, reinforcing the regional balance amid China's growing assertiveness. At the same time, a more capable Europe could emerge as an important partner for India in defence manufacturing, advanced technologies, artificial intelligence, cybersecurity, semiconductors and space.

New Delhi should therefore view these changes through the prism of strategic opportunity rather than alliance politics. Closer cooperation with both the U.S. and Europe can complement, not compromise, India's long-standing commitment to strategic autonomy. If navigated prudently, NATO's new strategic model can expand India's defence industrial partnerships, accelerate technological modernisation and strengthen its position as a leading power in an increasingly multipolar world.

LETTERS TO THE EDITOR

By-election results

The Bharatiya Janata Party's loss in the Bankipur by-election is not just an electoral setback; it is a significant political warning signal for the Union Government. The result assumes greater significance as it comes amid a series of developments that could have affected the

government's public perception. The controversy surrounding the alleged mismanagement of funds for the Ayodhya temple, followed by the unprecedented dharna by the Cockerhach Janta Party, and now the defeat in a traditional BJP bastion, together present a challenging political scenario. At the same time,

the acquittal of a former BJP MP in a sexual harassment case filed by women wrestlers has added another layer to the ongoing public debate. The Bankipur verdict, therefore, represents more than just the outcome of a by-election; it reflects changing political currents.

Corrections & Clarifications

The third paragraph of a report, "Exceptional Indian boxers exceeded expectations" (Sport page, August 3, 2026), said seven of India's 10 boxing medals were won by women. It should have been six women and four men.

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The Bankipur result is certainly a setback for the BJP, but Prashant Kishor was already well known as a political strategist even

before his foray into electoral politics. History shows that by-elections have rarely been game changers. The Opposition should remain pragmatic and not read too much into these results.

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

Delimitation may be less attractive for BJP now

Jantar Mantar and Bankipur, taken together, may make the prospect of an early delimitation exercise far less attractive for the Bharatiya Janata Party (BJP) than it once appeared. For much of the last decade, the BJP had reasons to believe that it had assembled a durable social majority, with Hindus acting as a voting bloc across large parts of north and west India. If groups displayed stable voting preferences over long periods, then redrawing constituency boundaries could amplify existing advantages.

Engineering constituency boundaries to advance a particular political outcome, commonly called gerrymandering, rests precisely on this premise: that electoral loyalties of social groups are predictable. It is reasonable to assume, for instance, that Muslims are less likely to vote for the BJP, just as African Americans have historically been less likely to vote Republican than Democratic in the U.S. Gerrymandering works by stacking and cracking electoral districts according to such group identities and their assumed preferences.

The BJP has had reason to assume that it built a threshold Hindu voting bloc that could provide it with a permanent majority, albeit with regional variations. The party's continuing electoral triumphs in Gujarat are an example. One reason for its enthusiasm for an early delimitation exercise, which under the existing constitutional scheme can take place only after the data from the Census is published, has been to explore the possibility of redrawing Lok Sabha and Assembly constituencies to maximise its demographic advantage. This is not merely an assumption or an allegation. Assam Chief Minister Himanta Biswa Sarma has publicly stated that the delimitation of Assembly constituencies in the State was intended to reduce the number of seats in which Muslims could influence the outcome. The subsequent electoral outcome



Varghese K. George

suggests that the exercise worked in the party's favour. Yet politics has a habit of unsettling certainties.

An unforeseen twist
Bankipur's demographic composition is almost a dream scenario for the BJP. Out of roughly 3.8 lakh voters, around 1.6 lakh are upper-caste Hindus, the party's strongest social base. Muslims number about 40,000 and Yadavs roughly the same. In effect, the constituency has just enough communities considered adversarial to the BJP, namely the Muslims and Yadavs, to generate counter-polarisation on religious and caste lines, while still allowing the party to build a larger coalition of upper castes, Other Backward Classes (OBCs) and Dalits.

For years, Bankipur represented an ideal laboratory for the BJP's twin strategy of caste and religious consolidation. Yet the party's defeat at the hands of Jan Suraj founder Prashant Kishore suggests that these assumptions may no longer hold automatically. Mr. Kishore's victory appears to have rested on a social coalition that cut across caste and religious boundaries.

Something similar happened in Datia, though in a very different setting. Datia's electorate of about 2.2 lakh is overwhelmingly Hindu. It has around 35,000 Brahmins, more than 30,000 Scheduled Caste voters, over 80,000 OBC voters spread across several communities, and another 25,000 to 30,000 Thakur and Vaishya voters. Muslims account for only a small proportion of the electorate. While the relatively new Jan Suraj could sweep aside the BJP in Bankipur, the Congress could only secure a narrow victory in Datia. The dynamism within the Hindu electorate makes any permanent assumptions about its political preferences risky for the BJP.

Emergence of a new category
What links Jantar Mantar and Bankipur is the emergence of a political variable that neither the

BJP nor its opponents had adequately anticipated: Gen Z as a distinct political community. The protests and mobilisations around issues of recruitment, examinations, unemployment and representation have revealed a generation that does not fit neatly into traditional electoral boxes. It is not that Gen Z voters are caste-agnostic. In fact, they appear to be deeply caste-conscious, expressed in sharply different ways, ranging from anti-reservation arguments to assertive Ambedkarite politics. Yet these divergent strands often converge in their scepticism towards the BJP and, in many cases, towards established political parties in general.

This horizontal social category complicates the older vertical structures of caste and religious mobilisation. A young Brahmin, a young Dalit and a young OBC voter may occupy very different positions in the social hierarchy, yet they can share common anxieties about jobs, mobility, and examinations. Their political choices are therefore not always determined by inherited community loyalties.

The disintegration of the BJP's seemingly perfect constituency in Bankipur and the emergence of Gen Z politics suggest that politics in the Hindi heartland is not a prisoner of constituency boundaries. Electoral behaviour is increasingly shaped by cross-cutting identities that intersect with caste and religion but do not fully submit to them.

This challenges the logic of an early delimitation exercise for the BJP. Constituency engineering can magnify an advantage only when the social coalitions remain stable. If the party's traditional bloc is showing signs of strain, redrawing boundaries can only do so much. The more urgent task for the BJP may be to mend its own camp and restore its social base than redrawing the boundaries of constituencies.

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Political discourse still fails women leaders

In Maharashtra, Congress is facing backlash for its remarks against the Deputy CM

STATE OF PLAY

Vinaya Deshpande Pandit

Maharashtra politics came to a boil after the ruling Nationalist Congress Party (NCP) protested against the Opposition, mainly the Congress, for calling its national president Sunetra Pawar "Goongi Gudiyaa" or a "dumb doll". Ms. Pawar is also the Deputy Chief Minister of Maharashtra.

The irony isn't lost here. The Congress is the same party which had once raised its voice against similar criticism about its leader and former Prime Minister Indira Gandhi.

And yet, the party refused to apologise or withdraw its comment from its official X account. Instead, the party threw an open challenge at Ms. Pawar, asking her to prove that she was not a "dumb doll". It doled out a list of demands, which, if fulfilled, will prove that she is an avatar of 'Durga', the party said. Both the constructs are equally problematic, and reek of misogyny and patronising behaviour.

The incident

What was noteworthy was the presence of patronising behaviour from both the sides. While the Congress faced immediate backlash for its comments, the incident due to which this comment was made, showed Ms. Pawar's own party leader treating her in a patronising manner.

The incident in question was a press conference conducted by Sunetra Pawar in Beed in Marathwada. While answering questions about several issues, she kept referring to her late husband and former Deputy Chief Minister Ajit Pawar, expressing how she was only trying to fulfil his



dream and vision. She was flanked by NCP leader Dhannanjay Munde, who not only stopped a journalist from asking a difficult question, but also ushered Ms. Pawar out of the press event. Mr. Munde kept intervening when questions were being addressed to Ms. Pawar.

It was this video that the Congress tagged, asking Ms. Pawar when she will stop being a "Goongi Gudiyaa". NCP leader Udaykumar Aher said the comment was an insult to the entire Pawar family; he appealed to Ms. Pawar's uncle-in-law Sharad Pawar, who heads the NCP-SP and sits in alliance with the Congress, to extract an apology from the party, or leave the INDIA bloc in protest.

Senior Congress leaders said the comment was 'silly' and should have been avoided. "Congress has a history and should have taken the responsibility of setting the discourse at a higher pedestal. While there is hardly any awareness about gender issues in our political narrative, it is Congress party's responsibility to maintain dignity in dialogue," senior Congress leader Prithviraj Chavan said.

But a few leaders said that it also reflected the overall deterioration of political discourse in the State. They claimed that outrage over derogatory comments had become selective and that leaders from the ruling dispensation had used worse words while hitting out

at the Opposition. Officially, the Congress has, as of yet, refused to issue an apology or withdraw its comment.

Abysmal track record
This isn't the first time misogynistic comments have been made in Maharashtra's politics. Neither does the issue restrict itself to any particular political party. A few years ago, Bharatiya Janata Party (BJP) minister Chandrakant Patil had asked NCP MP Supriya Sule to "go home and cook," when she had questioned the government about OBC reservations. Ahead of the 2024 Assembly elections, Shiv Sena-UBT (Uddhav Balasahab Thackeray) leader Arvind Sawant had referred to Shiv Sena leader Shaina NC as "imported maad".

A 2020 study by Amnesty International India, "Troll Patrol India," had shown how female politicians face more abusive language. The report had analysed over 1,44,000 tweets sent to 95 female politicians and found that one in seven posts (or 13%) were 'problematic' or 'abusive'.

"This amounted to an average of 113 abusive tweets per day for each woman politician," it had reported.

The study said that Indian female leaders faced substantially higher levels of online harassment than their counterparts in the U.K. or the U.S.

Now, the NCP has asked Sonia Gandhi and Priyanka Gandhi Vadra if they endorsed this culture in their party, questioning if the Congress will condemn these sexist remarks. In a society where political discourse across party lines rarely shows gender sensitivity, the behaviour of a national party calls for condemnation.

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Ahead of TVK's maiden budget, a primer on T.N.'s finances

Robust growth notwithstanding the State's debt servicing has forced increased borrowing for welfare expenditure

DATA POINT

Compiled by Pon Vasanth B.A.

STRONGER GROWTH

TABLE 1: TN saw strong growth in GDP, compared with India's largest economies, post pandemic. TN closed its gap with MH's GDP and widened the same with the others. TN's GDP was 65% of MH's in 2022-23 and 69% in 2025-26

State	2021-22	2022-23	2023-24	2024-25	2025-26
MH*	31.4 (11.2)	36.7 (11.0)	41.2 (8.9)	46.2 (7.3)	51.0 (7.9)
TN*	20.7 (7.9)	23.7 (6.2)	26.9 (9.3)	31.2 (11.2)	35.3 (10.8)
KA*	19.9 (10.2)	23.3 (10.8)	25.9 (8.2)	29.1 (7.3)	32.8 (8.1)
U.P.*	20.3 (11.2)	23.0 (7.4)	26.7 (10.7)	30.2 (10.8)	31*
GUJ*	19.2 (10.0)	21.9 (7.9)	24.5 (9.2)	27.0 (7.4)	29.8 (8.6)

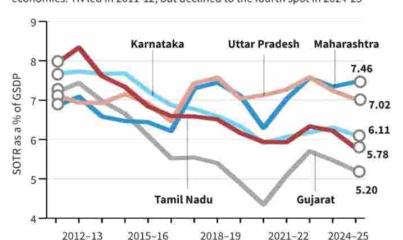
STATE'S REVENUE GREW, CENTRAL GRANTS SHRANK

CHART 1: TN's own revenue grew at a reasonable rate, but central transfers (share in central taxes and grants-in-aid) shrunk, mainly due to the discontinuation of GST compensation cess in 2022. Values inside bars show growth rates (%)



REVENUE GREW, BUT NOT IN PROPORTION TO ECONOMY

CHART 2: Despite reasonable growth, the State's Own Tax Revenue (SOTR)'s growth as a share of its economy paled in comparison with the other larger economies. TN led in 2011-12, but declined to the fourth spot in 2024-25



DEBT GREW FASTER THAN REVENUE

CHART 3: TN's outstanding liabilities grew at a compound annual growth rate (CAGR) of 16.2% from ₹1.92 lakh crore in 2014-15 to ₹8.57 lakh crore in 2024-25, which is nearly twice the CAGR of 8.7% at which its SOTR grew in the same period

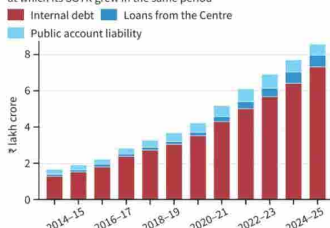


CHART 4: TN's Debt-to-GDP ratio moved in the opposite direction, compared with its SOTR-to-GDP ratio (Chart 2). Its Debt-to-GDP ratio was the second lowest in 2014-15 and the highest 2024-25

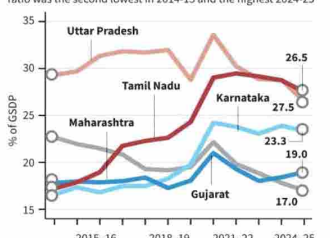
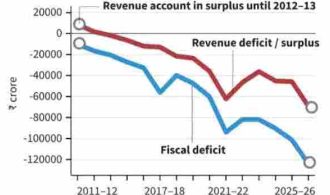


CHART 5: TN's revenue deficit, which was 23.6% of its fiscal deficit in 2014-15, is 55.8% in 2025-26. Revenue deficit is expected to hit record high in the full budget to be presented on August 5, 2026



THE DEBT-SERVICING TRAP

CHART 6: TN spends more on interest payments than on capital outlay since 2017-18. The interest payments are also higher than subsidies for various welfare measures

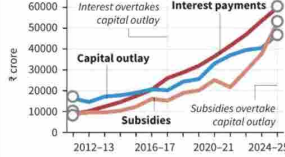
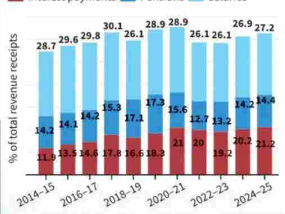


CHART 7: TN's pensions and salaries as a share of total revenue receipts have remained fairly at the same level, but share of interest payments has nearly doubled



Sources: TN Budgets, Comptroller and Auditor General of India's State Finances reports, Ministry of Statistics and Programme Implementation, 2025-26 values are Revised Estimates or provisional figures. Value for real growth rate not available for U.P. for 2025-26 in MOSPI reports. *GDP: Gross State Domestic Product, MH - Maharashtra, TN - Tamil Nadu, KA - Karnataka, U.P. - Uttar Pradesh, GUJ - Gujarat



FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO AUGUST 5, 1976

Gold sales suggested to mop up savings

New Delhi, August 4: The Union Government is understood to be examining a suggestion that it should utilise the present foreign exchange reserves for the purchase of gold in the international market and sell it in the rural areas as part of a concerted drive to mop up the savings from these areas.

This novel suggestion is among a few others put forward by several economists for stepping up the mobilisation of savings to augment the resources for the Fifth Plan.

It has also been suggested that there may be some difficulties for the Government itself to buy gold abroad, but the State Trading Corporation could be asked to buy the gold from the Trust Fund of the International Monetary Fund. It has further been suggested that part of the gold reserves available with the Reserve Bank of India could also be used for internal sales in the rural areas.

The quarters from which the suggestion had been made are understood to have pointed out that the rural community, consisting predominantly of farmers, has yet to take to any sophisticated saving habit, whether in company shares or bank deposits, and are still very much drawn to gold. If gold is officially offered for sale, there is bound to be a big response these quarters expect.

A HUNDRED YEARS AGO AUGUST 5, 1926

Rise of Franc

London, August 4: The French franc in London opened this morning at 178-50.

Paris, August 4: Newspapers are delighted at the rise of the franc, which they attribute to the confidence inspired by the Government of National Union and the prestige of M. Poincaré.

"Echo de Paris" remarks that it is no longer a question of foreign credits and believes that the price of bread will shortly be reduced.

The Manchester Guardian's Paris correspondent says that the recovery of the franc is due to the increase of Banque De France's rate of discount, which suddenly restricted credit and compelled traders and manufacturers to cease the practice of assuring working capital against loss by retaining pounds or dollars or by holding increasing stocks of goods.

THE HINDU

20 India has reported 4,853 heatstroke cases across the country since March 1 this year, with 20 people dying from heatstroke, according to government data tabled in the Lok Sabha on Tuesday. Maharashtra recorded the highest number of deaths at 11, followed by Andhra Pradesh with four, Telangana and Odisha with two each. PTI

COMPILED BY THE HINDU DATA TEAM

M. NOLANDE

CACHE

What can be done to curb 'paper leaks' and ensure institutional accountability?

Despite the Public Examinations (Prevention of Unfair Means) Act, 2024, the fundamental need to fix accountability for detecting examination breaches, preventing them and preserving the integrity of public examinations remains

Rajeev Kumar

NEET is one of India's highest-stakes examinations, where intense competition, immense social prestige, and the multi-crore value of a medical seat generate enormous academic, financial, and psychological pressure. Similar pressures surround other national admission, scholarship and recruitment examinations. In such an environment, paper leaks and other irregularities have repeatedly surfaced.

The controversies surrounding NEET-2024, UGC-NET 2024, and NEET-2026 triggered unprecedented national concern. UGC-NET 2024 was canceled and held again, while NEET 2026 was also re-conducted. All three were conducted by the National Testing Agency (NTA), which attributed these decisions to specific external or intelligence inputs.

The CBI investigated the NEET-2024 and UGC-NET 2024 cases. Although the investigations initially led to arrests and extensive nationwide media coverage, the CBI has since submitted closure reports in both cases, reportedly finding no prosecutable evidence of a conventional paper leak under the Bharatiya Nyaya Sanhita (BNS), 2023, or the Public Examinations Act (PEA), 2024. The NEET-2026 investigation remains in progress, with a chargesheet already filed.

These developments raise a more fundamental question: if repeated examination crises ultimately yield no prosecutable evidence of a conventional paper leak, what exactly constitutes a "paper leak"? Where do such compromises originate, and who is responsible for detecting, preventing, and being held accountable for them?

Defining a 'paper leak'

Traditionally, a "paper leak" refers to the unauthorised disclosure of a printed question paper before the examination, typically during printing, packaging, storage, or transportation. Investigation protocols, therefore, focus on tracing printed papers and recovering physical evidence. The recent Maharashtra Teachers Eligibility Test (TET) case is a classic example in which coded printed question papers were allegedly leaked from a compromised printing press.

High-stakes examinations, however, present a far more complex picture. Long before printing, questions pass through question-setting, moderation, translation, digitisation, and final compilation, where a limited number of individuals have privileged access. Compromises at any of these stages may never result in a leaked printed paper. Yet, it can selectively disclose questions or other confidential material, providing an unfair advantage to a few candidates before spreading through organised networks.

The NEET and UGC-NET controversies illustrate this distinction. Although investigations reportedly found no evidence of leaked printed papers in the 2024 cases, the examinations nevertheless led to arrests, cancellations, re-examinations, and a crisis of public confidence. Similarly, the circulation of highly targeted "guided papers" before NEET-2026 raised questions about whether confidential information had



Students entering an examination centre in Udupi during the NEET exam on June 21, 2026. FILE PHOTO

flowed through insider or informal networks despite the absence of any recovered printed paper.

Examination compromise may therefore involve far more than a printed paper: selected questions, question banks, recurring themes, high-probability question pools, examiner identities, confidential instructions, digital data, or administrative information may all be unlawfully disclosed through insider access, cyber intrusions, or coaching networks.

Restricting the definition of a "paper leak" to a leaked printed question paper overlooks these significant vulnerabilities. In this context, extraordinary measures such as transporting the re-NEET 2026 question papers by aircraft may secure the final logistical step but do little to address vulnerabilities at the source. The real issue is whether confidential examination information was disclosed in any form that compromised the fairness, integrity, or credibility of the examination.

Other examination breaches

The integrity of an examination may be undermined equally by failures before, during, or after the examination, even when no printed paper is ever recovered.

NEET-2024 illustrates this broader spectrum. Reported irregularities included the distribution of an incorrect question paper, followed by its replacement; delayed collection or replacement of OMR sheets; exceptional grace marks; tie-breaking disputes; clustering of near-perfect scores; and unusually high scores from certain centres and coaching hubs. Collectively, these exposed weaknesses in examination management and institutional oversight.

Other breaches include cybersecurity failures, manipulation of candidate or examination data, disclosure of confidential information, compromised examination centres, impersonation, organised unfair means, and insider access or coaching-network access to privileged information.

Safeguarding public examinations,

therefore, requires securing the entire examination lifecycle – from question development to result processing.

Failures in the transport of printed question papers alone cannot explain many examination breaches. Critical processes – including question selection, paper allocation, examination-centre management, OMR handling, grace marks, result processing, cybersecurity, and access to confidential data – are controlled by the examination authority and its associated agencies. Irregularities at these stages naturally raise questions about institutional controls and insider vulnerabilities.

The NEET-2024 controversy illustrates this broader picture. Distribution of an incorrect question paper, delayed OMR handling, exceptional grace marks, unusually high scores from certain centres, and the circulation of highly targeted "guided papers" all point to vulnerabilities that extend beyond conventional paper leaks. Such patterns warrant scrutiny of repeated expert engagement, conflicts of interest, links to coaching ecosystems, and other insider risks. This does not imply that every irregularity results from insider misconduct. However, securing examinations requires protecting confidential information, institutional processes, and printed question papers alike.

Primary accountability

Preventing examination breaches cannot be left to the CBI, police, or courts, which act only after a crisis. Primary responsibility lies with the examination authority, supported by the Ministry of Education, intelligence, and cybersecurity agencies, and independent oversight.

Accountability should extend across the entire examination lifecycle – from the selection of question setters and translators to examination centres, digital systems, evaluation, and result processing. It requires rigorous antecedent verification, conflict-of-interest scrutiny, periodic

rotation of experts, cybersecurity audits, intelligence-based monitoring, and clear audit trails.

Official narrative and unanswered questions

The official response to the NEET-2024, UGC-NET 2024, and NEET-2026 controversies has largely rested on the absence of conclusive evidence of a conventional paper leak. Before the Supreme Court, the NTA attributed the cancellation and re-conduct of NEET-2026 to specific intelligence inputs, while the High-Powered Steering Committee emphasised compliance with its recommendations and SOPs. The CBI's investigations into NEET-2024 and UGC-NET 2024 resulted in closure reports, reportedly finding no prosecutable evidence of a paper leak and no basis to prosecute NTA officials. The NEET-2026 investigation, however, remains ongoing.

These official positions contrast sharply with the ground reality. Cancelled or re-conducted examinations, arrests, allegations of widely circulated "guided papers", cyber-security incidents, operational lapses, and disruptions affecting millions of candidates. In NEET-2026, official action reportedly followed a whistleblower's FIR rather than detection through the examination's own security or intelligence systems.

This raises an obvious question: if no credible abnormality was detected, what justified cancelling NEET-2026?

Conversely, if credible intelligence existed, why did institutional safeguards fail to detect or prevent the compromise beforehand?

Until these questions are answered transparently, stronger logistics or harsher penal laws alone are unlikely to restore public confidence. The priority must shift from post-crisis response to institutional prevention.

The way forward

As its first task, the newly constituted committee headed by former UIDAI chairman Nandan Nilekani should prepare a comprehensive White Paper documenting the full spectrum of breaches in NEET-2024, UGC-NET 2024, and NEET-2026 – covering leakages, operational failures, cybersecurity incidents, centre-level irregularities, investigations, judicial outcomes, and lessons learned.

The White Paper should underpin a Public Examination Integrity Framework (PEIP) for all major examination bodies. The Framework should prescribe standardised end-to-end SOPs covering the entire examination lifecycle, with an emphasis on conflict-of-interest management, expert selection, cybersecurity, examination administration, audit, and institutional accountability.

Ultimately, public confidence will be restored not by tougher laws or more post-facto investigations, but by an examination system that detects risks early, prevents breaches before they occur, and ensures institutional accountability.

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FROM THE ARCHIVES

Know your English

S. Upendran

"Weren't you supposed to come over and have dinner with me yesterday?"
"That's right. But there was a problem."

"...what was the problem?"

"My cousin rang me up around 6:00 and asked me to come over. You see his landlord's son is returning from the U.S. So the landlord wants my cousin to vacate the flat by the end of the month. My cousin and I were out all evening trying to find a suitable accommodation."

"Did you find one?"

"No. It's so hard to find an accommodation these days."

"You cannot say 'an accommodation'."

In British English the word 'accommodation' is an uncountable noun. So you shouldn't use 'an' before it."

"Really? I didn't know that! How about this sentence? There is a shortage of cheap accommodation in our city."

"Sounds pretty good."

"The university refused to provide the teachers free accommodation."

"...by the way, this cousin of yours. What does he do?"

"He's an academician."

Does he belong to?"

"What are you talking about?"

"Well you said that he was an academician."

"...he doesn't belong to any academy. What I meant to say was that he is a teacher. He teaches at the university."

"A teacher, eh? In that case, the word you are looking for is 'academic'."

"What is the difference between an 'academic' and 'academician'?"

"Well, strictly speaking, an 'academic' is a person who teaches or does research at the university."

"I see. How about this example? When I grow up I certainly don't want to be an academic."

"The example is OK. But the word 'academic' has the stress on the third syllable 'de'."

"But a lot of people I know..."

"...tend to put the stress on the second syllable. But the stress is on the third. The 'a' in the first syllable is like the 'a' in 'cat' and 'sat', while the 'a' in the second syllable is pronounced like the 'a' in 'China'. And..."

"...I think I can guess the rest. The 'e' probably sounds like the 'e' in 'set' and 'get'. The final 'i' must be like the 'i' in 'sit'."

"Exactly! Radhakrishnan was an academic before he became the President of India."

"My cousin is the only person in the family who wanted to be an academic. Now tell me, what is the meaning of the word 'academician'?"

"Usually when you refer to someone as being an 'academician', it implies that he/she is a member of an academy or a society..."

"...any type of academy?"

"An academician is usually a member of an academy that is concerned with the arts or sciences. The Royal Academy of Arts, for instance, or the Russian Academy of Sciences."

"I think I understand the difference now. A professor is an academic. And when that professor becomes a member of an academy which is devoted to either the sciences or the arts, then he becomes an 'academician'."

"Absolutely!"

Published in The Hindu on July 3, 2001

THE DAILY QUIZ

American novelist Toni Morrison passed away on this day in 2019. Here is a quiz on one of the critically acclaimed authors of contemporary American literature

Sindhu Nagaraj

QUESTION 1

In which year was she awarded the Nobel Prize in Literature?

QUESTION 2

In 1988, Morrison won the Pulitzer Prize for which of her works?

QUESTION 3

Morrison became the first Black female editor for fiction at which publishing house in New York?

QUESTION 4

In her capacity as an editor, she published two

groundbreaking works.

One was of a boxing champion, titled 'The Greatest: My Own Story' and the other of a little-known novelist and poet who in 1968 had been shot to death by a transit officer in the New York City Subway. Name both the figures.

QUESTION 5

Which writer, upon Morrison's death said, "Morrison rejected the very concept of the narrow door and claimed for herself the wide world. All readers and writers are indebted to her for the space she created"?



Visual question: Identify this boy on whom Toni Morrison wrote her first play on. The boy was abducted and lynched in Mississippi in 1955. AP

Questions and answers to the previous day's daily quiz: 1. Of the 122 athletes who represented India, 38 returned with 39 medals with one of them getting two (a silver and bronze). Name this champion. **Ans: Gulveer Singh**
2. In para athletics, six medals came from three events thanks to three double podiums of which two were a top-two finish. Name the events. **Ans: Women's and men's shot put F57 and the men's 100m T47**
3. Name the first medalist and the first to strike gold for India at the Games. **Ans: Jhandu Kumar (para powerlifting) and Mirabai Chanu (weightlifting)**
4. Apart from boxing, India won two gold medals in this sport, for the first-ever such success for the country at the Games. **Ans: Judo through Asmita Dey and Harsh Singh**
5. Name the compatriots of Neeraj Chopra and Praveen Chithravel who claimed bronze when the duo won silver in their disciplines. **Ans: Yash Vir Singh (javelin) and Selva Prabhu (triple jump)**
6. This gold medalist was the flag-bearer at the Closing Ceremony of the Games. **Ans: Jaishimee Lamboria**
7. The youngest member of India's contingent also brought the curtains down on India's campaign. Name the teenager. **Ans: Lisha Das**
Visual: Name this athlete who won his event with a Games record. **Ans: Dilip Mahadu Gavit**
Early bird: Prem Raj P.

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

Word of the day

Capricious:

determined by chance or impulse rather than necessity or reason

Synonyms: impulsive, whimsical

Usage: She displayed a capricious disposition, shifting from warmth to aloofness in moments.

Pronunciation: newvri:live/capricious

International Phonetic

Alphabet: /kəˈpɪʃəs/

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

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

IN 1932

BECAUSE THE TRUTH INVOLVES ALL

In struggle for justice, a story of impunity

AFTER BRJ Bhusan Sharan Singh's acquittal by a Delhi court in the sexual harassment case filed by six women wrestlers, Vinesh Phogat, one of the complainants, said in a social media post: "We have not given up hope and the wrestlers will continue their fight." The hope for justice has, from the beginning, been the load-bearing feature of the struggle to pursue the case against the former Wrestling Federation of India chief — he was also the BJP MP from Kaiserganj when the accusations surfaced. Hope for justice fueled their vigil at Jantar Mantar when they began their agitation in 2023; it helped them weather institutional indifference until Singh was forced to resign from his position and a case against him was finally registered by Delhi Police in April that year. And hope is what will see them through the days as they appeal Monday's verdict. Yet the story of this case is no longer only about one individual or one verdict. It is about the extraordinary resilience required of those seeking accountability when the accused occupies a position of power, and about the special endurance demanded by a justice system that often seems to test the survivors as much as the allegations they bring before it.

The wrestlers' fight tells a larger story of entrenched impunity. The defining images of the protest bear witness to it: Wrestlers sleeping on the footpath as they protested against lack of progress in the case; their march towards Parliament that ended with them being dragged away by the police; and the haunting sight of decorated athletes standing on the banks of the Ganga in Haridwar, saying they would immerse their medals in the river. Most sexual harassment cases have arduous trajectories. The twists and turns of the case against Singh — including a report by a government-appointed oversight committee that was never made public and the withdrawal of a complaint under the POCSO Act — have underlined how much more difficult it is to pursue such complaints when there is an overwhelming imbalance of power.

The episode also reveals why so many women hesitate to come forward in the first place. It is not simply the fear of being disbelieved; it is the knowledge that the process itself can become a punishment, with years of recounting traumatic experiences before multiple authorities, public scrutiny, political hostility and institutional delay, only to find that justice remains elusive. Irrespective of this case's legal outcome, the larger question raised by the wrestlers' struggle remains unresolved: How many times must survivors tell their stories before institutions respond with sensitivity and urgency?

Udhayanidhi's arrest is TVK's own goal

THE REMARKS made by former Tamil Nadu Deputy Chief Minister and current Leader of Opposition Udhayanidhi Stalin about a female actor are misogynistic. The DMK has said that party supremo Stalin's son was only criticising the Vijay-led government on the Cauvery water issue, but that explanation cuts little ice — his words carried a double entendre. The immediate weaponisation of the police and law and order machinery by the TVK government against Udhayanidhi is also problematic — he was arrested a day after his remarks, on a formidable array of charges, including criminal conspiracy, promoting enmity between groups, provoking riots. This rush to target a political opponent by a strong-armed state points to the blurring of lines between government and party. It reeks of a familiar politics of vendetta in Tamil Nadu. For a new government still trying to establish that it represents a break from the past, this is a misstep. That Madras High Court ordered Udhayanidhi's release is welcome. But the episode raises questions.

Actor-turned-politician Vijay rode a popular wave to office on the promise of providing a departure from politics-as-usual under the DMK. A DMK dynasty that has marked Tamil Nadu for decades, even as it signalled affinity with key figures of the Dravidian movement such as Periyar. The heavy-handed use of state machinery against the Leader of Opposition is reminiscent, however, of dismal episodes featuring his predecessors — the dramatic midnight police swoop down on M Karunanidhi during Jayalitha's rule in 2001, for instance. The police has claimed, after the Madras HC order, that it merely wanted to question Udhayanidhi, but the slew of charges in his FIR, filed with alacrity after the ruling party's complaint, suggests otherwise.

In the interval between Udhayanidhi's statement and the police action, his words were condemned across the political spectrum and by large sections of civil society. That should have been the beginning of a conversation on a broader censuring of political rhetoric. Instead, the story is now one of executive overreach, with the DMK accusing the government of using the police to settle political scores. That's an own goal by a party and government on which many in Tamil Nadu pinned hopes for change.

Love me like AI does

IT CARRIES the pathos of a 21st-century tragedy, and an indictment even of modern dating. The machine, it appears, is eating the game of love. Given the overwhelming response to AI companionship, China has introduced regulations forbidding chatbots from cultivating emotional dependence, banning virtual romances with minors, and requiring companies to issue alerts when users display signs of emotional distress. These measures are not merely about taming an emerging technology. Against the backdrop of an ageing population — China's population declined for the fourth consecutive year in 2025, while the birth rate fell to a historic low — they also reflect an attempt to nudge people back towards relationships rooted in the real world.

Yet that is easier said than done. AI companions are designed to be infinitely patient and emotionally fluid; unlike human beings, they possess the miraculous ability to say the right things at the right moment. Nor for them the awkwardness of forgotten birthdays, bitter misunderstandings, and tetchy exchanges that begin with "we need to talk". The algorithm offers companionship stripped of inconvenience or the uncomfortable possibility of rejection. In societies where loneliness is increasingly pervasive, such frictionless intimacy becomes formidable competition for the imperfect business of loving another person. China is not alone in grappling with this reality. States such as New York and California in the US have introduced measures requiring chatbots to periodically disclose that they are not human. Such safeguards acknowledge a truth: As artificial companionship grows more pervasive, the real contact may not be between humans and machines, but relationships that demand vulnerability and those that promise affection without risk.

The Editorial Page

Seven years after August 5: Delaying J&K statehood undermines gains

ANNIVERSARIES CAN often become rituals. Worse, they can become alibis. Seven years ago, Article 370 was abrogated, and the state of Jammu and Kashmir was reduced to two Union Territories. The constitutional argument about it is over. The law that Parliament passed received the imprimatur of the Supreme Court and has attained a measure of political finality. The bigger question is: Did the 2019 intervention achieve what was promised?

Three principal rationales were given in 2019 for the abrogation and downgrading of the state of Jammu and Kashmir. First, that Article 370 had taken on a psychological resonance well beyond its legal purport. It fed the idea of conditional integration and in doing so nurtured separatism. On this score, the record is significant. The separatist led-on has clearly lost much of its sheen. The Hurriyat exists only on paper. Apart from the occasional sermon delivered by the Mirwaiz from the pulpit at Jama Masjid, little of the once all-pervasive separatist combine survives. Political parties that forecast a constitutional apocalypse have resumed electoral politics and elections are increasingly inclusive. Cycles of mass agitation once commonplace, the ecosystem of hartals, shutdowns and street violence that routinely brought life in the Valley to a halt have significantly abated, if not ended.

The absence of an uprising, however, is not the presence of belonging. Integration cannot be judged merely by quiet streets, tourist arrivals, cultural festivals, or the National Song and National Anthem being sung with ritualistic precision. Does the citizen fully feel that this is his or her republic, too? Equal, responsive, and un-

afraid to question?

Second, the arrangement held the promise of strengthening national political forces while allowing the state to deal more aggressively with cross-border terrorism and home-grown militancy. There is no denying the substantial security gains. Terrorist networks have been disrupted; the organisational sinews of violence, much of it fuelled from across the border, have been — rightly — dealt with ruthlessness. Targeted killings continue, however, to be a reminder that operational stability is not yet political certainty. The Pakistan-sponsored terrorist attack on Baramulla in Pahalgam last year was just one reminder of that.

No less significant, the Assembly election in 2024, the first in 10 years, returned the National Conference to power. August 2019, and the delimitation that followed, did not yield the political realignment that was either expected or would have served the Centre's purposes best. That the Union government gracefully accepted the verdict of polls did not win it anything; something that no amendment to the Constitution can — Indian electoral democracy functions in Jammu and Kashmir, and its sovereignty there is not contingent on winning elections. Contrast that with the manipulated governance structures in POK, and the mass uprising and repression being unleashed across the LOC.

Third, direct central rule was also meant to cleanse the state of long-entrenched networks of patronage and corruption, improve governance, and deliver development on the ground directly from New Delhi without local interference. It is here that the promise of



AMITABH MATTOO

2019 remains most unfulfilled. Direct rule may have temporarily increased accountability, but the emergency dispensation has been allowed to settle into permanence. There is now an elected Chief Minister and cabinet in Jammu and Kashmir. But powers are scattered between them, the Lieutenant Governor and New Delhi. The Lieutenant Governor cannot be held accountable at the polls; the chief minister can but does not have the authority of a full state government. Both positions are diminished by this arrangement.

I spent much of my summer vacation this year in Srinagar, which once ranked among the most livable cities in India. Today, traffic is a nightmare, construction unregulated, public spaces being systematically reduced, and the air citizens breathe is toxic. Smart cities are not made by decorative pavements or Instagram-worthy building facades while the citizen cannot move freely or breathe with dignity. Today, Srinagar is being mutilated in the name of development. If this is normalcy, it is normalcy without governance.

The biggest concern is the youth. For years now, Jammu and Kashmir has reported one of the highest youth unemployment rates in India, much higher than the national average. This is not just an economic crisis. It is potentially a political and social time bomb. Employment in the state needs to be treated as a national security issue and not yet another bureaucratically disguised welfare programme.

The continued exile of Kashmiri Pandits from the Valley remains a profound test. No claim of

normalcy will be complete, or morally justified, until a community that was driven out by terror can return in safety and dignity. Return must not mean segregated colonies or merely employment "packages". It must be voluntary, and allowed to reclaim real, political, cultural, educational and social space instead of being announced by the government as yet another administrative "achievement". Kashmir without its Pandits is diminished; Pandits without the promise of being able to return to Kashmir remain prisoners of memory.

None of this is to deny what was gained. The permanent-resident regime that 35A entrenched — women forfeiting property on marrying outsiders, the refugees of 1947 stateless in all but name — created what was, in practice, a hierarchy of citizenship within a single republic. It is gone, and its defenders never did explain why autonomy required it. That is a real achievement, and it is precisely why the rest matters so much.

And that is why statehood can no longer be postponed. It is not a concession to separatism; it is the completion of integration. The Centre made it clear that the UT arrangement was meant to be temporary. The Supreme Court recorded the assurance that statehood will be restored at the earliest. Elections have since taken place. There is an elected government in place. Continuing to withhold statehood now will eat into the achievements of 2019. It demoralises those who participated in elections, estranges as many in Jammu as in Kashmir, and turns what was meant to be a temporary provision into a breach of trust.

The writer is dean, SIS, JNU and former Vice-Chancellor, University of Jammu

Nolan's Odyssey remains unchanged, we remain unmoved



PAROMITA CHAKRABARTI

FOR ALL its monsters, divine retribution and shipwrecks, *Odyssey* has always been a poem about an ordinary human longing: The desire to go home. But homecoming is never a simple reversal of departure — time transforms both the place one leaves behind and the person who left it. And so, every return arrives with an element of estrangement. One can cross the threshold of one's own house and still arrive as a stranger.

Which is why watching Christopher Nolan's *The Odyssey* feels oddly unfulfilling. It is spectacular in its ambition, operates in its vision of an extraordinary man overcoming impossible odds to reclaim his place in the world and at home. Unlike most Nolan films, it even allows its women their moments of assertion. But it leaves little emotional imprint because it refuses to engage with *Odyssey*'s in his complexity — notwithstanding the travails of his journey or the ravages of time, the *Odyssey* who returns to Ithaca after 20 long years in the film is essentially the same man who left it.

In the *London Review of Books*, classicist Emily Wilson, whose 2017 feminist interpretation of *Odyssey* has been cited by Nolan as one of his chief source materials, writes, "Nolan's *Odyssey* lacks many of the elements that make the poem great. It has nothing convincing to say about time, memory, history, war, or about the relationship between one warrior's glorious return and the lives of his family, adversaries, comrades, friends and neighbours. It lacks psychological, emotional, political and ethical depth."

Wilson's review has drawn criticism, including from writers such as Joyce Carol Oates, for being dismissive — especially as a translator — of alternative readings of the classic. But it is difficult to ignore her critique altogether. The point of an adaptation has always been to engage with the question: What does this story mean now? But, as with most of his films, be it *Memento* (2000), *The Dark Knight* (2006), or *Oppenheimer* (2023), Nolan reads the Homeric epic as a story of masculine perseverance.

Yet *Odyssey* is more than the sum total of his greatness. In every telling and every translation, he is a great man. But his charisma is matched by his manipu-

lation, his compassion by his propensity for startling brutality. And, as with all epic born of oral tradition — and this is perhaps why Nolan's interpretation feels inadequate — he is also a storyteller. Homer invites us to admire his hero's ingenuity, but also to wonder what kind of a narrator he is. *Odyssey* survives not only because he is extraordinary but because his greatness precludes the ability to shape a narrative: What to reveal, what to conceal and how to cast himself in the best possible light. In that, both the epic and its hero are post-modern. Both are fascinated with the narrative itself, with the act and art of recounting the adventures at its core.

It makes *Odyssey* a poem about narrative authority, about whose account gets accepted as truth and whose voice is dismissed. The Homeric epic never entirely separates storytelling from self-mythologising. Much of *Odyssey*'s adventures are revealed through his own telling. He is a man whose greatest talent lies in persuading others, and perhaps even himself, of the justness of his actions. He is the story's most accomplished spin doctor. It is this that makes the epic profoundly contemporary. We live in an age obsessed with narratives, with the idea of curated identities and personal brands. Questions about who controls the story increasingly determine who controls power and Homer asks, again and again, not who is the strongest, but who gets to tell the tale.

That complexity is largely absent from Nolan's version. Matt Damon's *Odyssey* joins the familiar gallery of Nolan protagonists, burdened by destiny, morally serious, defined by endurance, a Hollywood imagination of what stoicism entails. The result is an adaptation that is visually astonishing but intellectually narrow.

The greatest epics hold out because they throw up new questions for every generation, even as they refuse to settle into a singular interpretation. Nolan's film is a cinematic triumph, but in the end, it is the story of an uncomplicated man. It fails to move because it never stops to ask who ultimately gets to decide what home — and heroism — mean.

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R SWAMINATHAN

Israel's October election complicates Gaza roadmap

SINCE THE war in Iran began in February this year, the world has largely lost its focus on the devastating situation in Gaza. Though a ceasefire has been in force since October 10 of last year following the 20-point Trump peace plan, a continuous, low-intensity conflict has persisted in Gaza. Additionally, while the supply of food and medical aid to Gaza has increased, the Egyptian tunnel network have dried up its revenue generation. External funding has ground to a halt; its chief patron, Iran, is consumed by the war with the US. Hezbollah's operational capacity in Lebanon has collapsed, and traditional donors like Qatar have been applying diplomatic pressure. Left unable to pay the salaries of its cadre and with its weapons stockpiles depleted by sustained Israeli attacks, Hamas has handed over local governance to the National Committee for the Administration of Gaza and agreed to surrender its heavy weaponry under a 15-point roadmap of the Board of Peace.

Besides elaborating how Hamas's disarmament and the decommissioning of its military infrastructure will be linked to a synchronised, phased withdrawal of IDF and clarifying that no Palestinian weapons would be transferred to Israel or to any non-Palestinian entity, the roadmap also contains some concessions to Hamas. Hamas will be able to retain privately owned firearms to be registered and licensed by NCAAG, in addition to the retention of some of its police officers in the new setup, subject to vetting. While Netanyahu has avoided criticising Trump's roadmap, his far-right coalition partners have been quick to dismiss an IDF withdrawal, stating their avowed policy of Israeli settlements in Gaza. The NCAAG, waiting in Cairo for about six and a half months to enter Gaza and assume governance, has still not been given the necessary clearance by Israel. The requirement that member nations contribute \$1 billion to secure a seat on the Board of Peace appears to have made no meaningful progress either.

Any immediate progress seems unlikely as elections are scheduled for October 27 in Israel. Netanyahu is trailing in the opinion polls and is also facing intense internal threats from his far-right partners. Having failed to prevent a potential agreement between the US and Iran, it is almost impossible for him to agree to specific territorial withdrawals, as he will not like to project weakness to the electorate. Netanyahu was also hoping for Trump's endorsement during his recent trip to Washington, but did not succeed. He was content in emphasising that it marked his seventh meeting with the President in just a year and a half. Thus, while Hamas's agreement to disarm and relinquish the administration of Gaza is a critical milestone that place pressure on Israel to reciprocate, subsequent progress is expected to be rather slow.

The writer is former ambassador of India to Egypt and former Permanent Representative of India to the Arab League

40 YEARS AGO

August 5, 1986



Thatcher isolated

THE COMMONWEALTH mini-summit broke down, with a totally isolated British Prime Minister, Margaret Thatcher, declining to fall in line with the other six participants to implement the programmes of economic sanctions against South Africa listed in the Nassau accord. "It was six against one", a conference source said.

Jayewardene hints at war

THE GOVERNMENT would be compelled to take military action to resolve the

ethnic crisis if peace negotiations failed, said Sri Lankan President J R Jayawardene. He also played the fears of the people who thought the provincial councils' proposal would threaten the country's unitary nature.

Gundu Rao's new party

FORMER CHIEF minister Gundu Rao's new party will be called the Indian National Congress (Indira Gandhi) and will be launched at a convention at the historic Glass House in Lal Bagh on August 22. The expelled Congress-I leader said that Pra-

nab Mukherjee, another party leader expelled by the high command, Sirsi Bose, a prominent Congress-I rebel from West Bengal, and Ashok Bhattacharya, leader of the opposition in the Tripura Assembly, and another party rebel, would attend the convention.

Pakistan PM on Kashmir

THE PAKISTAN Prime Minister, Mohammad Khan Junejo, has said Pakistan would agree to a political solution to the Kashmir issue in light of the resolutions of the United Nations and the Shimla agreement.

As Gen Z leads change in Subcontinent, is Pakistan doomed to be the exception?



C RAJA MOHAN

ACROSS SOUTH Asia, Generation Z has emerged as an unexpected force in politics. Over the last few years, students and youth in Bangladesh, Nepal and Sri Lanka have driven unprecedented political change. In India too, the political consequences of an increasingly assertive Gen Z could be profound over the longer term. What about Pakistan? Will it forever remain the Subcontinent's exception?

Pakistan has the same youthful demographics as the rest of the region, and even deeper economic anxieties. Yet its youth has struggled to shape the country's political trajectory. The army's pervasive dominance and extensive control have made popular mobilisation exceptionally difficult. Change still appears to come from the top; the army remains the principal source of political change. While the rest of South Asia debates how young citizens are reshaping politics, Pakistan is once again discussing Rawalpindi's power grab dressed up as reform.

The latest debate was triggered by Interior Minister Mohsin Naqvi's declaration that Pakistan's system of governance had effectively collapsed and required a sweeping overhaul. If he were an ordinary political figure, Naqvi's call for radical reform would have been dismissed as loose talk. Coming from Rawalpindi's current civilian subordinate, however, Naqvi's remarks deserve close attention.

It is evident that Pakistan's military establishment is contemplating not merely another intervention in politics but a redefinition of the state. No authoritative draft of a revised political structure is in the public domain. Yet the direction is unmistakable. The discussion reportedly ranges from breaking up the existing provinces into smaller units and revising fiscal federalism in favour of the Centre to vesting greater

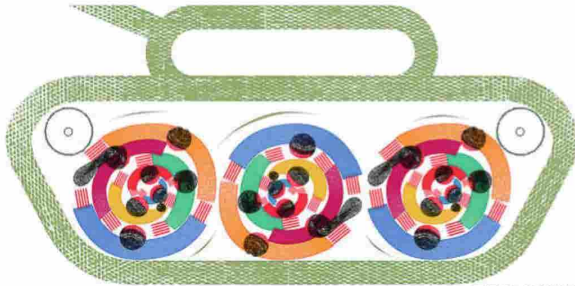


ILLUSTRATION: C P SAKUMBAR

authority in the army leadership and its preferred technocrats.

This represents an important evolution in Pakistan's political history. Ayub Khan, Yahya Khan, Ziaul Haq and Pervez Musharraf all interrupted constitutional politics through military coups. General Asim Munir is pursuing something more ambitious: Institutionalising military predominance within the constitutional framework itself.

The confidence behind this project has been reinforced by the new White House warmth towards Asim Munir. The Anglo-American media that only a short while ago was pleading the case for the release of Imran Khan, jailed by Munir, is now celebrating the self-promoted field marshal as a strategic genius. Anglo-American support has always emboldened Rawalpindi to tighten its grip over Pakistan's polity and society.

The more interesting question, however, is not what Munir wants or what the Anglo-Americans like. It is whether Pakistan's civilian politicians are once again preparing to help the generals consolidate power and write their own political death warrant. In their endless internecine struggles, Pakistan's civilian parties have repeatedly turned to the army to gain advantage over one another. That allowed Rawalpindi to install and uninstall civilian governments at will.

pindi to install and uninstall civilian governments at will. Had the civilian parties chosen collective action over short-term partisan gain, they could have pushed the army back into the barracks long ago.

There was one brief moment of hope. In 2006, Benazir Bhutto and Nawaz Sharif signed the Charter of Democracy. Having both experienced repeated military interventions, they recognised that democracy could survive only if civilian parties stopped inviting the army into their partisan battles.

The moment did not last. Both the Pakistan People's Party and the Pakistan Muslim League soon reverted to the familiar temptation of seeking tactical advantage over each other. Later, Imran Khan's Pakistan Tehreek-e-Insaf repeated the same mistake, initially benefitting from military patronage before becoming its victim.

That pattern is now set to repeat itself as the army shows the door to the current civilian government. The generals may design the blueprint, but they still need the civilian parliament to approve it. But the prospects of a united opposition to the Army's project appear bleak. Pakistan's missing Gen Z movement reinforces this imbalance. The country has no shortage of youthful anger. But the Army's instrumentalisation of religious nationalism and the ever-expanding state control over society have prevented that frustration from coalescing into a nationwide democratic movement comparable to those witnessed elsewhere in South Asia.

The Pakistan army is well placed to get what it wants. Yet Rawalpindi's ability to deliver positive change is limited. The reforms pushed by the army over the decades have been less about strengthening institutions than about concentrating greater authority in its own hands. The justification remains the same — that civilian politicians are corrupt and incompetent.

While the army's political power has steadily expanded, its capacity to generate broader social and economic gains has always fallen short. History offers many examples of authoritarian regimes that have delivered sustained economic growth. Pakistan is not one of them. Despite privileged ties with the world's leading economic powers, the US and now China, and close association with the oil-rich Gulf states, Pakistan has been on the path of economic decline over the last three decades.

There is little evidence to suggest that giving still greater authority to the field marshal will produce dramatically different outcomes. Pakistan's civilian leaders surely know this, but can they summon the will for collective action? While there is a murmur of dissent against Munir's plans, few would bet on Pakistan's political parties to prevail.

Pakistan's predicament offers a wider lesson. If there is no meaningful resistance to the dominant political force and its regressive ideology, societies have to endure prolonged stagnation and repeated humiliation. Resistance certainly imposes immediate costs. Yet it is also the mechanism through which institutions recover their balance and political systems renew themselves.

The writer is a contributing editor on international affairs for The Indian Express. He is also the distinguished professor at the Motilal Nehru Institute of Advanced Studies, Jindal Global University and the Korean Foundation Chair on Asian geopolitics at Council on Strategic and Defense Research, New Delhi

Bringing up miniature citizens & Jantar Mantar pushback



ASHOK LAL AND NASEERUDDIN SHAH

FOR CENTURIES, Japanese masters have perfected the art of the miniature. They take the wild, untamed potential of a majestic tree, prune its shoots, and wrap its branches in rigid copper wire. The result is a domesticated object, an ornamental dwarf, small enough to sit on a drawing-room table without ever threatening to crack the walls.

What Japan does flora, the modern Indian state machinery is now doing to human potential. First, the state starves the roots, allowing the physical body of the child to wither through structural neglect. Then, for those children who manage to survive, the state prunes away the capacity for critical thought, wrapping the developing mind in the copper wires of myth, conformity, and sanitised history. The ultimate goal of this political project is to transform a canopy of free-thinkers into citizens who are docile enough to never challenge power.

Let us take the case of Gujarat, a region frequently touted as an ideal developmental model. Gujarat's Infant Mortality Rate (IMR) stands at 20 deaths per 1,000 live births, while in Uttar Pradesh it sits at a staggering 37. Before an Indian child can even learn to read, their physical survival is a high-stakes gamble against state apathy. For the children who beat the heavy odds of infant mortality and chronic malnutrition, the education system designed by the state acts as a massive sieve. It drops millions of students out of formal learning before they can even develop deep roots of intellectual questioning.

In Gujarat, the secondary school dropout rate sits at 16.9 per cent. This crisis is worsened by the grim reality of over 1,600 government primary schools operating with only a single teacher. In UP, the educational cliff-edge is even steeper. Driven largely by the massive closure of public schools, a minuscule 3 per cent of Uttar Pradesh's 2.6 lakh schools offer a continuous path of education from Class I through to Class XII. The modern state treats a child's health as an unnecessary financial expense, and their intellect as a direct threat.

The most insidious pruning, however, is reserved for those who manage to stay in the classroom. The near-total erasure of the Mughal period from state-approved textbooks is a prime example. In doing so, the state deprives the child of understanding the phenomenal philosophical, artistic, and literary strides that defined early modern India.

Crucially, it removes the study of how a vast, multi-religious empire was held together through institutional negotiation. This history illuminated the architecture of diversity, showing how the ruling class was built as a multicultural mosaic to prevent fragmentation or singular factional capture. Removing this narrative is an amputation of institutional memory of pluralistic statecraft.

The historical consensus on the unique, collaborative, and fiercely debated contributions of figures like Gandhi, Nehru, Patel, and Maulana Azad too is being systematically dismantled. Gandhi's radical, lifelong pursuit of communal harmony has been heavily toned down. Nehru, the main architect of India's modern scientific temper, secular statehood, and industrial planning, is routinely airbrushed out of the history of the very public institutions he built. Azad, a towering intellectual and India's first education minister, has had his name quietly excised from key historical references.

By removing the intense debates and the absolute diversity of thought within the freedom struggle, the state ensures that a child never learns how a pluralistic democracy is negotiated.

How can we truly build a modern knowledge economy on such a foundation? The country desperately needs an educational landscape deeply rooted in what Tagore famously called the "freedom of mind". Classrooms must actively celebrate dissent, foster rigorous comparative historical analysis, and re-establish unyielding adherence to the scientific temper. Only when we stop pruning our children's natural curiosity and start investing fundamentally in both their physical well-being and their intellectual liberty will the next generation grow to its natural, expansive height. Only then can they cast a wide and protective shade across the future of the republic.

Encouragingly, the Gen Z movement is already reclaiming their right to grow into citizens who can think horizontally. They are connecting the dots between systemic health deficits and policy failures, whilst actively questioning the ideological rewrite of their own past. In response, the state is employing oppressive measures. This struggle highlights a defiant generation refusing to be minimised and actively demanding the space to grow.

Lal is a playwright and a poet. Shah is a theatre and film actor

LETTERS TO THE EDITOR

A rethink needed

BARELY NINE months after his fledgling JSP was routed in the Bihar Assembly elections, Prashant Kishor stormed a BJP bastion with a thumping victory in the Bankipur bypoll. He challenged the BJP in its fort, winning the seat that's considered its stronghold since 1995. It is a loss that comes on the heels of the Gen Z protests in the national capital. (The outsider is in: Patna sends a message via PK / IE, August 4). For the BJP, losing the Bankipur bypoll goes beyond the typical loss of a stronghold and should prompt a probe into internal issues and a reassessment of the electorate's changed demographic profile.

SS Paul, Nadiya

What BJP must do

DESPITE THE turbulence having subsided for the time being, the leaders of the Cuckoo Janta Party have warned that they will gather for the protest again if demands are not fulfilled (What remains of Jantar Mantar after the crowds have gone home? / IE, August 4). The BJP government should initiate reform, prioritising transparency, ethical practice, and corruption-free functioning in education, police, judiciary, and other areas of governance. They must involve Gen Z, NGOs, and prominent members of civil society to achieve efficiency and accountability. The reforms should be meaningful and effective, and for the long run.

Subhash Vaid, New Delhi

The migrant question

SPAIN REMAINS one of the principal gateways for people experiencing sustained migratory pressures that extend well beyond its national borders (In Spain's migrant crisis, fuel for Europe's far right? / IE, August 4). As migration is inherently transnational, the challenge cannot be addressed by Spain in isolation. It requires closer cooperation with the European Union, neighbouring Mediterranean states, and countries of origin and transit to develop coordinated migration policies.

Vaibhav Goyal, Chandigarh



BABUL MARANDI

JHARKHAND POSSESSES nearly 40 per cent of India's mineral wealth, yet many of its mining districts remain among the country's least developed. For decades, coal, iron ore, bauxite and limestone have fuelled India's economic growth, while the communities living closest to these resources have continued to struggle with poor healthcare, inadequate schools, damaged roads, polluted environments and shrinking livelihood opportunities.

It was this contradiction that prompted the Centre to establish the District Mineral Foundation Trust (DMFT) in 2015. PM Narendra Modi had argued that mining-affected communities bear the greatest social and environmental costs of extraction but receive the least share of its benefits. DMFT sought to correct this imbalance by ensuring that a portion of mining revenues was reinvested in the welfare of those living in mining-affected areas. Unfortunately, that promise remains largely unfulfilled.

Recently travelled through West Singhbhum, including the Saranda mining belt, and witnessed first-hand the widening gap between the district's immense mineral wealth and the condition of its people. West Singhbhum, home to some of India's richest iron ore reserves, should have been a model of inclusive development. Between 2016 and 2026, nearly Rs 3,700 crore accumulated under its DMFT. Such resources could have transformed

Why must people be poor in a state rich with minerals?

Odisha's mineral resources are less than half of Jharkhand's. Yet in 2025-26, Odisha generated nearly Rs 46,000 crore in mining revenue compared with Jharkhand's Rs 22,000 crore

Odisha's mineral resources are less than half of Jharkhand's. Yet in 2025-26, Odisha generated nearly Rs 46,000 crore in mining revenue compared with Jharkhand's Rs 22,000 crore. The DMFT Rules require every district to make annual reports, budgets, approved works, project progress, governing council decisions, and beneficiary details publicly available. Yet, across Jharkhand, these disclosures are either missing, outdated or inaccessible. Mining-affected communities, for whom the fund was created, have little means of knowing how thousands of crores collected in their name have actually been spent. In Jharkhand, once a bustling mining township, local traders spoke of declining incomes. Several mining leases expired years ago. As mines shut down, employment disappeared. The effects spread far beyond mine workers. Transport operators lost business, roadside eateries emptied, shops struggled to survive, and young people increasingly migrated in search of work.

Cross the border into Barbil in neighbouring Odisha, barely 20 km away, and the contrast is striking. The geology is identical. The mineral deposits are the same. What differs is governance. Odisha ended timely auctions after mining leases expired. Jharkhand hesi-

tated. The consequences are visible in the numbers. Since 2019-20, India has auctioned 434 mineral blocks. Odisha auctioned 43, Jharkhand 41, while Jharkhand auctioned only three, despite being the country's richest mineral-bearing state. The production gap is equally revealing. Between 2018-19 and 2024-25, Odisha's iron ore production increased from around 120 million tonnes to nearly 180 million tonnes. Jharkhand's production remained almost unchanged at approximately 23 million tonnes.

Revenue tells an even more compelling story. Odisha's mineral resources are less than half of Jharkhand's. Yet in 2025-26, Odisha generated nearly Rs 46,000 crore in mining revenue compared with Jharkhand's Rs 22,000 crore.

Delayed auctions reduce production. Lower production means lower royalty collections. Lower royalties translate into reduced contributions to DMFT. Mining-affected villages receive fewer resources precisely because the mining economy itself has been allowed to stagnate. The debate around DMFT, therefore, is not merely about financial accounting; it is about restoring trust. Before organising new investment summits or announcing ambitious industrial plans, the state must first demonstrate that it can effectively manage the resources it already possesses.

The writer is Jharkhand's first Chief Minister and currently the Leader of the Opposition in the Jharkhand Legislative Assembly

The return of the writer to her home away from home



PRASKANYA SINHARAY

Hindu nationalist forces.

Her return to the city she identifies as "home away from home" after 19 years, to speak at a public meeting, is not only important for the ruling BJP government in West Bengal, but it also raises larger questions about religious majoritarianism.

Nasrin had to leave West Bengal in 2007 when the Left Front was in power. The inability of the secular Left government to ensure her safety and maintain law and order in the face of agitations by religious fundamentalists was widely criticised. The subsequent TMC government also could not bring her back to the city. Both the Left and the TMC governments were accused of minority appeasement and giving in to the assertions of Islamic fundamentalists by failing to accommodate the writer-activist in a state with a significant Muslim population.

Nasrin's return after almost two decades is now an opportunity for the Hindu nationalist BJP to portray itself as capable of leading a strong government that can ensure the security of the feminist writer-in-exile from Islamic fundamentalist forces. This is evident from the chain of events surrounding her arrival in the city. Billboards were put up in the streets, and people blew conch shells to welcome the writer at the airport; her visit was reported by some media houses as "ghar wapsi" (homecoming), and the BJP MLAs Saurav

This is a moment to revisit Nasrin's life and writings, which foreground larger questions about democracy and freedom of speech

Sikdar called her visit a testament to the party's electoral slogan "bhoy out, bhorosa in" (fear out, confidence in).

The presence of the chief minister, Suvendu Adhikari, at Nasrin's public meeting at Rabindra Sadan further points to the likely use of this visit by the BJP leadership as a double-edged sword. On the one hand, it is a chance for the BJP government to craft a liberal image by comparing itself with its predecessors, whom it accuses of minority appeasement. On the other hand, the BJP is likely to cite the case of Nasrin, as it has done before, as an example to essentialise and vilify Muslim culture and politics as anti-women and regressive.

Nasrin's visit to Kolkata and the celebrations around it thus present an old and known paradox. A writer who has been a victim of religious majoritarianism in her

homeland finds a safe haven in a country also witnessing majoritarian rule. This is, therefore, a moment to revisit Nasrin's life and writings, which foreground larger questions about democracy and freedom of speech, "secular humanism", and notions of home and exile. Nasrin has been an ardent advocate against religious majoritarianism and has unequivocally criticised all religious texts, labelling them as "out of place and out of time". Humanism, she has argued, should be the "new faith". Her visit to Kolkata is not a story of party politics, of *bhoy* and *bhorosa*, but the tale of the return of the writer-activist who stands against religious fundamentalism and majoritarian politics.

The writer is a political scientist based in New Delhi

WHILE NRI INTEREST IN FCNR(B) DEPOSITS IS SKY-HIGH, RUPEE'S TRAJECTORY IS LIKELY TO BE MORE SEDATE

Inflows of \$49 billion in 2 months, but no 2013-like boost for rupee

Siddharth Upasani
New Delhi, August 4

OVER JUNE and July, India has received \$49 billion in the form of Foreign Currency Non-Resident (FCNR) deposits, two types of foreign loans, and net investment in government bonds. But the rupee has hardly budged: on Tuesday, it closed at ₹5.38 per dollar, just 0.4% stronger than where it stood on June 4, the day before the government and the Reserve Bank of India (RBI) announced a raft of measures to boost foreign inflows.

Contrast this with 2013, when a similar concessional swap window for FCNR(B) deposits was announced. From ₹67-per-dollar on September 3, 2014 — the day before the incoming government, Raghuram Rajan made the announcement — the rupee rose almost 10% to ₹61.7-per-dollar in the first 42 days of the scheme. "Such schemes work best when they are aimed at addressing local imbalances and adverse country-specific perceptions, not global risks," ANZ economist Sanjay Mathur and Dhiraj Nirmal said in a note on Friday, pointing to the re-escalation of the West Asia conflict and the consequent rise in oil prices and the dollar's strength.

Mismatch in numbers

The swap window for FCNR(B) deposits works like this: banks get dollar deposits and send them directly to the RBI in exchange for rupees. As

such, these dollars don't enter the open market for foreign currencies and don't help in meeting the demand for them.

And the exchange rate is determined by the supply of and demand for dollars in the open market.

If the supply of dollars increases, that would reduce its price and strengthen the rupee, just like any item whose supply increases. Think of farmers dumping tomatoes or other farm produce by the truckload when a good harvest leads to a jump in supply and a price crash.

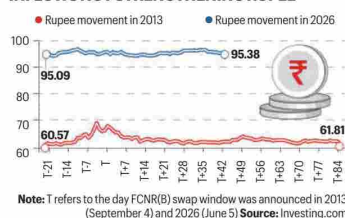
But if the dollars from the swap windows are going directly to the RBI, why is it not leading to a matching increase in the central bank's holdings of foreign currency assets (FCA)?

Between June 8 and July 17, Indian banks raised \$17 billion of FCNR(B) deposits. Meanwhile, the central bank's holdings of FCA only rose by \$7 billion or so.

Delays, forwards, hedges

One reason why the RBI's FCA did not rise at the same pace as inflows under the swap scheme is the operational delay. "In principle, while RBI provides weekly change in FCA every Friday, every bank has a designated time during the week to swap these FCNR(B) deposits with RBI and get equivalent rupee resources. Thus, it is entirely possible that FCNR(B)

10% GAIN IN 2013 VS 0.4% NOW: FCNR(B) INFLOWS NOT STRENGTHENING RUPEE



Note: T refers to the day FCNR(B) swap window was announced in 2013 (September 4) and 2026 (June 5). Source: Investing.com

deposit numbers are being captured by RBI and become a part of FCA with a clear lag," said Soumya Kanti Ghosh, State Bank of India's Group Chief Economic Advisor. Then there are other routes where the dollars may be going. The reemergence of tensions between US and Iran over the second half of July weakened the rupee; this was countered by the RBI's dollar sales, which in turn would have offset some of the inflows.

This is called spot market intervention by the central bank. There is also the forward market. Selling dollars in this market allows the RBI to stop the rupee from falling without having to sell dollars immediately. And the RBI has been very active in this segment.

At the end of June, it had sold \$103 billion on a net basis in the

forward market. This means it must provide \$103 billion in the future. Data shows \$9 billion of this needs to be given in July itself. Maybe that's where some of the new inflows have gone. Banks, too, are playing a role in the reduced volatility impact of FCNR(B) deposit inflows.

With the RBI still bearing the exchanging rate risk for the principal amount of these deposits, banks must protect their dollar interest payments from any currency risk. So, banks are hedging their interest payment-related exchange risk, which raises demand for dollars in the future — and puts pressure on the rupee.

Future of FCNR(B), rupee

Non-residents' interest in FCNR(B) deposits cannot be

underestimated. If the current pace holds and no new problems crop up, bankers expect NRIs to keep taking advantage of the 15% leverage they are being offered and potentially pour in as much as \$75 billion by September 30, when the window ends.

According to an official at a private bank, NRIs are literally lining up to make these deposits. "For banks who are sporadically taking minimum deposits of \$50,000, they will see people queue up. I heard this happened in SBI's GIFT City branch — people were actually standing in lines because it's such a good investment," an official at a bank who did not wish to be named, said.

Many banks have a minimum deposit threshold of around \$50,000.

While interest in FCNR(B) deposits is sky-high, the rupee's trajectory is likely to be more sedate. According to Tanveer Gupta Jain, UBS' Chief India Economist, shifting external conditions mean the rupee could end 2026-27 largely unchanged at around 96-per-dollar.

This would reflect the balance between a "modestly improved near-term external outlook and persistent medium-term structural headwinds" such as the need to attract higher net Foreign Direct Investment, risks to IT services exports from AI-driven disruption, and a stronger dollar should the US Federal Reserve increase interest rates.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

Why are indices diverging under new auction system?

Akash Mandal & George Mathew
Mumbai, August 4

The Closing Auction Session (CAS), introduced by stock exchanges on Monday for cash market stocks with derivatives, got off to an unexpected start. In its first two days, the NSE Nifty, the BSE Sensex and several stocks ended with divergent closing prices.

Instead of determining the closing price based on the volume-weighted average price (VWAP) of trades during the last 30 minutes of trading, the closing price is now discovered through a 20-minute auction held between 3:15PM and 3:35PM. The move aims to improve transparency, strengthen price discovery and reduce the scope for price manipulation at the close. For stocks without derivatives, the existing volume-weighted average price mechanism continues.

After its introduction, Nifty showed a rise of 1.60% on Monday while the Sensex gained only 0.70%, showing a big gap in closing levels. This divergence was much more than the normal 5-10% difference previously.

On Tuesday, the difference narrowed — while NSE Nifty closed with a loss of 0.64%, the BSE Sensex showed a loss of 0.27%.

Why benchmarks diverged

Reliance Industries Ltd (RIL) shares closed lower by 1.22% on the Bombay Stock Exchange (BSE) while it showed a loss of 2.13% on the National Stock Exchange (NSE) on Tuesday. ICICI Bank closed with a loss of 0.37% on the NSE while the private lender's stock was marginally up by 0.06% on the BSE. Infosys was down by 0.43% on the BSE but lower by 1.06% on the NSE.

The Sensex comprises 30 stocks, while the Nifty includes

50. The additional 20 stocks in the Nifty can have a meaningful impact on the index, particularly when they witness sharp price movements during the closing auction, an analyst said. Even among the stocks common to both indices, weightages differ.

Heavyweights such as Reliance Industries, HDFC Bank and ICICI Bank carry different weights in the Sensex and the Nifty. As a result, sharp gains in a few heavily weighted Sensex constituents can keep the index in positive territory even as the broader Nifty declines.

The difference is expected to narrow further in the coming days. "Both the exchanges have separate order books for CAS similar to the continuous trading session and hence, the prices of the individual stocks are also different. As the index is calculated based on the prices determined of the individual stocks, the index values can also be different," NSE said in an official note.

Old closing price system

The new CAS system fundamentally changes how the official closing prices of stocks with derivative contracts are determined. Until last week, the closing price — which serves as the benchmark for calculating the closing value of stock indices, valuing mutual fund portfolios, marking institutional holdings to market and settling derivatives contracts — was based on the volume-weighted average price (VWAP) of all trades executed during the final 30 minutes of the normal trading session. The Securities and Exchange Board of India (SEBI) formally directed stock exchanges to introduce the CAS system through a circular issued on January 16, 2026.

The circular mandated exchanges to implement the new mechanism from August 3, 2026.

How does the auction work?

The CAS runs for 20 minutes, from 3:15PM to 3:35PM.

■ 3:15PM to 3:20PM: The system calculates the reference price and shifts from normal trading to the auction session.

■ 3:20PM to 3:25PM: Investors can place both market and limit orders.

■ 3:25PM to 3:30PM: Only limit orders can be placed. Market orders cannot be modified or cancelled. The system closes order entry at a random time during the last two minutes (3:28 PM to 3:30PM) to prevent manipulation.

■ After order entry closes: The exchange matches buy and sell orders to determine the final closing price.

The closing price is determined using an equilibrium price mechanism — the price at which the maximum number of shares can be traded, with market orders getting priority over limit orders. The reference price is based on the VWAP of trades between 3PM and 3:35PM, while a price band of 3% applies during the auction. Unexecuted limit orders from the continuous trading session are carried forward, subject to specified conditions.

Why does the index appear frozen?

During the auction period, there is no continuous matching of trades between 3:15PM and 3:30PM, so the live index graph appears unchanged even though orders continue to be collected. However, exchanges display indicative prices and index values based on continuously updated equilibrium prices. On the first day of implementation, 515 trading members participated, placing orders on behalf of 56,773 unique PAN holders — higher than participation in the pre-open auction session — indicating strong initial acceptance of the new closing auction mechanism.

ED cases under PMLA rose to a four-year high in FY26

Aanchal Magazine
New Delhi, August 4

THE CASES registered by the Enforcement Directorate (ED) under the country's anti-money laundering law increased to a four-year high of 1,080 in the financial year 2025-26, taking the total cases to 4,622 in the last five years.

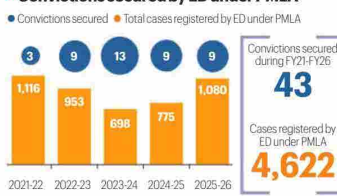
The conviction rate, however, remained low with the agency securing conviction only in 0.93% of 43 cases during 2021-22 to 2025-26.

The agency had seen a decline in the number of cases registered under the Prevention of Money Laundering Act (PMLA) from 2021-22 to 2023-24, before picking up again in 2024-25 and 2025-26, data presented by the government in Parliament on Tuesday showed.

In response to a written question by CPI(M)'s V Sivadasan in Rajya Sabha, Minister of State for Finance Panjab Chaudhary said the ED has filed prosecution complaints in 2,444 cases under the PMLA provisions before the Special Courts, PMLA as on June 30 this year.

"These cases are at various stages of trial. The ED has arrested 1,243 accused under the provisions of the PMLA," the minister said. The agency had registered 1,116 cases in 2021-22, which then declined to 953 in 2022-23, and then to 698 in 2023-24, before picking

Convictions secured by ED under PMLA



SOURCE: FINANCE MINISTRY, RAJYA SABHA

up again to 775 cases in 2024-25 and 1,080 in 2025-26. In total, the ED has registered 4,622 cases under PMLA in the last five years, the data showed.

The rate of convictions was slow, with the agency securing convictions only in 43 cases in the last five years. Of the total 43 cases which saw convictions between FY22-FY26, the number of persons accused convicted in these cases stood at 104.

Income tax cases

A total of 2,127 prosecution cases were filed by the Income Tax Department over the last five years (2021-22 to 2025-26).

The number of prosecution cases were the lowest in the years 432 in 2025-26 against 611 in 2024-25, 502 in 2023-24 and 387 in 2022-23.

In income tax matters, prosecution complaints are filed

only after obtaining sanction from the competent authority under section 279(1) of the Income Tax Act, upon completion of investigation and recording of facts, the minister said.

Detailed breakup showed that the Income Tax Department was able to secure conviction in just 233 cases over the last five years, with the convictions being the lowest in two years at 47 in 2025-26. The rate of acquittals was high, with a total of 854 cases seeing acquittals over the last five years, with the acquittals in 2025-26 rising to a four-year high of 293. The finance ministry, however, said the number of prosecution cases filed and the figures relating to conviction or acquittal are not directly correlated, as convictions or acquittals may pertain to cases filed in different years.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

Challenges won't alter IndiGo's long-term direction, says new CEO

Sukalp Sharma
New Delhi, August 4

THE OPERATING environment for the aviation sector has become dynamic and is currently replete with challenges, but it won't alter the long-term direction that India's largest airline IndiGo has decided to take, the carrier's new Chief Executive Officer (CEO) Willie Walsh said in an address to employees on Tuesday.

He also called upon employees to be agile, disciplined, and resilient in the face of the challenging operating environment. After dominating the Indian skies with a domestic market share of a staggering 66%, IndiGo has now set its eyes on ramping up its international operations and even serving long-haul routes.

Walsh, an international aviation industry veteran who until recently was the director general of the global airline trade grouping International Air Transport Association (IATA), took charge as IndiGo CEO on Monday. His appointment follows the abrupt exit of former CEO Pieter Elbers in March. Elbers's resignation followed the network-wide disruption that IndiGo faced in early December, leading to thousands of flights getting cancelled.

"The environment in which we operate today is becoming

increasingly dynamic. Aviation today faces evolving airspace challenges, supply chain constraints, and changing global conditions. And these realities require us to remain agile, disciplined, and resilient. Yet they do not change our direction. If anything, they reinforce the qualities that have always defined IndiGo, our unwavering commitment to safety, operational excellence, and delivering consistency to our customers," Walsh said on the occasion of IndiGo's 20th anniversary.

Indian carriers were already facing headwinds due to Pakistan closing its airspace to them since late April of last year. The operating environment got worse due to the West Asia war, which led to more airspace restrictions in the Gulf region and significantly pushed up jet fuel costs. Moreover, supply chain issues have plagued the global aviation industry by slowing down aircraft and engine deliveries for a few years now.

While IndiGo has also been impacted, which is evident from its recent decision to exit its damp-leased wide-body operations till it gets its own twin-aisles jets starting next year, the airline is betting big on long-range routes as its next growth frontier. IndiGo has 60 wide-body Airbus A350 aircraft on order.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

Taxation laws (Amendment) Bill tabled in Lok Sabha by FM

New Delhi: A new set of tax reliefs placed for Parliament's consideration on Tuesday could make India a more attractive and predictable place for global capital, manufacturing and business to come and stay, a finance ministry source said.

"India was global investment funds, cloud businesses, and infrastructure investors to route more of their activity through the country," the source said. Finance Minister Nirmala Sitharaman introduced the Taxation and Other Laws (Amendment) Bill, 2026 in the Lok Sabha on Tuesday, proposing a slew of tax concessions aimed at attracting foreign investment, supporting domestic manufacturing, and improving ease of doing business in the country.

"Overseas players are often unsure whether operating in or through India will create an unexpected tax exposure. These proposals provide clear, stable and predictable tax treatment as well as the process to get the desired tax treatment," the source added. FE

BRIEFLY

LIC OFS gets highest-ever bid

New Delhi: The government's 6.5% stake sale in LIC saw massive interest from institutional investors who put in a whopping Rs 36,400 crore worth bids — the highest-ever for any offer for sale (OFS). Four years after its IPO, which had fetched Rs 21,000 crore for a 3.5% stake, the government is now selling a further 6.5% stake in LIC via an OFS whose size compares with the upcoming mega IPO offerings of the NSE and Reliance Jio Platforms. PTI

Bharti Airtel net rises 37%, ARPU jumps 5.6% in Q1

New Delhi: Bharti Airtel reported a 37.3% rise in profit after tax to Rs 8,167 crore in the June quarter, driven by strong growth across India and Africa operations, the company said on Tuesday. Revenue from operations during the quarter rose 18.3% to Rs 58,539 crore. Airtel India's average revenue per user (ARPU) increased by 5.6% to Rs 264 during the reported quarter compared to Rs 250 a year ago. PTI

MARKETS

Index	Value	Change
Sensex	78,428.95	-210.08
NIFTY	24,614.90	-159.40
Gold	₹1,42,866	-0.27
US Dollar	\$95.38	-0.64%
Silver	₹218,635	-0.64%
Oil	\$88.12	-0.64%

NOTE: GOLD, SILVER RATES AS PER INDIA BILLION AND JEWELLERS ASSOCIATION GOLD PER 10G, SILVER PER 1KG; CRUDE OIL (INDIAN BASKET) AS OF AUGUST 3, 2026

ODYSSEY STILL RESONATES EVEN AFTER 3,000 YEARS AS KEY THEMES CONCERN THE TIMELESS HUMAN EXPERIENCE, SAYS YALE UNIVERSITY'S ASSISTANT PROFESSOR OF CLASSICS BENEDEK KRUCHIO

Yale to Cambridge, how *The Odyssey* is reviving academic, cultural interest in epic poem

Aanchal Magazine
New Delhi, August 4

HOW DOES Homer's glory-seeking hero, Odysseus, resist the urge to tell the cyclops Polyphemus his real name in the screen version? Why is he portrayed as more of a guilt-ridden war veteran than the complicated trickster that he was? And why is he shown paying his loyal dog Argos after his return when he doesn't do so in the poem?

Christopher Nolan's *The Odyssey* has sparked plenty of online debate over how it interprets and diverges from Homer's 3,000-year-old Greek epic. The film, however, has sparked such a renewed interest

in the epic that many researchers are viewing it as a cultural renaissance.

The Homeric homecoming is paving way for a different kind of homecoming — tailored courses, screenings of adaptations, free access to ancient literature and Greek research — in leading universities across the world.

Academic interest

The University of Cambridge in the UK has opened up its research collection on *The Odyssey* till September 30. It had also scheduled a webinar this month, "Cambridge Classics React to Nolan's *Odyssey*".

The interest in Nolan's adaptation even preceded its release.

Last spring, Yale University's Assistant Professor of Classics Benedek Kruchio took a course called "Odyssey Receptions: A Journey Through the History of Literature and Film", wherein he traced Odysseus' influences through the history of literature and film — from ancient epics and poetry to modern film adaptations such as the Coen Brothers' *O Brother, Where Art Thou?* Kruchio will teach this course again in a year. "It's going to be accompanied by a series of film screenings that are open to the public. And I'm developing another course that brings together ancient literature and film, which will investigate the relationship between Hollywood storytelling



The University of Cambridge in the UK has opened up its research collection on *The Odyssey* till September 30. @ODYSSEYMOVIE

and ancient literary genres," he told *The Indian Express*.

Nolan's adaptation is his favourite apart from films that en-

gaging more loosely with Homer, such as Jean-Luc Godard's *Contempt* (1963) and *O Brother, Where Art Thou?* (2001). "Other

exciting examples are Stanley Kubrick's 2001: *A Space Odyssey* (1968) and Mario Camerini's *Ulysses* (1954). But it's also worth branching out into contemporary literature and reading Alice Oswald's magnificent poem *Nobody and László Krasznahorkai's* novella *Chasing Homer* (both 2019)," Kruchio said in an e-mail.

Meanwhile, the University of Manchester partnered with Universal Pictures to showcase a rare 1,700-year-old parchment of the poem, one of the earliest surviving versions, and also threw it open for public display two days before the movie's release.

The University of Cincinnati in Ohio, US, in a recent article

highlighted the role of its archaeologist, Carl Blegen, who had helped unearth the city of Troy — a central location in Homer's works — during excavations he led between 1932 and 1938. Some of the most trenchant criticism has come from Emily Wilson — the University of Pennsylvania professor known for her celebrated and simple translation of *The Odyssey* which Nolan took inspiration from. Kruchio said many key episodes and characters are missing from the film.

"But I don't think this is a bad thing at all: adaptations that take creative liberties can be exciting, and in my view, Nolan has given us a thought-provoking *Odyssey* that

grapples with big topics such as the rupture of cultural memory and a civilisation in crisis," he said.

So, why does *Odyssey* still resonate even after 3,000 years? Kruchio said many of the *Odyssey*'s key themes concern the timeless human experience — war, love, revenge, travel, and curiosity, going over and mapping the world. "And then, what it means to be civilized and mortal. As a cunning and ingenious hero, Odysseus is a really compelling character. And let's not forget that Homer is a masterful narrator. *The Odyssey* is a compelling read, full of plot twists and suspense."

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GLOBAL

To become next UN chief, getting 'P5' onboard is key



EXPERT EXPLAINS
MANJEEV SINGH PURI

FORMER AMBASSADOR OF INDIA TO THE EU AND NEPAL

THE UNITED Nations Security Council (UNSC) held its first "straw poll" on Thursday for choosing the next Secretary-General of the UN (UNSG), whose five-year term would start on January 1, 2027.

Although the poll's results weren't announced, three candidates from Latin America are believed to have scored well. Costa Rica's Rebecca Grynspan, an economist who heads UN Trade and Development (UNCTAD); Carolyn Birkett, Guyana's Permanent Representative to the UN; and Rafael Grossi from Argentina, who is director general of the International Atomic Energy Agency (IAEA).

Appointment process

The UNSC consists of 15 members: five permanent members (P5) — China, France, Russia, the UK, and the US — and 10 non-permanent members elected for two-year terms by the UN General Assembly.

Straw polls in a UNSC process which don't disclose the name of the candidate and UNSC members note "encourage", "discourage", or leave them blank. While this round didn't distinctly mark the slips as belonging to the P5 or non-permanent members, the slips of the P5 will be coloured in the upcoming rounds. Drawing a "discourage" coloured slip indicates a likely P5 veto.

Of course, views of countries can change, as repeated straw polls are conducted until there is a clear candidate with nine encourage slips and no coloured "discourage" slip, that is, support of the majority in the 15-member UNSC and no veto.

The appointment of the UNSG is governed by Article 97 of the UN Charter: that "the Secretary-General shall be appointed by the General Assembly upon the recommendation of the Security Council". The primacy of the UNSC in this process is clear: it forwards just one name to the General Assembly for endorsement.

Candidates in the fray

Considering the current UNSG, Antonio Guterres, is from Portugal and his immediate two predecessors were from Asia (Ban Ki-moon of South Korea) and Africa (Kofi Annan of Ghana) respectively, the expectation is that this time, the choice will fall on someone from Latin America and perhaps a woman, as none have held the position.

Other candidates include Michelle Rachelet, former President of Chile; Maria Espinoza, former Foreign Minister of Ecuador; Macky Sall, former President of Senegal; and Olara Oduku, a former UN official from Uganda. Candidates need to be endorsed by at least one member-state, though not necessarily by their own country.

The three candidates who are said to have done well in the first straw poll are from countries with good relations with the Donald Trump administration in the US. This is particularly important but the others in the P5, particularly China and Russia, may have their own views.

For instance, Grossi has had to deal with sensitive nuclear issues at the IAEA. As head of UNCTAD, Grynspan appears to have been able to positively leverage developing countries on the UNSC, while Birkett would have benefited from a certain camaraderie from fellow Ambassadors as a Permanent Representative.

Considering there's no bar on the entry of more candidates as the process unfolds, success in the end may not be with the strongest candidate but in terms of multilateral and diplomatic qualifications, one who can surmount the biggest hurdle — a certain acceptability with all of the P5.

ECONOMY

Cut, hike, hold: How RBI decides monetary policy



UDIT MISRA

THE MONETARY policy committee (MPC) of the Reserve Bank of India (RBI) will unveil its next policy statement today.

Once every two months, the RBI's MPC sits down to take stock of India's economy and decide whether it wants to change the interest rates prevailing in the country.

Most economists and observers expect the RBI to "maintain a status quo" on interest rates. The lack of any change in the rates, however, should not detract from the fact that economies around the world are facing a fairly unprecedented level of uncertainty. Even when a central bank decides to do nothing, as it were, it bases its decision after considering several factors.

What's the point of RBI monetary policy reviews?

Like all central banks, the RBI too is charged with the responsibility of maintaining stable prices in the economy. It does this by targeting the retail inflation rate at 4% (with a comfort band of two percentage points on either side).

The RBI's research has shown that this is the ideal rate of inflation that promotes sustained economic growth. If the inflation rate remains persistently higher than 4%, it erodes the purchasing power of consumers. If it stays persistently below 4%, it weakens the profit incentive of producers.

The main tool with which the RBI tries to achieve this 4% inflation target is by tweaking the interest rate it charges when it lends money to India's commercial banks to meet their short-term needs. This interest rate is called the "repo rate".

When the RBI evaluates that economic growth is weak and inflation rate is falling below its target, it reduces the repo rate — making it cheaper for commercial banks to borrow. When the cost of their own borrowing falls, commercial banks cut the rate at which they lend to the rest of the economy — be it a consumer seeking to buy a car or a businesswoman looking to start a firm.

This is how the RBI incentivises economic growth while maintaining price stability.

When the RBI sees inflation rate going up too high — either because there is too much demand for goods and services or because there is too little supply — it raises the repo rate to dampen demand. A repo rate increase triggers banks to raise interest rates, thus forcing many to give up their demand for a new car or a new business.

AN Air India aircraft encountered severe mid-flight turbulence Tuesday while flying from Thailand's Phuket to New Delhi, experiencing a sudden drop of about 300 feet and resulting in injuries to some of the passengers and cabin crew members.

According to the airline, 17 people — 13 passengers and four crew members — were taken to the hospital for medical evaluation, though the injuries didn't appear to be too serious. The incident is being investigated by India's aviation safety regulator.

A routine occurrence

Turbulence is an irregular motion of the air resulting from circular whirls of air, or eddies, and vertical air currents — updrafts and downdrafts. Its severity can range from a few minor bumps during the flight to the aircraft tossing around with rapid and harsh

changes in altitude, which can lead to injuries to those on board and also result in structural damage to the plane in rare cases.

Turbulence is a routine occurrence worldwide with scores of flights encountering it to varying degrees on a daily basis. Some of it may be near the ground, when strong winds around the airport can cause turbulence as aircraft take off or land, or at higher altitudes, where an updraft or downdraft of air in storm clouds can trigger some turbulence as planes fly through or near them. Turbulence also occurs on the edges of jet streams — strong, fast, and narrow air currents that circle the globe.

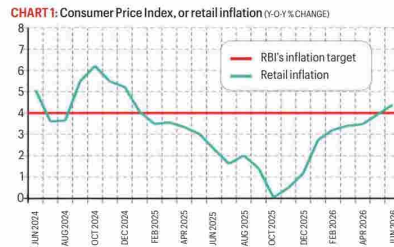
While turbulence is common, serious injuries caused by it are rare, and fatalities even more so. But there have been exceptions: for instance, one passenger died while several flyers and crew members sustained injuries when a Singapore Airlines jet was hit by sudden and severe turbulence over Myanmar in May 2024.

married, but deny it if she is cohabiting before marriage. This distinction, it said, "has no rational nexus with the object of preventing domestic violence and is as such offensive to Article 14 of the Constitution of India," which guarantees the fundamental right to equality.

Why the DV Act is not enough
During the hearings, both the petitioner and the Union government argued against expanding Section 498A, pointing out that unmarried women are already protected under the Protection of Women from Domestic Violence (DV) Act, 2005, since the Act expressly covers not just married persons but also those "related... through a relationship in the nature of marriage".

The Supreme Court rejected this argument on the basis of the fundamental difference between the two laws. The DV Act, it pointed out, is primarily a piece of civil legislation providing remedies like maintenance and protection orders. The court

• Retail inflation creeping up



SOURCE: CENTRE FOR MONITORING INDIAN ECONOMY PVT. LTD.

What are the factors it has to consider?
In any meeting, the RBI has three choices: hike interest rates, cut interest rates or maintain status quo.

On the face of it, the RBI targets the retail inflation rate. That, of course, is the main variable on which it bases its decision.

Chart 2 shows retail inflation has risen through 2024 and is now just above the 4% target, even though it is still within the RBI comfort zone of 2% to 6%. Chart 1 shows the movement of the repo rate over the same period. But looking at just headline inflation is not enough. As things stand, one can argue for a rate cut: after all, inflation is close to the target level and well within the comfort zone even as economic growth is expected to slow down. Or, for a rate hike, since inflation is steadily rising up over the past few months. But since the effect of a repo rate tweak takes time to percolate through the economy (often several months), a central bank has to consider many other factors.

In many ways, the RBI has to continuously assess not just where growth and inflation are at present but where they will be in a few months. Here is a list of some of the other key factors that RBI is likely to take into account in its deliberations.

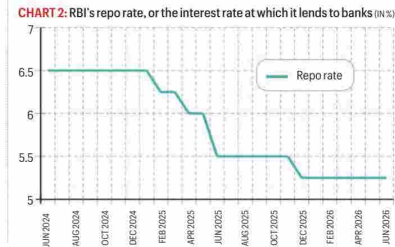
1. CRUDE OIL PRICES: Higher crude prices don't just raise domestic inflation but also worsen India's trade deficit, hit exchange rate, increase government debt and bring down economic growth. Thanks to the shaky ceasefire between the US and Iran, crude oil prices continue to swing wildly from one week to another. But, crucially, since the middle of June when the peace deal was signed, crude oil prices have gone up by around 11%. If the RBI expects crude oil prices to remain high or possibly even go higher, it may consider raising rates, or, at the

Rate actions by key central banks

As of July, US Fed, European Central Bank, Bank of Japan, and Bank of England all maintained status quo on the rates in their economies.

This brings down the pressure on the RBI to hike rates.

• Repo rate steadily coming down



very least, keep rates higher for longer.

2. US-IRAN HOSTILITIES: The same argument applies here as well. If the war continues, supply of energy will remain constrained and prices will continue to remain elevated. This is more so because apart from the Strait of Hormuz, now even shipping through the Red Sea has come under threat. Such an assessment will likely single any plans within the RBI to cut interest rates.

3. MONSOON, EL NIÑO, INFLATION: Regardless of what happens to crude oil prices, there is another big threat to domestic inflation in the form of El Niño. El Niño conditions are likely to intensify in the coming months. As of end-July, rainfall is 13% below average and more than 40% of area in the country remains in the deficient category. Water reservoir levels are considerably lower than what they were at the same stage last year. These can affect rain sowing.

Food inflation was already well above 5% in June and these developments may tilt the RBI towards either raising rates or keeping them at the same level.

4. QUALITY OF GROWTH MOMENTUM: All central banks have to balance between controlling inflation and promoting economic growth. Further, while deciding on its rate policy, the RBI concerns itself not just with the level of growth but also assesses the quality of growth momentum. It is entirely possible that the growth rate in the past year or the last quarter was strong enough but there are emerging signs of weakness.

To assess this, the RBI looks at the picture painted by a whole host of high frequency indicators. For instance, as a recent report from Bank of Baroda notes, "high frequency data for quarter ending June 2024 indicates that airline passenger traffic (including domestic travel), rail freight traf-

fic, diesel consumption, GST e-way bill generation growth, all slowed compared with June 2025". On the other hand, "port cargo traffic, telecom subscribers, vehicle registrations and GST collections have maintained upward momentum" in the same quarter (April, May and June).

Clearly, the high frequency indicators are painting a mixed picture of the economy.

A mixed picture suggests that the underlying growth momentum is uneven — that is, it is not the case that every sector is looking up. This, in turn, has a key policy implication: The RBI will have to be cautious about raising interest rates.

If all sectors were doing well, the RBI could be tempted to raise rates in the hope that the underlying growth momentum is robust enough to take an interest rate hike in its stride. But if growth is not broad-based, a rate hike can also hurt several sectors that were in any case not doing as well.

5. ACTION OF OTHER CENTRAL BANKS: Typically, interest rates in India are higher than the interest rates in the developed countries such as the US and euro area because the inflation rate is also higher. This gap between the two interest rates often plays a big role in attracting global investors to invest in India via the bond market (a market when money is lent and borrowed), thus providing money that is borrowed by Indian companies as well as the government.

As such, if other central banks raise interest rates, there is pressure on the RBI to follow suit and protect India's attractiveness as an investment destination for debt funds.

But there is a flipside too. Higher interest rates also raise the cost of borrowing for everyone in the economy, especially the government. An increase in interest rates can hurt the government's debt calculations.

AVIATION

Air India mishap: To avoid turbulence injuries, stay strapped in

Sukalp Sharma
New Delhi, August 4

AN Air India aircraft encountered severe mid-flight turbulence Tuesday while flying from Thailand's Phuket to New Delhi, experiencing a sudden drop of about 300 feet and resulting in injuries to some of the passengers and cabin crew members.

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Altitude and attitude

Light turbulence could see slight erratic changes in the plane's altitude and attitude — orientation as per the horizon. Moderate turbulence may trigger more notable changes.

Severe turbulence could see the aircraft momentarily going out of control. In extreme turbulence, the plane is 'practically impossible to control'.

With the explosive growth in air traffic over the past few decades, along with the impact of global warming and climate change, the incidence of severe turbulence — particularly the difficult-to-predict clear air turbulence (CAT) — has grown, studies show. CAT occurs outside of clouds and usually above the altitude of 15,000 feet.

More frequent and severe

The worrying aspect is that climate change could make turbulence more frequent and severe. A 2023 study by researchers from the University of Reading (UK) and the UK Meteorological Office, found large increases in CAT between 1979 and 2020 around mid-altitudes and aircraft cruising altitudes. Over the North Atlantic, severe or greater CAT duration rose over 55 per cent in the four-decade period.

Reporting similar increases in turbulence all over the world, the study said the increase is almost certainly the result of climate change. The researchers also estimated that severe turbulence would increase in frequency more than light or moderate levels of turbulence.

Safety protocol
Even when severe turbulence is the primary trigger for an accident, there could be multiple contributory factors, including poor training of crew and inadequate dissemination of weather or wind related information. The US Federal Aviation Administration suggests using operating procedures and training to prevent injuries, promote communication and coordination, and gather data and review the carrier's history of turbulence encounters and injuries.

As a passenger, it is best to keep the seat-belt fastened at all times, unless unavoidable, like when using the lavatory. Most serious injuries are caused when turbulence dislodges the passengers from their seats, and the only way to prevent it is to be strapped in.

LEGAL

Why SC expanded scope of domestic cruelty law to women in live-in relationships

Vineet Bhatta
New Delhi, August 4

EXPANDING THE protection against domestic cruelty under criminal law, the Supreme Court has ruled that such protection, ordinarily given to married women under Section 498A of the erstwhile Indian Penal Code (IPC), extends to women in live-in relationships as well, provided the couple shares an "intent to marry".

Since the IPC has now been replaced by the Bharatiya Nyaya Sanhita (BNS), the judgment will likely apply to the corresponding BNS provision: Section 85. The judgment, delivered on Monday by a bench of Justices Sanjay Karol and N Kottiswar Singh, recognises that women facing cruelty in domestic settings cannot be denied the protection of criminal law merely because they have not undergone a formal marriage.

The legal position until now

Section 498A of the IPC penalises a hus-

band or his relatives for subjecting a woman to cruelty. Because the provision explicitly uses the word "husband", its application was traditionally restricted to legally valid marriages.

Over the years, the Supreme Court expanded this definition to cover such women who induced a woman into a marriage, is legally void or voidable — for instance, by hiding a previous subsisting marriage — holding that such men cannot claim that they were not a "husband" to escape prosecution for cruelty.

This was what had transpired in the present case as well. The accused man approached the courts to quash a Section 498A case filed by his partner, arguing that since he was already married to someone else, his relationship with the complainant was not a valid marriage. The Karnataka High Court rejected this argument, ruling that when a man induces a woman to believe that she is lawfully married to him, and thereafter subjects her to cruelty, [he]

cannot be permitted to evade criminal responsibility on the plea that no valid marriage existed in law. This led him to appeal to the Supreme Court.

Beyond void marriages

The Supreme Court could have dismissed the appeal by relying on the established precedent regarding void marriages, but the bench took up the broader question of whether a man in a live-in relationship can be prosecuted under Section 498A.

The judgment, written by Justice Karol, adopted a "purposive interpretation" of the law, noting that since the original objective of Section 498A was to deter domestic cruelty, the law must adapt to changing social realities, observing that "cruelty, any which way, does not check at the door, whether the house is entered that of a married woman or not". The court reasoned that if a woman faces cruelty from her partner, it makes no logical sense to offer her the protection of criminal law if she is

said that equating it with Section 498A would be a "misstatement of law" because "the import of civil and criminal law is different" since "only a husband is subject to the force of criminal deterrence".

'Intent to marry' is crucial

To determine which live-in couples get this protection of criminal law, the Supreme Court borrowed the concept of a "relationship in the nature of marriage" from the DV Act. The court clarified that a "relationship in the nature of marriage" is a narrower version of a general "live-in relationship". Relying on a 2013 judgment by it, the court reiterated the features of such a relationship, which include pooling financial resources, sharing domestic arrangements, having a sexual relationship, and holding themselves out to society as being akin to spouses.

Monday's judgment, however, added a caveat for the application of Section 498A:

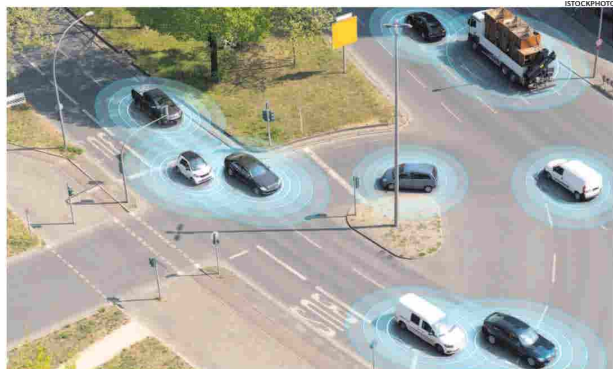
The couple must, in addition to the above, also have the "intent to marry".

This is because, according to the court, while many relationships "may meet all the requirements to be a 'relationship in the nature of marriage', the partners might choose never to enter matrimony. When the intent is absent, the court held, the relationship should not be equated with marriage for the purpose of invoking a penal provision and its "long list of adverse consequences".

"Those relationships that are in the nature of marriage and also have the requisite intent to marry are the closest to marriage itself, and it is those relationships that shall be entitled to the protection of [Section 498A]", the court ruled.

The judgment noted that the initial burden of proof to establish this intent will lie on the female partner seeking the law's protection. But it did not lay down specific parameters for how this "intent" is to be legally recognised.

OUR VIEW



Crash-proof streets will require hack-proof cars

India's proposed rollout of vehicle-to-vehicle connectivity to prevent collisions marks a tech-enabled shift in road safety policy. As with driving, a slight slip-up could prove very costly

Indian roads are among the world's most hazardous. Trucks, buses and cars jostle for space with motorcycles and three-wheelers that swerve without warning. Motorists must stay alert to wandering livestock, traffic-dodging pedestrians and bewildering street layouts. The result: an average of 502 people die on our roads every day. Against this backdrop, the Centre's proposal of vehicle-to-vehicle (V2V) communication from next October makes sense. Until now, road safety has largely focused on protecting crash victims with airbags, anti-lock braking systems and vehicular design. V2V would mark a shift from collision survival to prevention. Under the proposed AIS-230 standard, suitably equipped vehicles will transmit their speed, position and direction to one another. Since this system will not need mobile telecom towers, it should function even in tunnels, remote areas and during network outages. This would not just help motorists keep a safe distance from each other, but also warn others of hazards they may be unable to spot, such as an oncoming car hidden behind a truck or around a blind bend.

Safety assessments by the US National Highway Traffic Safety Administration suggest that even baseline V2V deployment could prevent or mitigate about 13% of non-impaired multi-vehicle crashes. As systems evolve to link vehicles with traffic signals and roadside infrastructure, safety is expected to improve. Poor execution, however, could saddle motorists with higher costs while exposing them to new risks of cybersecurity and privacy. Every vehicle will need an onboard unit that can access radio-waves, apart from other devices. The estimated ₹4,000-7,000 extra this would cost may not affect car-buyers, but will burden two wheeler-

buyers. Also, V2V benefits from the 'network effect': the more participants it has, the more useful it is. Yet, this mandate will initially apply only to newly made vehicles, which may mean a long path to promise fulfillment unless people are nudged to retrofit older ones. Global V2V adoption offers useful lessons. America's nationwide rollout stalled on disputes over communication standards, spectrum allocation and industry readiness. Europe has prioritized common standards, test corridors and interoperability over blanket enforcement. China, though, is the world's frontrunner, having adopted a standard network with wide-ranging links as part of its broader smart-city strategy.

India's national rollout would have its own challenges. First, an all-India network of vehicles constantly beaming their location and movement data would enlarge the country's exposure to cyberattacks. Second, while V2V signals may be masked, vehicle registration records or roadside infrastructure could be used to unmask identities. This would place the system squarely within the ambit of the Digital Personal Data Protection Act. This law's exemptions under Section 7 for public safety and law enforcement could also weaken privacy safeguards, unless robust oversight and transparency prevail. Third, interoperability standards across manufacturers will be just as vital as cybersecurity and encryption protocols; India must not let scuffles over these stall an idea that can save thousands of lives. But connectivity in itself does not inspire public trust. Its benefits must become amply evident to motorists. All in all, success will take not just V2V deployed at scale, but stiff cyber defences, common standards and the assurance that safety data will prevent crashes and not enable surveillance.

GUEST VIEW

Public investors are revising the valuation playbook for startups

Investors want platforms to show paths to profitability beyond growth trends to justify share prices



KARAN TAURANI
is executive vice president, Elara Capital.

For much of the last decade, India's internet economy was built on one simple belief: scale first, achieve profitability later. Investors were ready to overlook losses as long as companies demonstrated rapid user acquisition, market leadership and a large addressable opportunity. Private market valuations became the reference point, and public market investors were often willing to pay an additional premium in anticipation of years of future growth.

Recent developments around Zepto's proposed initial public offering (IPO), which has reportedly been pushed forth, may come to be seen as an inflection point for India's startup ecosystem. Irrespective of where or when the company eventually lists, a broader message from public markets is becoming increasingly clear: valuation today is no longer determined by growth or market share alone. Investors are demanding a credible path to profitability. This marks a significant departure from the previous generation of internet IPOs. Companies such as Zomato, Paytm, Nykaa, PB Fintech, Delivery and CarTrade made their public market debuts during a period when global liquidity was abundant, interest rates were exceptionally low and private market valuations heavily influenced IPO pricing.

Investors were willing to underwrite significant execution risk because the

belief was that scale would inevitably translate to profitability over time.

The environment today looks very different. Higher global interest rates have raised the cost of capital, making investors less willing to pay for earnings that may materialize many years into the future.

More importantly, India's public market investors now have multiple listed benchmarks across sectors such as food delivery, quick commerce, fintech, beauty, insurance and e-commerce by which they compare business quality, operating leverage and capital efficiency beyond just growth prospects.

As a result, one of the biggest changes is that private market valuations no longer serve as a benchmark for public market pricing. During the previous IPO cycle, many internet companies listed at premiums to their last private valuations despite limited visibility on profitability.

Today, that premium can no longer be taken for granted. Unless businesses demonstrate strong execution, improvement in their unit economics and a credible path to sustainable earnings, the public market is unlikely to reward them with higher valuation multiples than those achieved in private funding rounds.

This also makes it increasingly difficult to benchmark profitable and loss-making platform businesses using similar valuation frameworks. Two companies may operate in the same category, grow at similar rates and command comparable market shares, yet deserve materially different valuations if one is generating operating leverage and free cash flow while the other continues to rely on external capital to fund growth. Growth at any cost no longer appeals to discerning investors; they would rather reward the quality of growth.

Eternal, which runs Zomato, perhaps best illustrates this transition. The company's strongest phase of shareholder value creation did not occur immediately after listing, but accelerated only

after the management consistently demonstrated operating leverage by improving food delivery margins and showing not just stronger advertising monetization, but also disciplined execution at its quick commerce service, Blinkit, and a visible path towards sustainable profitability. Execution prevailed over ambition as a consideration.

This reinforces our broader platform valuation thesis. India's internet sector is approaching an important structural inflection point where profitability—not merely growth—will increasingly become the key valuation metric. Companies capable of converting scale into sustainable earnings, generating free cash flow and allocating capital efficiently are likely to command premium valuations. Conversely, businesses that pursue growth without a credible path to profitability may trade at a discount, irrespective of their scale or private market valuation.

This should not be interpreted as growth becoming less important to investors. During the early years of building a platform, aggressive investment remains essential to acquire customers and generate network effects in an effort to attain category leadership.

However, once meaningful scale has been achieved, investors would expect evidence that those investments can translate into financial rewards from the business. A growth trajectory, thus, is necessary but no longer sufficient.

For founders planning public listings, this changes the playbook. Rounds of private funding that used to convey what a business is worth have lost importance as would-be subscribers to new issuances of shares look harder and deeper at the business models that are asking for investment.

The first decade of India's internet economy answered one question: Can these businesses scale? The next decade will answer a far more important one: Can they earn? That distinction may ultimately determine India's next generation of platform champions.

10 YEARS AGO



JUST A THOUGHT

Once you trust a self-driving car with your life, you pretty much will trust artificial intelligence with anything.

DAVE WATERS

THEIR VIEW

Fifa's attempt to sell World Cup equity was a clear foul

ATANU BISWAS



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In the end, Gianni Infantino blinked. In the face of an extraordinary backlash, the Fédération Internationale de Football Association (Fifa) has abandoned its plan to sell a minority stake in the commercial rights of the World Cup through a new company, Fifa Forward Enterprise. What was presented only days ago as a bold financial vision has collapsed under widespread opposition from across the football world. Football has won, but only this round. The proposal has been shelved; the questions it raised, however, hover over the game.

Nearly a century ago, Jules Rimet had something else in mind for football. Europe was recovering from a devastating war and drifting towards another. Rimet believed that if nations could compete on the football pitch rather than a battlefield, rivalry need not end in violence. The World Cup was thus born as an act of optimism. Remarkably, it did begin to unite the world. Every four years, a child in Kolkata, a fisherman in Senegal, a taxi driver in Buenos Aires and an

office worker in Seoul all speak its language. From a corporate perspective, Fifa's proposal was perfectly rational. Businesses unlock value. Investors provide capital. Assets are packaged, priced and sold. The trouble is that football is not just another asset. The controversy was over philosophy. Who really owns the game? "None of us," as the Union of European Football Associations (UEFA) put it.

The game was shaped by factory workers, sailors, immigrants and generations of children who re-invented it every afternoon with makeshift goalsposts. Although governing bodies wrote the rules, humanity wrote its story. Fifa may have had the legal authority to restructure its commercial rights, but that could not win the moral argument.

That became clear soon after the proposal came to light. UEFA warned it may reconsider participation in Fifa competitions. Football authorities in South America, Asia and elsewhere voiced concerns. Objections soon turned a financial proposal into a crisis of legitimacy. Fifa president Infantino's retreat was welcomed all around. The drama is not over yet, though.

Reports suggest UEFA and other confederations are now searching for a credible challenger to Infantino in next year's Fifa

presidential election. Whether one will emerge is uncertain at this juncture. However, since this episode has dented the authority of a president who once appeared politically unassailable, perhaps one will.

The debate has shifted from the ownership of football to the stewardship of Fifa itself. This matters because football occupies a unique place in an increasingly fragmented world. Today, the UN struggles to command a consensus. The World Trade Organization no longer has the influence it once did. International politics is getting around competing blocs more than shared institutions. Football remains one of the few genuinely global commons: a game governed by one set of rules and culminating in one championship recognized by virtually every nation. Ironically, a proposal intended to unlock football's commercial value almost ended up weakening the very universality that gives the World Cup its meaning.

Can we attribute what happened to the 'Trumpization' of football? Perhaps, but not simply because of Donald Trump's reports linking prospective investors to the brother of his son-in-law. Rather, it reflects a broader philosophy of governance in which every institution is viewed through a transactional lens. If something possesses immense cultural value, the assumption is that someone, somewhere, should be able to buy a stake in it. This way, football will gradually cease to be a shared inheritance and resemble an investment portfolio.

Markets have undoubtedly enriched modern sport. Broadcast and other revenues have helped build stadiums, fund academies and expand opportunities across the developing world. Cricket, for instance, was transformed by a commercial revolution unleashed by Kerry Packer nearly half a century ago. But markets also reshape whatever they finance.

Sure, football rarely changes overnight. It changes by degrees—through longer match calendars, expanding tournaments, televi-

sion-driven scheduling, hydration breaks and growing commercial deals. Each change may seem harmless by itself, but it all adds up to show how a sport governed by commercial interests slowly gets transformed to suit its business backers.

The challenge, hence, is to ensure that commerce remains at the service of football and does not become its master. Infantino stepped back before a corporate dispute became an institutional rupture. Yet, withdrawing the proposal doesn't resolve the underlying tensions. Private equity, sovereign wealth funds, expanding tournaments and relentless commercial pressures are still likely to shape football's future more than the game's fans.

Rimet imagined football as a common language in a divided world. Infantino's failed attempt has exposed a fault line and fans around the world wonder if the game's greatest tournament will eventually be just another global asset for investors. While Fifa cannot be grudging its mandate to raise funds for the game's development, it must ensure that its value doesn't diminish. Television rights can be auctioned; sponsorships can be negotiated and deals can be struck. But the return on every World Cup mustn't be captured only by a few.



MY VIEW | STAT-CRAFT

Do not be misled by a superficial understanding of India's Gen Z

We need a reading of this generation that's both representative and in-depth for the country to benefit as their influence grows



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

Every few months, an event involving young people captures public attention in India. A protest, an online campaign or a social movement quickly turns into the basis for judging an entire generation. Some describe the country's Gen Z as impatient, entitled or rebellious. Others celebrate its confidence and willingness to question authority. Both views are tempting but incomplete. History teaches us that societies almost always misunderstand their emerging generations.

I have seen this before. For more than three decades, my work has focused on understanding Indian households. During that period, perhaps no social group was more misunderstood than India's middle class. Today, I believe we risk making the same mistake with Gen Z. India's generation of those born between the late 1990s and early 2010s is estimated to number nearly 375 million people, making it one of the largest youth cohorts in the world. Together with millennials, they will account for almost half of India's population by the end of this decade and will increasingly dominate the country's workforce, apart from its entrepreneurial, innovation and electoral landscape. Understanding them is therefore central to our future.

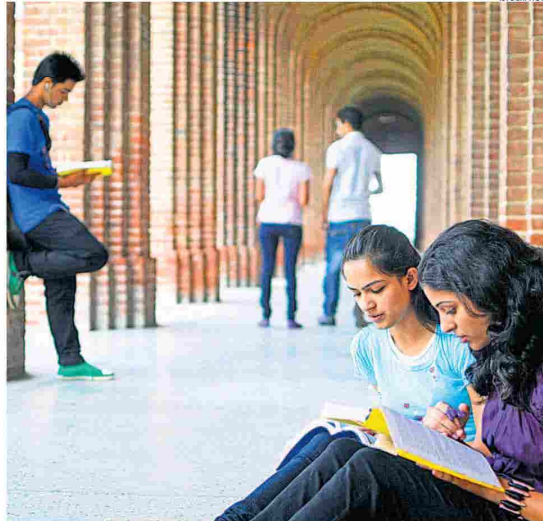
We must not interpret this generation through yesterday's lenses. The first mistake is to confuse digital visibility with representativeness. Gen Z is India's first truly digital-native generation. Unlike millennials, who witnessed the arrival of the internet, Gen Z has grown up with smartphones, digital payments, artificial intelligence (AI) and social media as integral parts of everyday life. Technology for them is basic infrastructure.

In February 2026, PRICE research found that 44% of Gen Z discontinue products through Instagram, while nearly four out of five compare alternatives before making decisions. Reviews, online research, peer recommendations and increasingly AI shape their choices. Recent national studies also show that more than nine in ten urban Gen Z professionals already use AI for their work or studies. Technology helps acquire knowledge, improve productivity and expand opportunities.

Their media environment also differs. Previous generations relied largely on newspapers and television. Gen Z navigates a fragmented ecosystem of YouTube, Instagram, podcasts, messaging platforms, news applications and digital creators.

Information comes from multiple sources, which explains both their independence of thought and the growing difficulty governments, businesses and educators face in communicating with them.

The second misunderstanding concerns aspiration. Much of the public discourse portrays Gen Z as seeking instant gratification. Our findings suggest otherwise. Home ownership, career growth, entrepreneurship, higher education and financial



independence consistently rank among their most important aspirations. They seek meaningful work, continuous learning and opportunities for personal growth. They are also redefining what meaningful work should look like.

This generation lives simultaneously in multiple worlds. It learns from global universities, collaborates across borders, follows international creators, celebrates Indian festivals, speaks several languages and embraces new technologies with remarkable ease. To some observers, this appears as a weakening of identity, but it often reflects an expansion of influence. They are deeply Indian while naturally global.

Yet, a growing aspiration gap is in evidence too. Many of India's institutions were designed for an earlier era. Schools still reward memorization when young people require analytical thinking and problem-solving skills. Universities often struggle to keep pace with changing labour markets. Workplaces assume linear careers while young professionals prepare for multiple careers over a lifetime. The tension we observe is frequently less a conflict between generations than a mismatch between 21st-century aspirations and 20th-century institutions.

History reminds us that every transformative generation has initially been misunderstood. Young Indians who migrated to cities after Independence were criticized for abandoning tradition. The generation shaped by the economic reforms of the 1990s was accused of excessive materialism. The pioneers of India's information technology revolution were dismissed as chasing foreign dreams. Time eventually showed that each had helped expand India's development frontiers.

Gen Z deserves the same generosity of understanding. At the same time, every generation inherits responsibilities alongside opportunities.

More than a century ago, Swami Vivekananda urged India's youth to cultivate scientific temper, strength of character, fearless inquiry and a spirit of service. His message was never one of blind conformity. It was an appeal to think independently, pursue truth through reason and dedicate one's abilities to the larger good of society.

Those ideals are perhaps even more relevant in the age of AI and social media. Access to information does not produce wisdom by itself. Scientific temper requires evidence to prevail over emotion, inquiry over prejudice and reason over misinformation. It also requires young people to resist becoming instruments of irrational politics, ideological extremism or digital manipulation. Every political movement seeks the energy of youth; a mature democracy depends upon young citizens who think for themselves, question authority responsibly and form their judgements based on facts rather than passions.

Equally important is confidence in India's civilizational heritage. Respect for knowledge, diversity, family, dialogue, duty and social harmony has enabled Indian society to absorb extraordinary change while preserving continuity. Gen Z need not choose between being global and being Indian. The confidence to engage with the world comes most naturally to those who are secure in their own cultural space.

For India to realize its demographic dividend, institutions must understand the aspirations of Gen Z and help the youth combine technological capability with scientific temper, entrepreneurial ambition with discipline, their global outlook with cultural confidence and individual success with a commitment to nation building. Now that this generation has begun to shape India's future, our responsibility is to ensure that its energy is guided by wisdom, character and purpose.

MY VIEW | EX MACHINA

Why open-weight AI models are still difficult to access

RAHUL MATTHAN



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Late last month, Moonshot AI released the weights for Kimi K3, a 2.8-trillion-parameter artificial intelligence (AI) model so advanced that it only lags the very best models from OpenAI and Anthropic. Even though it has been released as an open-weight model with weights available for download, most consumers will not be able to experience its frontier capabilities. Amid the hype around announcements of open-weight models, what often gets obscured is that model weights are only part of the story. Without inference and test-time compute, it is impossible to serve users frontier AI, no matter how powerful the underlying model might be.

When ChatGPT was launched, inference was a simple matter of running a query against the model's weights and having it predict a response, one word at a time. This is no longer the case. Today's models are designed as committees of specialist sub-networks (called a mixture of experts), only a handful of which are consulted for each

query. This design ensures that not all weights are activated every time a query is presented. Kimi K3 is designed with 896 experts, of which only 16 are consulted for any given token, so that for every query, only 104 billion parameters (out of 2.8 trillion) do any work. This indicates that inference compute plays a far more significant role than it used to. And that frontier intelligence is no longer just about access to top models.

But it doesn't stop there. Modern inference involves reasoning: writing out chains of questions, checking their conclusions, backtracking and trying again until an acceptable answer is reached. This process (which takes place behind the scenes every time a user asks a query) is why the answers we get are so much more accurate and relevant. In addition, AI models use a variety of tools (search engines to gather current facts, code to verify calculations, etc) to reduce hallucinations, ensure that the answers generated are up to date beyond the underlying model's knowledge cut-off and remain logically consistent.

It is a combination of all these features that constitute the 'frontier' nature of the experience. All of which is to say that inference now goes far beyond running a query against the weights. It requires considerable

computational resources (what engineers call test-time compute) and significant engineering expertise, without which even the most capable model will not deliver frontier intelligence.

Offering all of this at a population scale is an industrial undertaking. In the first place, the weights need to be stored in the fastest, most expensive memory available, spread across dozens of accelerators and wired together to operate as a single computer. The maths is unforgiving. At L4 terabytes, K3's weights need something in the order of 18 H100 chips just to sit in memory. Even after Moonshot AI engineered its way around the fact that longer conversations consume more memory, the weights alone need 18 accelerators before a single consumer is served.

In a mixture-of-experts architecture, this is even harder to implement, since it is hard to know in advance which specialists will be required for any given query. Finally, the reasoning and tool use needed to deliver

frontier AI calls for a level of process knowledge that can only be learnt through the experience of delivering it at scale.

Having argued for years that the digital public infrastructure (DPI) approach is the way to build public systems, I can see how regular readers might expect me to argue in favour of applying that playbook to AI. If the same operating philosophy of open, modular infrastructure could be extended to AI, we might be able to achieve the same success with intelligence as we did with public services. This is harder than it appears, given the fundamental differences between the way software and AI stacks are designed.

DPI was able to transform the delivery of public services because the hard part was designing the protocol. Once the digital rails had been designed, it cost next to nothing to serve each additional user. This is why open, modular DPI tends to be more economical than vertically integrated software solutions. AI inverts that. Even though the rails are

cheap—K3 gives frontier capability away for nothing—serving intelligence is expensive.

There can be no frontier intelligence without the process knowledge required to design and deliver test-time compute. It is far from trivial to understand just how much reasoning budget a query needs before the returns flatten; how to batch requests without overloading models; when to keep a cache warm and when to throw it away; and how to engage experts without overloading memory. This knowledge is not bundled along with the open weights, as it is so easy to download. It has to be learnt through trial and error by running these models for months at a stretch.

Hidden among the many announcements at Epoch 2026, Sarvam's inaugural developer conference, was news that the company was launching inference services on Indian infrastructure. To me, this was the most significant announcement of the event. It indicates that we are finally taking inference seriously.

Open weights are not the same as open access. Until we learn how to serve intelligence on our own infrastructure, and on our own terms, K3 will just be a 4 terabyte file that we can download for free but cannot fully use.

How China's rare-earth policy is chipping away its advantage

Weaponizing supply has pushed the world to lower its dependence



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China's monopoly is already at threat in some market segments. ISTOCKPHOTO

Every time China tightens its grip on rare earths, the rest of the world becomes a little better at finding them. Rare-earth permanent magnets—which help stick charging cables to laptops, clamp mobile phones to mounting devices and click carburds into their cases—have become a central battleground in China's trade wars with its rivals. Beijing used export controls on these devices to force US President Donald Trump into a humiliating retreat on his Liberation Day tariffs last year. The same tactic is being deployed by China against Japan following a diplomatic spat with Tokyo.

It is having to narrow its focus, though, because the world is responding in kind. Some 15 years ago, almost all rare-earth elements were mined and refined in China, but years of similar threats have significantly changed that picture. Almost a third of total production now happens in other countries, so Beijing has had to focus on the rarest of rare earths: Neodymium and praseodymium, the elements that give the stickiness to most magnetic devices you will find in your home, are becoming too abundant to offer it credible leverage.

As a result, the focus has shifted to three scarcer elements: samarium, dysprosium and terbium. Conventional rare-earth magnets lose their effectiveness at higher temperatures, so in performance applications such as electric-vehicle motors, wind turbines, guided missiles and aeronautics, you need to supplement or replace them with these so-called heavy rare earths (HRE).

Go back 10 years, and most geologists would have told you this world was checkered for China. HRE are a geological oddity. Like vanadium, the rare element in the Marvel universe found only in the fictional African nation of Wakanda, useful formations appeared to occur in just a single location on the planet: Longnan, an isolated spot in southern China, where geologists at the height of the Cultural Revolution in 1969 chanced upon one such deposit.

Right now, that assumption is looking far less certain. Scientists are endlessly innovative in finding ways to fix seemingly intractable problems. Industrial chemists solve scarcity by using alternative materials, as they have done in recent years with cobalt in lithium-ion car batteries, now mostly replaced by more abundant phosphate. Geologists seek the world and demonstrate that what we thought scarce was not so rare after all. It is the latter process we are seeing now in the case of HRE.

The type of formation found in Longnan is certainly rare, but it is not unique.

Known as an ionic-absorption clay, it typically forms when heavy tropical rainfall erodes granite mountains over millions of years, washing HRE to the valley floor where the weathered rock captures them like a geological sieve.

Faced with government restrictions on their output in the mid-2010s, Chinese miners were some of the first to look elsewhere, discovering and exploiting rich formations over the border in Myanmar's war-torn Kachin state. Those mines may already be providing more HRE than China's own pits, with all the attendant environmental problems that come with the small-scale nature of the industry.

Better-regulated work is underway elsewhere. In Brazil, Boston-based private equity firm Denham Capital Management spent much of the 2010s proving up a clay deposit in central Goiás state. After getting investment from former Xstrata CEO Mick Davis and starting production in 2024, the mine is now being taken over by magnet producer USA Rare Earth under a \$2.8-billion deal announced in April.

That may be the tip of the iceberg. A study last year confirmed ionic deposits on four continents, from Madagascar, Malawi and Uganda to Chile and Australia, as well as the existing sites. There is also evidence of them in Malaysia, Thailand, Vietnam and even Finland.

Companies outside China with expertise in processing these ores are building separation circuits to isolate dysprosium, terbium and samarium. Lynas Rare Earths and Neo Performance Materials have already achieved commercial production. MP Materials and USA Rare Earth's partner Caracer expect to be up and running within months.

That is a significant vote of confidence in upstream mines. The key investment proposition for these processing businesses is their independence from China's rare-earth supply chain. There is little point spending money on such equipment if they are going to be dependent on China and its partners in Myanmar for raw materials.

All this activity represents a warning for those who would seek to impede the global flow of minerals for geopolitical gain. In trying to starve others of rare-earth magnets, China encourages investment that will make them more abundant. **BLOOMBERG**

Economy

WEDNESDAY, AUGUST 5, 2026

IN THE NEWS

ECONOMY TO HIT \$5-TRN MARK IN FY29, SAYS FM

THE INDIAN ECONOMY is set to cross the \$5 trillion mark in FY29 as per the International Monetary Fund (IMF) and the government has adopted a broad-based growth strategy to achieve the milestone, Finance Minister Nirmala Sitharaman said in the Rajya Sabha on Tuesday.

NO SEPARATE FLEX-FUEL POLICY: GOVT

THE MINISTRY OF Heavy Industries on Tuesday said it has not formulated any separate phased national policy to incentivise flex-fuel vehicles operating on fuel blended with more than 20% ethanol. The ministry also said it has not conducted any study on incentivising flex-fuel or electric vehicles.

Anti-dumping duty extended to 4 products in July

INDIA EXTENDED anti-dumping duty on four products, including certain chemicals and iron and steel goods, in July, the finance ministry notified. The government also imposed anti-dumping duty for five years on imports of low ash metallurgical coke from Australia, China, Colombia, Indonesia, Japan and Russia.

PM Surya Ghar crosses 5 mn solar panel installations

THE PM SURYA Ghar scheme has crossed a milestone with over 5 million households benefiting from rooftop solar installations, the Ministry of New & Renewable Energy said.

54 bank fraud accused fled country: Govt

AS MANY AS 54 accused in 32 bank fraud cases under investigation by the Directorate of Enforcement (ED) have fled the country, Minister of State for Finance Pankaj Chaudhary informed Parliament on Tuesday. —AGENCIES

SITHARAMAN INTRODUCES TAXATION AMENDMENT BILL IN LOK SABHA

Tax sops to woo global capital: Govt

SHUBHAM RANA
New Delhi, August 4

A NEW SET of tax reliefs placed for Parliament's consideration on Tuesday could make India a more attractive and predictable place for global capital, manufacturing and business to come and stay, a finance ministry source said. "India wants global investment funds, cloud businesses, and infrastructure investors to route more of their activity through the country," the source said.

Finance Minister Nirmala Sitharaman introduced the Taxation and Other Laws (Amendment) Bill, 2026 in the Lok Sabha on Tuesday, proposing a slew of tax concessions aimed at attracting foreign investment, supporting domestic manufacturing, and improving ease of doing business in the country. "Overseas players are often unsure whether operating in or through India will create an unexpected tax exposure. These proposals provide clear, stable and predictable tax treatment as well as the process to get the

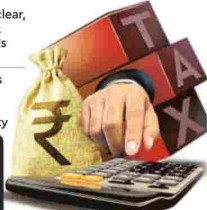
INVESTOR-FRIENDLY REGIME

The government's proposed set of tax reliefs aim to make India an attractive destination for foreign investors. Here's how:

■ **Tax certainty:** Provides clear, stable and predictable tax treatment for foreign funds and businesses

■ **Easier relocation:** Relaxes norms for offshore fund managers moving to India without creating tax liability

■ **AI, cloud push:** Simplifies tax rules and operational norms to attract global cloud & AI infra investments



■ **Tax holiday:** Extends tax incentives till March 2041 for foreign firms supplying machinery and capital goods to electronics manufacturers

■ **REIT, InvIT relief:** Retains dividend tax exemption for investors even if SPVs opted for new tax regime

desired tax treatment," the ministry source added.

The Bill offers extended tax holidays for contract manufacturers and warehouses of electronic goods. It also eases conditions for foreign companies to operate data centres from India, and for India-domiciled foreign funds to avail tax exemption on their global income. "India wants global investment funds,

cloud businesses, and infrastructure investors to route more of their activity through the country," the source said.

The Bill makes it easier for a fund manager to relocate to India without the foreign fund being treated as doing business in India, which is expected to promote fund management activity and provide tax certainty.

The Bill also makes it easier for foreign companies to run data centres in India, aiming to attract large investment. The government expects to see large "AI data cities" in India following the new changes, the source said. Foreign cloud companies using Indian data centres were already promised a tax exemption until 2047, and the new amendment removes the need

for government approval. The proposed Bill also allows Indian data centres to be run on a leased basis rather than only under direct ownership.

The government is also looking to boost manufacturing in India and has proposed additional 10 years of tax breaks for foreign companies providing capital goods and machinery to contract manufacturers and warehouses in the electronics sector till March 2041. This move is seen benefiting Big Tech companies, including Apple and Google, looking to increase manufacturing in India. "Global companies bring in equipment, components and materials to have goods made in India. These measures give them the long-term certainty they need to commit," the source said.

The government has also proposed to provide tax exemption for unit holders of real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) on dividends received, even if the special purpose vehicle (SPV) has opted for the new tax regime.

Vehicles without insurance can be denied fuel: SC

PRESS TRUST OF INDIA
New Delhi, August 4

THE SUPREME COURT on Tuesday directed the Centre to roll out a pilot project by which fuel for vehicles plying without third-party motor insurance can be refused at petrol pumps until valid insurance is obtained.

A bench of Justices Sanjay Karol and Prashant Kumar Mishra said the Insurance Regulatory and Development Authority of India (IRDAI), in consultation with the Ministry of Road Transport and Highways (MoRTH), should design the pilot project using Automatic Number Plate Recognition (ANPR) cameras.

The court noted that nearly 56% of vehicles on Indian roads are uninsured, citing the Standing Committee on Finance's 2024-25 report. In absolute terms, 165.4 million of the country's 304.8 million

registered vehicles do not have third-party insurance.

The court also directed the Centre to implement the pilot projects on select highway corridors to replace manual toll collection with automatic vehicle detection systems to reduce congestion at toll plazas.

Observing that a large number of vehicles remain uninsured despite its 2018 order mandating long-term third-party insurance for new vehicles, the court directed that the mandatory cover be increased to four years for new cars from three years and six years for new two-wheelers from five years. It asked IRDAI to issue the necessary directions.

The bench also directed IRDAI and MoRTH to deploy ANPR cameras integrated with the VAHAN portal and the Insurance Information Bureau database for automatic issuance of e-challans to uninsured vehicles.

SAFETY PUSH

■ The pilot aims to enforce mandatory motor insurance by linking it to fuel sales

■ 56% of vehicles on Indian roads are uninsured, notes SC



■ ANPR cameras and e-challans to be deployed for real-time detection and enforcement against uninsured vehicles

RE SHARE GROWS, BUT SLOWLY

THE SHARE OF RENEWABLE energy (RE) in total power generation rose to 21.7% in June from 18.5% in the same month last year. However, this is still below potential as RE already accounts for over a half of total installed electricity capacity. Grid connectivity and storage issues haunt the RE sector. The share of solar power in installed capacity rose to 29.5% in June from 24.5% in the same month last year. —SAIKAT NEOGI



UK FTA may open \$1-bn export opportunity for textiles sector

FE BUREAU
New Delhi, August 4

THE COMPREHENSIVE Economic and Trade Agreement (CETA) could unlock an additional \$1 billion of export opportunity for India's textile industry, according to a report by India Ratings and Research.

By eliminating the earlier 12% tariff on Indian textile sector, the agreement is expected to boost the landed

cost competitiveness of Indian goods in the UK market. However, industry experts said sustained gains will depend on disciplined execution, capacity expansion, and compliance with regulatory standards.

India exported textile and apparel products worth \$1.95 billion to the UK in 2025, with apparel accounting for 67% of shipments, followed by home textiles at \$290 million and fabrics at

\$110 million.

"Large, integrated textile companies are better positioned to capitalise on these opportunities due to their scale, established customer relationships, and stronger financial resources. In contrast, small players may face challenges if expansion is funded through excessive debt, which could pressure leverage and liquidity," said Rohit Sadaka, director-corporate ratings, Ind-Ra.

States may miss FY27 fiscal gap target: Emkay

FE BUREAU
New Delhi, August 4

STABLE MACROS

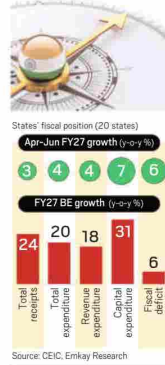
STATE GOVERNMENTS CONTROLLED their spending in the first quarter of FY27 despite weak revenue growth. But they are likely to overshoot the aggregate fiscal deficit target of 3.1% of GDP for the year by 20 basis points due to weaker revenues amid a focus on capital expenditure, Emkay Global Financial Services said in a report.

States were in a stable position in April-June, with fiscal deficit accounting for 18% of the Budget Estimate (BE). However, this was higher than the five-year average of 13%.

"This is largely on account of poor revenue, led by lower transfers from the Centre. Both devolution and grants are running far below last year's levels—the major factor behind states' slow revenue growth," Emkay economists said. "However, lower devolution is largely an issue of timing; with the Centre having released an extra instalment in August, this mismatch will be corrected immediately."

States' revenues are expected to improve in the second half of FY27, which is seasonally strong for states' revenue, Emkay Global said.

Several major states have also raised alcohol excise rates or revamped their excise policies over the past 18 months, resulting in a double-digit growth in excise revenue so far, the report



said. "Nevertheless, states are expected to undershoot optimistic FY27BE revenue targets across both OTR (own tax revenue) and central transfers."

States will have to control expenditure to meet deficit targets, it said. Revenue expenditure is likely to be stickier, while capex will also remain robust, aided by the Centre's capex loan program, the report said.

As a result, Emkay Global expects states' fiscal deficit to be 3.3% of GDP against the BE of 3.1% of GDP.

PARLIAMENT QUESTIONS

Corporate tax cut cost exchequer ₹5.4 trn in 6 yrs

THE CENTRE'S 2019 corporate tax rate cut resulted in a revenue foregone of ₹5.4 trillion over six years through FY25, the finance ministry informed the Rajya Sabha on Tuesday. The revenue impact of the tax concessions is estimated at ₹98,095 crore in FY25, up from ₹94,110 crore in FY20.

Specialty steel PLI draws over ₹26K cr: Govt

ATOTAL INVESTMENT of ₹26,320 crore has been made by various companies under the Production Linked Incentive (PLI) scheme for specialty steels as of June 30, Minister of State for Steel Bhupathiraju

Srinivasa Varma informed the Lok Sabha on Tuesday. The participating companies have committed investments of ₹56,106 crore, he said. PTI

Govt to mitigate fuel price volatility: MoS

THE GOVERNMENT WILL continue to adopt appropriate fiscal and administrative measures to mitigate the impact of future fuel price volatility while maintaining fiscal sustainability, Minister of State for Finance Pankaj Chaudhary told the Rajya Sabha on Tuesday. Despite severe disruptions in global energy markets, the measures taken by the government have helped cushion the impact on consumers, he said. PTI

● SANJAY GARG, DIRECTOR GENERAL, BUREAU OF INDIAN STANDARDS

'BIS is pushing new anti-bribery, AI and Ayurveda standards'

The expansion of Quality Control Orders (QCOs) has made quality regulation central to India's manufacturing and trade policy, Bureau of Indian Standards (BIS) Director-General Sanjay Garg explains the rationale behind QCOs, their impact on domestic manufacturing, how they support MSMEs and emerging technologies, and India's growing role in shaping global standards in an interview with Prasanta Sahu. Excerpts:

Do BIS norms help domestic industry thrive? Can you give examples where QCOs have promoted self-reliance?

Mandatory quality requirements encourage investment in modern manufacturing, quality control systems, testing laboratories and process improvements. Over time, this strengthens the domestic quality ecosystem and builds greater confidence among buyers. Several sectors—including electrical appliances, steel, chemicals, cement, automotive components, toys, pro-

ductive equipment and consumer products—have seen improvements in quality systems and increased investment in compliance infrastructure following the implementation of stringent quality regulations.

Following the government's broader policy initiatives, including the toys QCO, toy imports declined by 71% between 2019 and 2026, while exports reached \$186 million in 2025-26. India transitioned from being a net importer to a net exporter of toys.

Since the same standards apply to imports and domestic manufacturers, could stricter QCOs inadvertently hurt domestic manufacturing?

I do not fully agree with that interpretation. QCOs are intended to ensure quality irrespective of whether a product is imported or manufactured domestically. The same standards and certification procedures apply to both.

Many QCOs were notified one or two years before they came into force, giving industry sufficient time to comply. In several sectors, micro and small enterprises have also been exempted. For example, the micro and small footwear sector continues to be exempt. Such exemptions are decided by the ministry concerned, not BIS.

We provide fee concessions of up to 80% for micro enterprises, 50% for small enterprises and 30% for medium enterprises. We have removed the requirement for manufacturers to maintain their own testing laboratories, allowing them to use recognised private laboratories. In addition, BIS funds common testing infrastructure for MSME clusters on a non-profit basis to improve access to testing facilities.

There are concerns that imposing mandatory QCOs on raw materials and intermediate goods could increase

production costs. Once a finished product is under compulsory standards, won't regulating the inputs also be redundant in most cases?

This issue cannot be examined in isolation. If raw materials or intermediate goods are of poor quality, the final product cannot be of good quality. In some sectors, testing only the finished product may be sufficient. In others, if the final product fails after manufacturing, the entire investment in raw materials, energy and labour is wasted. There cannot be a one-size-fits-all approach. Also, raw material for one industry may be the finished product of another.

What about QCOs for services?

BIS has developed standards for a wide range of services, including gyms, coaching centres, online coaching, green beaches, adventure tourism, drinking water supply schemes and payment transactions. Unlike product QCOs, these service standards are voluntary.

Some standards address critical public services. For example, hospital standards help standardise processes such as prescriptions and documentation, which can improve health insurance claim processing.

We also have the Anti-Bribery Management System (ABMS) standard. Many public sector undertakings have adopted it. So far, BIS has granted 19 licences, while 12 applications are under process. BIS became the first power sector PSU to receive Anti-Bribery Management System certification.

How have these service standards been implemented?

The coaching centre standard is a good example of voluntary and self-regulatory standards. Informing state governments that such a standard exists. If they choose, they may adopt or implement it. The standards are available

free of cost on the BIS website, and anyone can use them.

BIS is developing standards for Ayurveda. What is the status?

We have developed standards for Ayurvedic products, but certification has not yet begun. BIS is working with the Ministry of Ayush to establish a certification framework. Discussions are underway.

BIS holds around 15 international secretariats. What does that intend to achieve?

International standards are developed through organisations such as ISO (International Organization for Standardization) and IEC (International Electrotechnical Commission). India is a founding and active member of these organisations, and our experts participate in their technical committees. India currently serves as the secretariat for around 15 technical committees, including one related to Ayush. Holding these secretariats enables India

to play a leading role in shaping international standards.

Historically, international standards were largely driven by Europe and the United States. As India's participation grows, we are increasingly able to influence international standards, giving Indian industry a competitive advantage.

Technology is evolving rapidly. How does BIS keep pace?

We are actively developing standards in emerging areas such as artificial intelligence, robotics, brain-computer interfaces, quantum technologies, green hydrogen and e-mobility. We also contribute to international standards development in these fields. BIS facilitates the standards development process, but the standards themselves are prepared by technical committees comprising experts from IITs, IISc, research institutions, industry, MSMEs, consumer organisations and multinational companies.



Opinion

WEDNESDAY, AUGUST 5, 2026

Substance over scale

AI leadership will depend on useful, affordable intelligence, not parameter counts alone

SARVAMAI'S ANNOUNCEMENT that it plans to build a trillion-plus parameter foundation model has drawn attention to the model's size rather than the strategy's significance. That is understandable. Artificial intelligence (AI) has become accustomed to measuring progress in ever larger numbers, whether parameters, graphics processing units, or training tokens. But the obsession with scale risks obscuring a more important shift taking place in the industry. The next phase of AI competition will not be decided by who builds the biggest model, but by who builds the most useful one. Parameter count is becoming AI's equivalent of the megapixel race in smartphone cameras: a convenient marketing metric that offers only a partial picture of real-world performance. For India, the lesson is clear. Building frontier models is important, but winning the AI race will depend less on scale and more on the ability to translate computing power into practical, affordable intelligence.

Recent developments in AI underline why size alone is no longer a reliable indicator of capability. Many of the latest models are designed to work like a team of specialists rather than a single generalist. Instead of using the entire model to answer every query, they activate only those parts best suited to the task at hand, reducing the computing power required without compromising performance. This approach, known as a Mixture-of-Experts architecture, has enabled companies to build massive models while keeping inference — the cost of generating responses — far more efficient. Coupled with advances in reasoning, reinforcement learning, and model design, this means smaller or specialised models can often outperform much larger ones on specific tasks. As AI adoption gathers pace, the economics of inference is emerging as the real battleground. Companies that can deliver faster, cheaper, and more accurate responses will enjoy a far stronger competitive advantage than those that merely boast the largest models.

That is also how enterprises are likely to evaluate AI. Companies are unlikely to choose a model because it has a trillion parameters. It will choose one that delivers accurate results, low latency, and predictable costs. Businesses buy productivity, not parameter counts. This is where Indian AI companies have an opportunity to differentiate themselves. Instead of chasing global benchmarks alone, they can build multilingual, domain-specific models optimised for Indian languages, public services, and enterprise workflows. Success will depend on whether these models solve problems that global offerings are not designed to address while remaining significantly cheaper to deploy. Efficiency, not scale, will define AI winners.

None of this diminishes the importance of frontier AI efforts. India should continue investing in advanced models because technological capability cannot be built entirely on imported intelligence. But the objective should not become a race for ever larger numbers. It should be to build an AI ecosystem that balances frontier research with commercial viability, encourages innovation while keeping costs under control, and delivers value to enterprises as well as citizens. Sarvam's announcement should therefore be viewed not as the start of a trillion-parameter contest, but as a reminder that the industry is entering a more mature phase. The real question is no longer who can build the biggest model. It is who can deliver the greatest intelligence for every unit of compute and every rupee spent on inference. That, rather than parameter count alone, will determine the next generation of AI leaders.

SpaceX investors should focus on starship

SPACE X SORELY NEEDS a catalyst to turn around its sinking stock price since its historic June 12 share sale, which raised \$86 billion.

The stock, priced at \$135 a share for the initial public offering, soared to a closing price of \$201.80 on the third day, valuing SpaceX at \$1.5 trillion. Since then, it has sunk to \$114.46 at Monday's close, and further decline could follow as staggered restrictions on selling shares begin to lift on Thursday for early and insider shareholders.

That catalyst won't be quarterly earnings, which the company, officially known as Space Exploration Technologies, will report for the first time after the market closes on Tuesday. SpaceX's profit and loss details are mostly meaningless at this early point in life as a publicly traded entity. It is expected to post an operating loss of \$1.6 billion and capital expenditures of \$18 billion or so, said analysts surveyed by *Bloomberg*.

The AI unit, which was created when CEO Elon Musk combined his xAI business with SpaceX, is the big drag on earnings at the moment, with an estimated operating loss of \$2.4 billion in the second quarter. The space unit has operating losses but provides a lot of cost-lunch capacity for the Connectivity business. The latter mostly Starlink, the satellite internet provider and the only business that makes money right now. Investors will want to know more about how Musk plans to compete in the phone market and will be eager to hear about progress on data centres in space.

All these plans hinge on the success of Starship, the massive, fully reusable rocket that is in late stages of development. This initial earnings report comes on the heels of a successful July 24 test launch of the third version of Starship, which is designed for mass production. SpaceX guided the reusable spacecraft to a soft landing in the Indian Ocean but has yet to catch this section for reuse. In the best-case scenario, SpaceX will provide details about Starship's progress towards the first commercial flights. SpaceX needs to show that it can capture and reuse both the rocket booster and the spacecraft. This full reusability, coupled with the large payload capacity of Starship, promises to drive down launch costs enough so that data centres in space make sense. Simply put, SpaceX's future rides on Starship.

SpaceX has discussed making spaceflight as regular as commercial airlines and designed the newest launchpad at Starbase, Texas, with capacity to launch a Starship every hour. The clock is ticking for SpaceX to become even more adept at launching this new giant rocket than its workhorse Falcon 9, the partially reusable rocket that already drove down launch costs and opened the door for a commercial space economy.

At Musk's sister company, Tesla, it seems as if many of the projects are always stuck in a pre-sale promised land. Humanoid robots and the driverless taxis come to mind. This can't be the case at SpaceX. Starship needs to fly commercially next year to participate in NASA's Artemis III mission to demonstrate docking operations between the Starship lunar lander and Lockheed Martin's Orion spacecraft. The year after that, the SpaceX lander is expected to carry astronauts to the moon's surface as part of a multi-year programme to build a permanent moon base. To travel to the moon, Starship will need to refuel in space. This is another crucial trick that SpaceX will need to perform soon. One significant obstacle for reusing the second-stage spacecraft are the heat shields that must protect against temperatures that top 2,500°C during reentry from space.

Financial results will become more interesting later this year, especially to track the optimistic forecasts for the AI unit to reverse operating losses by the fourth quarter, up from a \$2.5 billion loss in the first quarter, and to boost revenue to \$8.8 billion from just \$800 million in the first quarter. The AI business must pay off for SpaceX to justify giving it the lion's share of capital spending.

Also, AI will become more critical down the road as one of the chief entanglements with Tesla. On Tesla's last call, Musk discussed how Grok, the model developed by xAI, will be the brains behind Digital Optimus, the humanoid robots he envisions will work at businesses and homes. Tesla and SpaceX plan to co-invest in the Terabit chip plant. The question about a SpaceX merger with Tesla should be treated away, as Musk did in the Tesla call, as having too much legal baggage for an earnings call.

Starship's entry into service is the one event that can cut through all the noise swirling around SpaceX. Until that first commercial launch, SpaceX earnings won't be a clear road map for investors.



THOMAS BLACK
Bloomberg



HISTORY ROW

Congress leader Rahul Gandhi

The RSS can't change our history. India will not tolerate its history being trampled upon by anybody

COMBATING CHOKEHOLDS

IN A FRAGMENTED WORLD, RESILIENCE MUST BECOME THE ORGANISING PRINCIPLE OF ECONOMIC POLICY

Hormuz to AI: Build immunity

SAUMITRA BHADURI

Professor, Madras School of Economics



THE APPARENT EASING of tensions around the Strait of Hormuz following the diplomatic understanding between the US and Iran was short-lived. Yet many would have mistaken this for the end of a crisis. Instead, it should have been treated as a warning. The world has once again been reminded that we must stop merely reacting to crises and start building immunity against them. India is no exception.

The Hormuz episode has exposed the persistent fragility of India's energy security architecture. More than 40% of India's crude oil imports pass through this strategic waterway. Any disruption immediately translates into higher oil prices, rising shipping costs, elevated insurance premiums, and supply constraints for critical industrial inputs. The result is significant macroeconomic stress that manifests in imported inflation, a widening current account deficit, pressure on the rupee, and fiscal trade-offs. This vulnerability is particularly concerning for a fast-growing economy aspiring to become a developed nation by 2047. An economy of India's scale cannot afford to remain hostage to any geopolitical disruption.

However, the broader lesson from Hormuz is that the next global chokehold may not originate in the same place. Future vulnerabilities are likely to be technological rather than geographical. For decades, energy dependence was viewed as India's principal strategic risk. In the coming decades, dependence on AI, semiconductor infrastructure, and critical minerals may prove equally consequential. In fact, recent developments suggest that this transition has already begun. The US's export restrictions on Anthropic's advanced AI models, Mythos and Fable, demonstrate a profound shift in global power dynamics. The episode revealed a new reality — that access to cutting-edge AI can be achieved overnight through geopolitical decisions.

However, these emerging risks are not identical, and each requires a distinct policy response. Energy security is perhaps the most familiar challenge, and mitigation strategies are already underway. India

must accelerate the diversification of its energy mix and reduce its dependence on imported fossil fuels. Solar, wind, nuclear energy, green hydrogen, and biofuels should no longer be viewed merely as climate initiatives; they must be regarded as instruments of national security. This logic applies to other critical inputs. India should expand its strategic reserves beyond crude oil to include liquefied natural gas, fertilisers, critical minerals, and essential agricultural inputs. Strategic reserves should evolve from emergency stockpiles into permanent insurance mechanisms against global supply shocks.

India's preparedness for AI-related vulnerabilities remains considerably weaker. As global AI becomes increasingly shaped by geopolitical competition, India's dependence on foreign digital infrastructure is emerging as a major strategic concern. It has made limited progress in developing home-grown foundational AI models, despite being one of the world's largest AI users. This fundamentally alters the meaning of economic security.

Today, access to the most advanced AI capabilities is largely mediated through application programming interfaces, which, in normal circumstances, appear efficient and cost-effective. But in an era of geopolitical fragmentation, such dependence also creates a significant strategic vulnerability. Thus, any country whose AI future depends exclusively on models controlled by a handful of foreign firms risks losing access to a critical layer of its digital infrastructure if geopolitical priorities suddenly change. The implications for India are substantial. Imagine a future in which India's financial institutions, pharma and manufacturing firms, and defence establishments become deeply integrated with a small number of foreign AI systems. If access to such systems is restricted or withdrawn, entire sectors could face severe disruption. What the Strait of Hormuz represents for the oil crisis today, access to AI platforms may represent for the intelligence crisis tomorrow. The recent AI curbs should be viewed not as isolated regulatory events but as early warning signals for countries dependent on imported digital infrastructure. India must respond by adopting a comprehensive strategy centred on tech sovereignty.

First, it must identify AI-related vulnerabilities in critical sectors like healthcare, finance, manufacturing, and defence, and diversify its technological dependencies. No critical public infrastructure should rely exclusively on a single foreign AI provider, cloud platform, or semiconductor supply chain.

Second, India must institutionalise strategic foresight. Traditional national security frameworks remain heavily focused on military threats, whereas future vulnerabilities will increasingly emerge from supply chains, algorithms, and technology platforms. A dedicated Homeland Economic Security Council that integrates energy, technology, trade, and industrial policy may become indispensable.

Third, India must recognise that the AI ecosystem extends far beyond foundational models. Competitive advantage

If governed well, AI data sets could become a strategic negotiating asset rather than merely a by-product of digital consumption

increasingly lies in the broader AI stack — data centres, semiconductor design, cloud infrastructure, high-quality datasets, and computing capacity. India possesses two strategic assets within this stack that can strengthen its bargaining position — unique data and data infrastructure.

India's vulnerability as the second-highest user of AI can be turned into a strategic asset. As one of the largest users of digital platforms and AI-enabled services, India generates enormous volumes of behavioural, transactional, and social data every day. These real-world interactions are precisely the inputs required to improve and refine advanced AI systems. If governed prudently, such data sets could become a strategic negotiating asset rather than merely a by-product of digital consumption. This would effectively create an insurance mechanism for AI sovereignty.

Further, India's geopolitical neutrality could become a second strategic advantage. By positioning itself as a trusted hub for data infrastructure, including data centres and digital services, India can strengthen its leverage within the emerging AI ecosystem, reduce its dependence on any single technological bloc, and use it as a strategic asset to protect its AI sovereignty.

Finally, beyond national preparedness, the world may also need a new form of collective insurance, and India should take a leadership role in shaping it. The post-war multilateral architecture was designed primarily to prevent military conflict and was not adequate to manage economic chokeholds involving energy, data, AI, and critical minerals. Thus, there is a compelling case for a 21st-century governance mechanism — perhaps an empowered successor to the UN dedicated to safeguarding these strategic global commons.

The central policy question for India is no longer whether another disruption will occur, but where it will emerge next. In an increasingly fragmented world, resilience must become the organising principle of economic policy. Efficiency alone is no longer sufficient. Nations that build immunity before the next chokehold emerges will be the ones that remain economically secure when it does.

Need to address joblessness of Gen Z



N CHANDRA MOHAN

The writer is an economics and business commentator based in New Delhi

ALTHOUGH INDIA IS the world's fastest-growing large economy, it faces a serious challenge of dealing with joblessness, especially among the youth. There was a recent bout of social unrest with the youth taking to the streets to force the ruling dispensation to drop its education minister who presided over a "leaky" exam system and appoint a high-powered task force to fix it. This was dramatic, but not as far-reaching as the Gen Z uprisings that triggered the regime change in Nepal in September 2023, Bangladesh in August 2024, and Sri Lanka in July 2022. All eyes will be on the future course of action when the protesting youth leadership meets on August 5 in Chhatrapati Sambhaji Nagar in Maharashtra. The frustrations of finding jobs certainly deserve priority.

The latest unemployment rate for those between 15-29 years of age is almost three times higher at 15.8% than the overall rate of 5.4% in April-June 2026, according to official quarterly periodic labour force surveys. Youth unemployment rose year-on-year by 7.4%, while the overall rate remained unchanged. This is a current weekly state estimate that captures those who sought or were available for work during the reference period of a week preceding the survey. While nationwide protests occurred over the leaked National Eligibility cum Entrance Test, around 30% of youth are idle as they were Not in Education, Employment or Train-

ing last year. A growing reserve army of unemployed or idle youth portends serious strains in the social fabric.

Unemployment is the biggest concern for educated youth who prefer to wait for better opportunities, unlike the poor who take up whatever is available. But this cannot be an indefinite wait and can force them to accept even lowly positions. This can also erupt into violence, as with the Agnipath scheme for recruitment into the army four years ago. That year also witnessed rioting in Bihar due to anger over the non-transparent and problematic hiring process in the railways as more than 10 million aspirants signed up for 35,000 openings. The job situation is indeed dismal as graduates, post-graduates, MBAs, engineers, and lawyers will soon be sweeping the streets of Nagpur as class IV municipal corporation employees.

If the restive youth take to the streets again to protest for gainful employment, this would be an existential challenge for the ruling dispensation. To be sure, Prime Minister Narendra Modi has stepped up his outreach to the young citizenry via Instagram. He is a powerful influencer, but the grim situation on the jobs front calls for more than holding out the promise of government jobs ahead of important

Protesting youth have forced exam reform, but the labour market situation remains dismal

assembly and national elections. PM Modi is acutely aware of the need to expeditiously address joblessness as the electorate that swept him to power for a historic third term was predominantly young from villages and small towns. He promised 20 million jobs each year, but the achievement has been underwhelming.

The government's skill development initiatives have only modestly promoted employment opportunities. Four iterations of its flagship program, the Pradhan Mantri Kaushal Vikas Yojana, have trained 16.5 million people, of which three-fourths have been certified and only one-fifth have been placed. If we consider only short-term training in the first three iterations of this scheme, only 43% have secured jobs.

This programme cannot really take off without the greater involvement of India Inc. The challenge is daunting — the average Indian worker has less than eight years of education, much less than the 14 years of a typical worker in China. Only 5% of India's workforce has received formal skill training, compared to 80% and 96% in countries like Japan and South Korea.

As "nothing is more dangerous than reasonably fed youth who find little meaning in their lives and prospects" — to bor-

row an expression of an FF column by Ashok Ganguly, R Gopalakrishnan, and Rakesh Mohan — generating more jobs for the largest cohort of Gen Z in the world is a systemic imperative. Of course, it entails promoting employment-intensive growth, besides labour reform and incentivising India Inc to invest more to create jobs. But more importantly, it entails fixing long years of over-promising and under-delivery. The accumulated burden of lapses in governance also must be addressed. The time has come for out-of-the-box and creative thinking associated with the architect of liberalisation, Manmohan Singh, argue these columnists.

If the leadership of the youth movement is to decide on the future action plan, they need to look no further than the South Asian neighbourhood. In Nepal, regime change happened because of Gen Z's frustrations regarding the lack of jobs — with unemployment among those between 15-24 years of age as high as 20.6% — and widespread corruption of the political class. The youth felt there was no future in this system that forced them to leave the country for jobs. In Bangladesh, the students agitated against the quota system for government jobs. In Sri Lanka, the unrest was against crippling shortages of essentials and double-digit inflation. Although the nationwide protests in India wrested noteworthy gains, there is a need to press for employment opportunities.

LETTERS TO THE EDITOR

Cultural failure

"The wrong lesson" (*FE*, August 4) rightly flags that penalising senior executives with a token sum for circumventing compliance normalises rule-bending in pursuit of business goals. When a systemically important bank treats regulatory divergence as mere overreach, it weakens internal controls and emboldens lower-level staff to prioritise targets over processes. The defence that such practices are

industry-wide deepens the concern, as it points to a cultural failure. Accountability must be proportionate and visible to restore trust, which is banking's foundational asset. The board action, though public, is insufficient without an acknowledgement that intent does not negate the damage caused by bypassing safeguards. Genuine governance requires that consequences match the scale of institutional risk, not just the absence of personal gain. —K Chandan Kumar, Bangalore

Fulfil promises

Apropos of "India needs an MMS moment" (*FE*, August 4), India's young population is increasingly unwilling to accept promises that remain unfulfilled. Better education, meaningful employment, and transparent governance matter far more than political slogans. Governments at every level should focus on measurable outcomes. Public institutions must publish progress reports, encourage indepen-

endent evaluation, and involve citizens in monitoring development projects. Skill development should align with industry needs so that education leads to productive employment. A governance model that rewards performance, listens to public concerns, and delivers consistently will strengthen democracy and inspire greater confidence among India's youths. —K Sakunthala, Coimbatore

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WEDNESDAY - AUGUST 5, 2026

Boom and bust

S Korea's AI meltdown underscores global fragility

A 44-per cent correction in South Korea's benchmark Kospi index, over 50 per cent of which was made up by just 2 AI semiconductor stocks — Samsung and SK Hynix — from its peak of 9,386 on June 19 to a low of 5,263 on July 29, has permanently altered the lives, and economics, of millions of South Koreans. While India has so far managed well, given the lack of an AI bubble here and superior regulation, it is now time for investors and regulators to be on extra guard. The ramifications for financial flows and stability need to be reckoned with as well.



That the financials of AI were in 'Jenga' mode is well known. Even before the correction took a harsh turn in the second half of July, per a Goldman Sachs report, as of July 13 over 1.2 million leveraged retail trading accounts in South Korea had triggered margin calls. Apparently, this represented around 3.4 per cent of the adult population in South Korea. The numbers would have been higher by end of the month. Such was the meltdown that the finance minister of the country had to apologise for giving green light for launch of speculative products like single-stock leveraged ETFs that amplify returns on the upside and downside. While darling semiconductor stock SK Hynix fell by around 50 per cent between June 19 and July 30, the single-stock leveraged ETF indexed to it plunged over 80 per cent.

For now, the issue appears to have been contained, notwithstanding the spectacular blow up of a multi-billion-dollar AI theme focused US hedge fund — Situational Awareness. But global investors and regulators should be alert to concentration risk at various levels. For one, the AI theme has now become too big to fail. The US Big Techs and AI companies are estimated to invest over a trillion dollars in capex in CY26, much of it in the US and the trend is expected to continue for next few years. Two, the wealth effect of stock market boom there, driven by the AI stocks too, has been a big support in driving the K-shaped economy where consumption has been driven just by the top half of the population. Three, within the stock market boom and wealth effect lurks a bubble — with the S&P 500 trading at a PE of 33 times CY25 earnings, even higher than its PE of 30 times during the dot com bubble. The risk here is how much hinges on just few companies. For example, in CY26, a few AI companies that make up just 2 per cent of S&P 500 companies are expected to drive 33 per cent of the earnings growth.

Thus, a triple whammy lurks if the AI boom hits a speed bump — a slowdown in capex triggering a US economic slowdown, severe market correction from bubble valuations, and financial and trade shocks. If this materialises, then it will have collateral damage in rest of the world, including in India. India has so far managed well, given the absence of an AI bubble here — thanks to lack of AI stocks to invest, and superior regulation. It is important to have adequate risk guardrails for a bubble-break scenario.

POCKET

RAVIKANTH



V SHUNMUGAM

On July 14, 2026, the International Financial Services Centres Authority (IFSCA) released a consultation paper proposing that companies list equity shares on GIFT City exchanges without a traditional public offer. It cites Spotify, Slack, and Coinbase as precedents and sets a minimum post-listing market capitalisation of \$50 million. But the more consequential question it raises is why, after six years of institution-building, GIFT City still has no secondary equity market with assets that foreign investors choose to hold within it for its own sake.

Examining the GIFT City markets ecosystem, the key figures are familiar but worth restating. As of March 2026, the assets of the International Banking Unit reached \$111 billion, up from \$88.51 billion in March 2025, a rise of about 25.4 per cent year-on-year. Fund Management Entities grew from 163 to 217 within this period, and registered funds or schemes totalled 360. Non-retail schemes raised a total of \$39.09 billion in commitments, compared to \$15.74 billion a year earlier — an increase of roughly 148 per cent. However, the data on capital deployment highlights the underlying structure: \$15.36 billion of investments went into India and \$1.59 billion abroad, totalling \$16.95 billion. GIFT City efficiently channels capital, but unless it generates assets held by foreign investors, it remains a corridor rather than a true market.

IFSCA's efforts to build a listed equity market have met a lukewarm response, and the reason is structural. Currency and commodity derivatives at GIFT City faced a market already served by CME Group, ICE, and LME — venues with decades of incumbency that regulation cannot replicate. The equity secondary market faces the same problem: intermediaries at GIFT IFSC — custodians, depository participants, and broker-dealers — exist only as a framework and are very thin in practice. The regulation is present; the global-standard plumbing is not.

THE COLD-START PROBLEM

The direct listing paper, as mentioned in the consultation paper, starts from the harder end. An unlisted company arriving at GIFT City has no price history, no index membership, and no existing shareholder base. Foreign institutional allocators deploy through screens that require trading history, analyst coverage, and liquidity

Why GIFT City needs to enable dual listing

GLOBAL COMPETENCE. It will help attract foreign investors, and thereby position GIFT City as a favoured choice for cross-border equity access in Asia



benchmarks. A company meeting a \$50 million capitalisation threshold at listing may not pass any of those filters on day one. Direct listing of unlisted issuers is a building block; it could not be a foundation for a secondary equity market.

Instead, dual listing enables companies already traded on NYSE, Nasdaq, or LSE to also list at GIFT City using a fungible share or depository receipt. The investor base is established, and prices are already determined in a robust primary market. Companies have already filed disclosures under IFRS or US GAAP. This approach doesn't require capital to discover new information; instead, it allows existing holders of a known instrument to transact at GIFT

Dual listing enables companies already traded on NYSE, Nasdaq, or LSE to also list at GIFT City using a fungible share or depository receipt

City, leveraging a time-zone advantage.

The evidence worldwide is clear. Alibaba's secondary listing in Hong Kong in November 2019 raised \$11.3 billion and achieved a first-day trading volume of \$1.78 billion, accounting for over 10 per cent of HKEX's total that day. By mid-2022, the average daily trading volume in Hong Kong was \$0.7 billion, compared to \$3.2 billion in the US. This represents about 22 per cent of global trading volume, offering Asian investors access to a familiar market for a stock they already owned. The London Stock Exchange's International Secondary Listings category allows non-UK companies to access London markets without bearing full UK disclosure requirements — which is a model IFSCA could consider adopting.

COLLATERAL UPSIDE

A dual-listed equity market at GIFT City would benefit more than just the exchange. Custodians managing foreign-investor holdings require dollar-denominated infrastructure, daily MTM reporting, and standard

margin. These enhancements would elevate GIFT City's custody services from a licensed setup to a globally operational business. Depository participants would handle DVP (delivery versus payment) transactions, which are absent in a derivatives-dominated marketplace. Broker-dealers would establish research and market-making desks aligned with the Asia-Europe time zone. Meanwhile, legal and fintech firms specialising in multi-jurisdictional disclosure and order routing would build a strong commercial base in GIFT City, rather than in Singapore or Dubai. Ecosystem growth depends on ongoing, commercially viable activity driven by consistent demand for services.

WHAT IFSCA MUST NOW DO

IFSCA should develop a dual listing framework that runs in parallel, featuring an International Secondary Listings category. This category would require a qualifying primary listing on a recognised global exchange, along with IFRS/USGAAP financial statements. It should also include a fungible mechanism to prevent price divergence. A simple information document — rather than a full prospectus — should be acceptable if the primary exchange mandates continuous disclosure. Settlement must align with global prime-brokerage standards, including T+1 in dollar, DVP-based clearing, seamless Central Securities Depository (CSD) connectivity, and integration with global custodians. Finally, bilateral regulatory cooperation understanding with home-market regulators must be established before any dual-listed company begins trading.

GIFT City was envisioned as a marketplace rather than a simple pass-through. The recent listing announcement indicates IFSCA recognises what yet needs to be addressed. Enabling dual listings of internationally traded securities brings proven liquidity, enhances the ecosystem, and provides foreign investors with an equity asset class within GIFT City jurisdiction that is worth holding and trading in the Indian time zone.

The intermediary community at GIFT IFSC must develop global competence — not just be licensed but meet the high standards expected by sovereign wealth funds and pension managers. IFSCA should establish binding benchmarks for settlement timelines, reporting standards, and system integration. Ultimately, dual listing, globally capable intermediaries, and a regulatory regime will position GIFT City as the first choice for cross-border equity access in the Asian time zone.

The writer is Partner, MCCube

Rising temperature hurts labour productivity

Heat reduces the efficiency of today's workers, and can weaken the learning and capabilities of tomorrow's workforce

Santosh Kumar Dash
Dinabandhu Sethi

In recent years, temperatures have routinely spiked above 45 degrees Celsius across various regions in India. As extreme heat becomes more common, its consequences are likely to extend beyond environmental challenges to macroeconomics, productivity, and human capital outcomes.

Heat weakens labour efficiency, reduces manufacturing output, and can intensify food inflation by affecting agricultural production. In an influential study, Dell *et al* (2009) showed that hotter countries tend to be poorer, with each 1°F increase in average temperature associated with 4.5 per cent lower GDP per capita.

Recent research by economists Bilal and Kaniz, published in the *Quarterly Journal of Economics*, shows that a permanent 1°C rise in global temperature lowers global GDP by 20 per cent in the long run.

A recent study by Somanathan *et al* (2021) published in the *Journal of Political Economy* shows that Indian manufacturing output declines by nearly 2 per cent annually for a 1°C rise in temperature. In a nationally representative panel of 58,000 manufacturing plants from the Annual Survey of India, the study found that high temperatures erode work efficiency by increasing heat stress. Also, rising temperatures cause increased workplace

absenteeism, particularly in factories without adequate climate control. This directly lowers labour productivity.

This evidence is observed at the worker and factory levels across industries such as cloth weaving, garment sewing, and steel products. Worker-level data reveal that an additional day of hotter days in a week reduces daily work efficiency by 8 per cent in the garment industry in the National Capital Region without a climate control facility. In Surat's cloth-weaving industry, additional hot days above 35°C reduce output by 2.7 per cent. At the district level, the study recorded a higher decline in output (3.5 per cent) in the manufacturing GDP data. The ILO (2019) report suggests that India is among the countries most severely affected by heat stress, estimating that the country could lose 5.8 per cent of working hours in 2030.

HIGH EXPOSURE TO HEAT

One unintended consequence of rising heat may be higher substitution of labour with machines. As temperatures soar, firms exposed to high temperatures will prefer to deploy more machines or robots to sustain the productivity and meet deadlines.

Can excess heat affect the cognitive performance of kids of agricultural households? Yes, economists Garg, Maulik, and Taraz found high temperatures reduce math and reading test scores among school-age children. The authors argue that agricultural income explains this relationship. When



LABOUR LAWS. Heat-stress standards are yet to be defined

higher-than-normal temperatures over a longer-run horizon reduces income from agriculture by lowering labour efficiency, households dependent on this sector get lower income and so, invest low on education.

Heat, therefore, affects productivity in two ways: it reduces the efficiency of today's workers and can weaken the learning and capabilities of tomorrow's workforce.

The productivity costs of a warming climate cannot be ignored by an economy hoping to grow quickly and steadily. The policy implications are substantial.

First, the Occupational Safety, Health and Working Conditions Code, 2020 was a significant consolidation of labour law. While the code gives the Central Government the power to prescribe ventilation, temperature, and humidity standards, national heat-stress standards are yet to be defined in the code. Evidence-based heat-stress

standards for the workplace may be embedded in the labour code, supported by strong enforcement. Such standards should cover heat exposure, rest breaks, hydration, ventilation, and emergency response in heat-prone workplaces.

Second, artificial intelligence and automation may offer a partial solution to productivity losses caused by heat, but they must be used carefully. In agriculture, manufacturing, logistics, and warehousing, AI-enabled systems can help monitor heat risks, optimise work schedules, improve energy use, and automate some heat-exposed tasks. However, sectors like construction, small-holding farming, and informal work may not be easily automated. The policy goal should therefore be to use AI to reduce the most heat-intensive tasks, improve safety, and raise productivity without ignoring employment concerns.

Third, the MSME Ministry's technology-upgradation programmes should be broadened to support investments in temperature-control systems. In a warming economy, such investments should be seen as capital expenditures that increase productivity rather than merely as worker-welfare initiatives.

A country that recognises the economic costs of rising heat will be better placed to protect workers, sustain industrial output, and secure future human capital.

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

Banker-client relationship

With reference to "Relationship banking" (August 4), the fear of large-scale impersonation and misrepresentation by third parties and the imminent legal challenges involved, banker-client relationship is gradually moving from trust to authorisation mode. The DDPD framework and rules have come to the timely rescue of bankers in safeguarding their interest through streamlined systems and processes, whereby the proper authenticity of transactions are established digitally,

which further facilitates compliance of governance and audit requirements. Customer awareness must be enhanced before risk preventive tools are introduced.
Sitaram Popuri
Bengaluru

Uplift of contract workers

Appropos 'How India's contract labour framework is changing' (August 4), contract workers play a massive role in sectors such as manufacturing, construction, logistics and services. But they often

face issues related to fair wages, job security and lack of social protection. The new framework and labour codes seek to ensure better social security, timely payment of wages and improved working conditions for contract workers. Despite these positive changes effective implementation remains a challenge. Strict enforcement is needed to prevent exploitation. A balanced contract labour system that protects workers' rights while supporting industrial growth is essential for our economic growth.

Employers, contractors and government agencies must work together to ensure the intended benefits reach each and every worker.
Bal Govind
Noida

Factory output buoyant

This refers to 'Garow engine' (August 4). The IIP readings for Q1 of FY26-27 have shown surprising buoyancy. The June reading is a two-year high and this is despite the doom and gloom predictions of

most economists and bankers when the year in West Asia erupted. The data reveals broad based growth across most segments including capital goods. This is a relief and confirms the growing resilience of the Indian economy despite deep oil price and supply shocks. However this is not the time for overconfidence and celebration since the crisis has exposed several gaps in our preparedness including low oil and cooking gas stocks.
Pradip Menon
Kochi

Hurdles to innovation

Governance and absorption capacity pose concerns

Subash S.
Sunil Mani

India's innovation story has become one of the country's quiet success stories. It has taken rapid strides in publication output and patents filed, with its ranking climbing to 81 from 138 in the Global Innovation Index.

Yet there is a paradox at the heart of this success story. India continues to produce impressive scientific and technological outputs while investing relatively little in R&D. Gross Expenditure on Research and Development (GERD) has remained stuck at around 0.64 per cent of GDP for almost a decade. More importantly, researchers increasingly point to an institutional environment that often makes doing research unnecessarily difficult.

Two studies — one, by Indian National Science Academy (INSA), the National Academy of Sciences, India (NASI), and NITI Aayog, and the other by NITI Aayog's report, Ease of Doing Research and Development in India — bring this problem into sharp focus.

India's challenge is not a shortage of scientific talent. It is the difficulty of converting that talent into sustained scientific and technological capability.

If there is one statistic that captures the problem, it is the time researchers spend waiting. According to the INSA-NASI-NITI Aayog survey, researchers wait an average of seven months simply to learn whether a grant proposal has been approved.

Once approved, sanction orders may take another six months, or even longer, to arrive. Funds that lapse at the end of a financial year often take months to be restored. Final project payments may remain pending for more than a year. The cumulative effect is striking. In a five-year research project, administrative delays can consume well over two years.

The NITI Aayog report proposes procedural reforms. Yet digital portals and simplified procedures cannot by themselves change a bureaucratic culture in which officials are often rewarded for avoiding mistakes rather than enabling research. The problem is not only process; it is incentives.

The most ambitious recommendation in the NITI Aayog report is to increase India's GERD from around 0.6-0.7 per cent of GDP to 2 per cent within the next four to five years.



INNOVATION. Fostering an ecosystem ISTOCKPHOTO

India's research challenge is not simply a shortage of money. It is equally a problem of governance and absorption capacity.

PRIVATE SECTOR MISSING

In most OECD economies, industry finances more than 70 per cent of national R&D expenditure. In India, the figure remains around 36 per cent. Yet the gap cannot be bridged merely through tax incentives and exhortation.

The challenge, therefore, is not persuading researchers to work with industry. It is creating an industrial ecosystem willing to invest in research in the first place.

The NITI Aayog report reveals another uncomfortable reality: India increasingly resembles a two-speed research system.

At one end are elite institutions such as the IITs and the Indian Institute of Science, which dominate patenting, commercialisation, and advanced research output. At the other end are hundreds of state universities that account for the bulk of higher education enrolment but contribute relatively little to research.

A more durable solution requires strengthening research capacity within state universities.

One of the most underappreciated barriers to innovation lies in the incentives facing universities. Yet the deeper issue is that universities are rewarded primarily for publications rather than innovation. Although NITF includes patents and intellectual property indicators, its ranking methodology places much greater weight on publications and citations than on technology commercialisation.

The result is predictable: India produces research papers at scale but struggles to convert knowledge into commercially valuable technologies.

Subash is Professor of Economics at IIT-Madras; Mani is Visiting Professor Ahmedabad University



SOMIT DASGUPTA

The Indian space sector has been in the news recently. A launch vehicle made in the private sector has successfully put a payload in the desired orbit. Not only that, it did so in its very first attempt which was not achieved even by Elon Musk's Space X.

This feat is a classic case of public-private partnership since the Indian Space Research Organisation (ISRO) did all the hand holding including providing its infrastructure for the launch. It will take a while for the private sector to break the umbilical chord from ISRO and handle all the operations independently using its own infrastructure.

Incidentally, in the US, all the private space operators function independently of the National Aeronautics and Space Administration (NASA).

The Indian space sector was thrown open to the private sector in 2020 and there are about 400 start-ups already up and about. The total business, it is estimated to be around \$8.4 billion today which is about 2-3 per cent of the world market. Prior to 2020, the Indian space programme was solely by ISRO. ISRO was set up in 1969 to develop and apply space technology for various national needs. The government decided to rope in the private sector for various reasons.

The first and foremost is that the government was desirous of getting additional financial resources to fund space activities within the country, be it private or public. Also, ISRO was keen that the private sector should handle launching of satellites, a lucrative business, while ISRO could concentrate on specialised research programmes. With the private sector moving into the area of space, there are a lot of issues which need to be tied up and for this purpose, the government has set up an organisation called the Indian National Space Promotion and Authorisation Centre (IN-SPACe).

There are a host of activities which need to be addressed by IN-SPACe. The two major ones are: first, this organisation will have to ensure a level playing field between the public and the private sector. Second, IN-SPACe will also have a regulatory role and as far as the private sector is concerned, it has to



Manpower issues in space, nuclear power

PRIVATISATION FLIP SIDE. The lack of skilled personnel will impact the operations of both private and public sectors

ensure that its activities are in harmony with all the international treaties on space where India is a signatory.

TALENT HUNT

Meanwhile, it seems that over a hundred scientists have left ISRO last year possibly because the private sector is offering not only better salaries but also stock options. The fact that government jobs are bereft of meritocracy is also proving to be a disadvantage.

The government has decided to put restrictions on senior scientists leaving ISRO. This especially applies to scientists working in specialised space projects such as Gaganyaan and Chandrayaan. While the concern of the

government is well appreciated, it was only obvious that such a situation would eventually arise. The private sector has no option but to source its manpower from ISRO and its affiliates. Getting expatriates to work here at much higher salaries was never really an option. If availability of manpower becomes a critical issue for the private sector, it is going to choke its growth and the vision of the government to engage ISRO only in research activities may falter.

NUCLEAR ISSUES

A similar manpower crunch is also likely to occur in nuclear generation. Now that the private sector has the option of moving into nuclear generation aided by the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Act, there is going to be a clamour for manpower with the requisite skills. Already a number of leading industrial groups are proceeding full steam for nuclear generation.

One of them is evaluating sites across several States to deploy large modular

reactors and is in talks with global leaders for collaboration. Another major industrial house plans a 6000-MW nuclear plant in Ratnagiri, Maharashtra.

Yet another industrial house has committed \$2 trillion to develop a 7.2 GW nuclear power capacity. Needless to say, the private sector will depend upon organisations like the Nuclear Power Corporation of India (NPCIL) and the Bharatiya Nabhiya Viduyat Nigam Limited (BHAVIN) for sourcing their manpower needs.

The government will soon have to prepare a contingency plan to deal with this issue. Drain of manpower from the public sector was also experienced when private banking and insurance companies mushroomed in India.

Manpower requirements along with other inputs have to be assessed prior to privatisation. We owe it to the private sector to keep them informed of the difficulties that they may face in getting indigenous manpower.

The writer is visiting professor, ICRER and former Member (Economic & Commercial), CEA

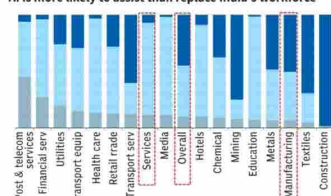
STATISTALK.

Compiled: Dhruv Ganesanarajan | Graphic: Visweswaran V

AI won't steal India's jobs. It'll reshape them

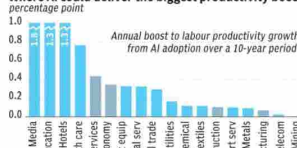
Generative AI is set to transform India's economy by boosting productivity more than displacing jobs, according to a Goldman Sachs report. The report estimates that AI will complement 42-48% of India's non-agricultural workforce, while only 8-12% of jobs face substitution risk, pointing to augmentation rather than widespread job losses. In its baseline scenario, Gen-AI could lift India's annual labour productivity growth by 0.4 percentage points, with the potential gains ranging from 0.1 to 0.8 percentage points. AI exposure is highest in knowledge-intensive services such as healthcare, education and financial services, while construction, mining and manufacturing remain relatively insulated due to their reliance on physical work.

AI is more likely to assist than replace India's workforce



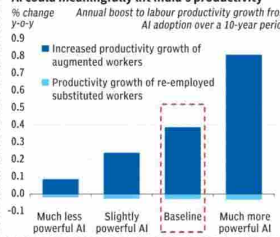
Share of sector-employment with different degrees of exposure to AI: ■ Substitution ■ Complementary ■ No automation

Where AI could deliver the biggest productivity boost

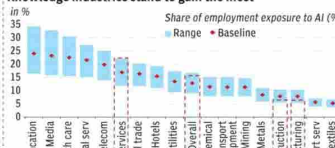


Source: Goldman Sachs

AI could meaningfully lift India's productivity



Knowledge industries stand to gain the most



thehindubusinessline.

TWENTY YEARS AGO TODAY.

August 5, 2006

Chidambaram defends advisory to banks on PLR

The Finance Minister, Mr P Chidambaram, on Friday justified the move to 'advise' public sector banks to consult their boards before revising lending rates, stating that the Government as a majority shareholder had a right to express its views on such decisions.

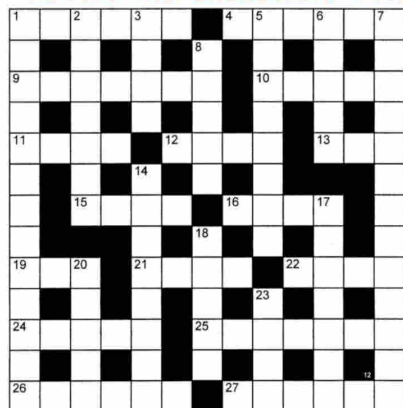
PSU bankers 'surprised'

The Finance Ministry's letter to some public sector banks asking them to get their board approval for the recent rate hikes has surprised many bankers here. A senior bank official said the recent increase in interest rates by banks actually followed the RBI's hike in its key short-term rates. Banks have to match their lending rates with their cost of funds.

Iran gas pipeline: Consultant to decide on pricing

With no solution to the impasse on the gas pricing issue for the \$7-billion Iran-Pakistan-India pipeline project, the three nations today decided to appoint an international consultant for the purpose. A decision to this effect was taken after two-day Secretariat level trilateral talks failed to create a breakthrough on the issue.

BL TWO-WAY CROSSWORD 2707 EASY



ACROSS

01. Overrun foreign territory (6)
04. Plant supplying saffron (6)
09. 'Funny' drawing (7)
10. Porter's room (5)
11. Coloured part of eye (4)
12. Vocalise (4)
13. A slender stick (3)
15. Gas used for advertising signs (4)
16. Halt (4)
19. Part of circumference (3)
21. Weathercock (4)
22. A zone (4)
24. Room with window built out (5)
25. Play into each other's hands (7)
26. Cried out loudly (6)
27. A loving gesture (6)

DOWN

01. Implicating one in a charge (13)
02. A translation, particular form (7)
03. Let fall (4)
05. Remove to a lower class (8)
06. Drink of fermented apple juice (5)
07. Resolution, unswayable quality (13)
08. Gasteropod (5)
14. Affect with spasms, violently agitate (8)
17. Take it for granted (7)
18. Light meal (5)
20. To make cold (5)
23. Parasitic insect (4)

NOT SO EASY

ACROSS

01. And, I've found a way to enter by force (6)
04. In short, a reptile gets us to come into flower (6)
09. A preliminary drawing of a vehicle to take on (7)
10. Temporarily put up with a teepee? (5)
11. One will almost get up with the flag (4)
12. To be an informer, one will be vocal (4)
13. Five-and-a-half yards of drain to clear out? (3)
15. Name one adopts for lighting: it's a gas (4)
16. Don't go on with the aperture setting (4)
19. Sort of welding used in familiar construction-work (3)
21. Commercial vehicle going east to show which way the wind blows (4)
22. Make haste and find the waistband (4)
24. Does it give one a window on the Loire? (7)
25. Fraudulently conspire with Colonel to arrange duel (7)
26. Half cowardly, went ahead and cried out (6)
27. Gesture of love that scares, in a way (6)

DOWN

01. Involving one in crime at home, maybe I'm in car with Tory (13)
02. Get over sin in one way of telling the story (7)
03. Doctor having small operation will not go on with it (4)
05. Engineers get an ambassador to send one down a division (8)
06. In the Diplomatic Corps one will sound hesitant as to drink (5)
07. Determination with which dates are broken quickly at the Loch (13)
08. One makes slow progress at its pace (5)
14. Double one up with five clues no different from this (8)
17. Take it one will quietly start again (7)
18. Tins returned by end of week giving one a bite to eat (5)
20. Sort of cold that's caught on an upland (5)
23. It bites its host a trifle awkwardly to some degree (4)

SOLUTION: BL TWO-WAY CROSSWORD 2706

ACROSS 1. Diplomat 4. Irate 8. Sirloin 9. Offered 10. Sale 12. Sidecar 14. Salvage 17. Wear 18. Convert 21. Overlay 22. Lower 23. Abnegate

DOWN 1. Dissue 2. Parallel 3. Oboe 4. Annoys 5. Pair 6. Sender 7. Infidel 11. Amateur 13. Camelia 14. Sickle 15. Entomb 16. Groyne 19. Nave 20. Peke

{ OUR TAKE }

Adjudicating without sexism

Judges must undergo training to address their unconscious biases and gender stereotypes

Words matter. In a newspaper report, court judgement, or the actual legal statutes of the Bharatiya Nyaya Sanhita (BNS), words that describe a crime, the perpetrator, and the victim or survivor always reflect the bias—conscious, or otherwise—of the person uttering them. A committee led by former Supreme Court Justice Aniruddha Bose has addressed the pernicious impact of incorrect language in its recent report. The committee's genesis lies in the unsavoury remarks of an Allahabad high court bench ruling on a Protection of Children from Sexual Offences (POCSO) case, last March. The top court stayed the high court order, took suo motu notice to revisit judicial practices in sexual offence cases, and set up the five-member panel under Justice Bose. The committee, after examining 125 trial court judgements, made a number of recommendations.

To wit: "Helpless woman/helpless female" can be replaced by the more neutral "complainant or survivor"; phrases like "It destroys the very soul of a helpless woman" and "She was enticed away (good faith)" can be replaced with "Crime caused severe trauma to the survivor" and "Accused lured/abducted victim by gaining trust", respectively. The report also exhorts the judiciary to avoid using religious and physiological references, or to speak of a woman's honour and/or shame. For instance, sentences like "where women are honoured, there the gods rejoice" and "X outraged the modesty of Y" point to a worldview where a woman's modesty, virginity/sexual conduct, and choice of clothes play a role in the commission of a crime against her. While that may well be the limited socio-cultural understanding that all women contend with daily, the courtroom must remain a site where their constitutional right to personhood, choice, life, liberty, and dignity are upheld, irrespective of what society thinks.

The report acknowledges that judicial sensitivity is an ongoing process. We have come a long way from the General Clauses Act of 1897 which included the female pronoun in the definition of "he". More recently, the Handbook on Combating Gender Stereotypes also listed harmful gender stereotypes, in particular those about women, in judicial decision-making and writing. But, it is incumbent upon judges to undergo training to continuously address their unconscious biases and gender stereotypes. By doing so, they ensure that their judgements are in a language that is respectful, neutral, and free from stereotypes. Their words, after all, protect and uphold constitutional values of all of us—man, woman, and transperson alike.

An unequal sparring in Indian wrestling

Delhi court's acquittal of BJP leader and former Wrestling Federation of India (WFI) chief Brij Bhushan Sharan Singh in a sexual harassment case filed by women wrestlers shouldn't surprise anyone. From the very beginning, wrestlers appeared to be battling not just Singh but the system. Even the filing of the initial FIR needed the Supreme Court's intervention. A little later, curiously, a minor wrestler who had levelled allegations against Singh withdrew her complaint. With that case against him under the Protection of Children from Sexual Offences Act (POCSO Act) being scrapped, Singh stayed out of jail. As for the other case, the hearing was plagued by adjournments and delays, and eventually ended with the court ruling that the prosecution did not prove the charges beyond a reasonable doubt.

Aside from the merits of the case—the women wrestlers have indicated they will appeal—what does this decision mean for the morale of women in wrestling and other sports across the country? For months, WFI has made life difficult for those who complained. Like it, many other sports bodies are run as fiefdoms, with money, muscle, and political influence coming together. In 2023, 16 of 30 national sports federations even lacked an Internal Complaints Committee. The wrestlers' protest at Jantar Mantar in 2023 changed things, forcing some national sports federations to make changes to their structure. But they remain opaque bodies controlled by a few.

Wrestling, like any other sport, is played according to a set of rules. The playing field, at most times, is fair. The messaging from this incident and the way it has played out doesn't sit well with that.

Evolved procurement key to defence drones' utility

Traditional procurement, slowed by bureaucratic hurdles and long timelines, isn't built for a landscape that moves quite fast

Conflicts across the world have seen an increase in the use of drones, not just larger uncrewed systems akin to fighter aircraft, but hundreds of small, attritable systems deployed for a variety of purposes. For India, the aftermath of Operation Sindoor has translated directly into monetary commitment—emergency procurement of new systems, and a reported \$2-billion commitment towards further drone purchases. These are steps that will help make India's fleet more competitive. But the money is being spent through procurement processes designed to acquire platforms with a much longer shelf life than a tactical drone, and that mismatch is the real problem.

What sets the procurement of small, tactical drones apart from the acquisition of most other platforms is how fast they evolve. An aircraft or frigate purchased today is designed to provide a competitive advantage even several years later. That is not the case with small drones. Because they are both relatively cheap and easily modifiable, upgrades can be needed in as little as a few weeks. Enemy capabilities evolve rapidly, and modifications

often have to be made to sensors and communication links just to bypass them—Ukrainian engineers, for instance, had to replace radio links with fibre-optic payloads once Russian jammers learned to intercept their drones' signals.

As recently as two or three years ago, small drones in the micro or nano category were more a hobbyist's toy than a military asset. Since then, they have been modified for both strike and reconnaissance missions and are now mass-produced to be cost-effective. Ukraine was the first case to capture global attention, through first-person-view (FPV) drones retrofitted with explosives. Innovations from the civilian drone industry were absorbed and adapted by the military almost as fast as they emerged. This is exactly the landscape against which India's \$2-billion drone commitment has to be made. Traditional procurement, slowed by bureaucratic hurdles and long timelines, isn't built for a landscape that moves this fast.

Because innovations in the commercial drone sector so directly benefit the military, meeting this pace also requires R&D processes that are far more iterative and collaborative than India's current approach allows. China's success in this space owes something to exactly this kind of close involvement between the armed forces, academia, and the drone industry.

The armed forces have already begun reorienting themselves to these

new realities faster than procurement practices have changed. New tactical formations such as Ashni platoons have been embedded in every infantry battalion, and Bhairav light-combat battalions are being introduced specifically to absorb drone warfare at the unit level. The Army wants 30,000 drones in the field and a lakh personnel trained to operate them within a year. That kind of institutional urgency deserves a procurement system that moves at the same speed.

India's Defence Acquisition Procedure (DAP) and Defence Procurement Manual (DPM) have made some provisions that help streamline acquisitions and upgrades, which are steps in the right direction. However, they fall short because buyer-seller relationships remain transactional, with little room for iterative processes. Government tenders address the need to procure platforms; they do not cater to the potential future requirement for modifications and upgrades, whether in hardware or software.

A model built for this pace already exists, just not in defence procurement. It resembles the way enterprise software companies buy computers: through service contracts, rather than one-off purchases.

The idea is to have a contract where the buyer and seller engage over a long period of time, beyond merely the initial order. Vendors commit to supplying a guaranteed minimum number of flight-ready drones over time, giving industry the demand



The idea is to have a contract where the buyer and seller engage over a long period of time, beyond merely the initial order.

predictability it needs to invest and scale, something that is currently lacking. In exchange, vendors take on an ongoing service obligation; sustained R&D to stay ahead of evolving countermeasures. Both parties jointly project future requirements based on global trends and developments in the civilian market, and once this capability bracket is set, buyers commit upfront to future upgrades against that broad bracket—rather than a narrow, fixed list of specifications. That means when better sensors, electronic countermeasures, or autonomy features are developed, they can be folded in without the delays of an entirely new tender and contract.

This is not about outsourcing India's combat power to private vendors. It is about sharing the burden of staying current between the defence forces, who are the end-users, and industry, who will invariably have to meet their requirements.

None of this is free of cost. Locking into long-term vendor relationships will inevitably favour established players with the balance sheets to sustain them, at the expense of smaller

entrants. This is slightly contradictory to the DPM's own commitment to open competition.

However, India's drone ecosystem already faces a version of this trade-off. Smaller manufacturers win a contract, deliver it, and then face an uncertain gap before the next one, unable to plan long-term R&D around unpredictable demand. A contract built around longer-term engagement doesn't eliminate that risk, but it converts a purely transactional relationship into a sustained one.

Despite its shortcomings, this model enables India to keep pace with an adversary whose electronic warfare unit adapts in eight weeks, not eight years.

Larger platforms will continue to have long-term utility in modern warfare. However, the part of the battle that relies on tactical drones will not stay still, and it is imperative that procurement practices evolve to keep pace.

Adya Madhavan is research analyst, The Takshashila Institution. The views expressed are personal.

The unbearable weight of learning, in school bags

Every weekday morning, children who still need help tying shoelaces walk to school bent under expedition-sized school bags. Inside are textbooks, notebooks, lunch boxes, water bottles, art supplies, workbooks, and an almshouse. Adults join this procession, carrying the bags until children board the bus or enter the school gate.

This continues despite a court ruling, ministry directions, and a government policy on school bags. The problem is familiar. Rules are announced ceremonially and circulated bureaucratically, while children cover the distance between policy and practice.

In May 2018, the Madras High Court confronted academic overloading in schools affiliated with the Central Board of Secondary Education. It directed authorities to ensure no homework for Classes 1 and 2, questioned subjects beyond the prescribed curriculum, and asked states and Union territories to ensure school bags do not exceed 10% of a child's body weight. The judgment's concern was larger than kilograms: Young children should not carry the adult anxiety of heavy bags meaning more education.

Later that year, the then ministry of human resource development advised states and Union territories to regulate bag weight, prohibit homework in Classes 1 and 2, and avoid additional books and prescribe class-wise limits. The Policy on School Bags 2020, prepared by an NCERT-led expert group, replaced the fixed national kilogram limits with a more sensible principle: A bag should generally remain within 10% of the child's body weight. That's what the Indian Academy of Pediatrics recommends.

The rulings and policy have provided a practical blueprint. Timetables should identify which books are required each day. Schools should provide drinking water, reduce the need for large bottles, and regularly monitor school bag weight. In primary classes, longer blocks for fewer subjects can reduce books carried. Teachers should consider the combined burden of textbooks, notebooks, lunch boxes and other materials. Many schools continue to prescribe multiple subject notebooks, supplementary readers, practice books, art folders and diaries. Homework for the youngest children returns under gentler labels: "revision", "reinforcement", "practice", or "family activity". Together, these habits create a system.

The physical consequences deserve more than a shrug. A disproportionate load can affect posture and gait and contribute to shoulder, neck and back discomfort, especially when children climb several floors, commute long distances or sling bags over one shoulder.

Harm accumulates quietly; prevention, therefore, requires systems. The intellectual burden may be worse, and it has a social inequity dimension. Homework measures parental availability rather than a child's understanding. In affluent households, adults supervise projects, print pictures and improve presentation. In families where parents work long hours or have limited formal education, children may submit less polished work or be judged accordingly. An OECD analysis has found that socio-economically advantaged students spend more time on homework than disadvantaged students. Homework can, therefore, reproduce the inequalities it claims to overcome.

India need not import a foreign model to solve this problem. Textbooks can be divided by term. Workbooks can be integrated rather than multiplied. Schools can install labelled shelves or lockers. Double-period timetables can reduce the subjects taught each day. Publishers should print lighter books, avoid glossy oversized formats, and disclose book weights. Digital communication can replace bulky manuals, although screens must not become a route for endless assignments after school.

Every school should publish a book-specific weekly timetable and require teachers to follow it. A sample of bags should be weighed each term, with results shared with parents. Principals should review the total workload imposed collectively by all teachers, because no department considers its own notebook unnecessary.

New teachers should be briefed on homework and bag limits. Parents need a safe channel for expressing their concerns. The child will be labelled troublemaker. Education departments and school boards must include compliance. Schools should publicly disclose their bag policy, homework policy and monitoring results. A rule without measurement becomes a suggestion; a suggestion without accountability becomes decoration.

There is also a moral question hidden inside this debate. Schools teach children about dignity, health, and scientific temper while requiring them to obey arrangements contradicting all three. A child who complains of pain may be told to become stronger; a parent who objects may be accused of preferring comfort to discipline. This reverses responsibility. Institutions, not children's spines, must adapt. Sensible limits and boundaries that authority should be rational, health deserves protection and good systems remove pointless hardship.

Parents, too, must surrender to an illusion: A bag full of books is not evidence of an excellent school. Nor is an occupied child necessarily learning. In senior school kids, competitive anxiety of parents makes idleness appear dangerous, encouraging families to buy extra guides and worksheets. But rest is not an empty time. Conversation develops language; outdoor play builds coordination and judgment; boredom nurtures imagination. A bedtime story may do more for literacy than another page of copied answers.

The heaviest object in a child's bag is often adult expectations. Schools fear appearing insufficiently rigorous; parents fear their children falling behind; publishers profit from glossy pages; and regulators confuse issuing instructions with enforcing them. The child, being the smallest participant, receives the burden.

A lighter school bag is an argument for education that is better organised, developmentally appropriate, and respectful of childhood. India has already written the prescription. What lacks is the willingness to administer it. Tomorrow morning, millions of children will lift their bags again. The real test of policy is whether adults finally decide to lift some of the weight.

Chandrakant Lahariya is a practising physician who specialises in preventive and cardiometabolic medicine and a leading expert in parenting and child development. He is the author of upcoming book, *Pill-Free*. The views expressed are personal.

{ ASTRID SCHOMAKER } EXECUTIVE SECRETARY, UN CONVENTION ON BIOLOGICAL DIVERSITY

Companies are not investing enough ... in analysing their biodiversity impacts, dependencies and risk

Ahead of talks in Nairobi next week

When broadcasting was committed to public good

A few years ago, visitors entering Bandrabha, a village in Hoshangabad district of Madhya Pradesh, were greeted by an unusual welcome. Painted across the village water tank were the words: *Kalyani Gram Bandrabha aapka swagat karta hai* (Kalyani Gram Bandrabha welcomes you). No government notification or official scheme had conferred the title. The villagers themselves chose the name.

Why? For years, Bandrabha lived under the shadow of malaria. Inspired by *Kalyani*—a weekly health programme series on Doodh—*Kalyani*—the community came together to fight the disease, under the guidance of the district malaria officer. When the village completed a malaria-free year, the villagers celebrated with a malaria awareness rally and renamed their village Kalyani Gram.

Kalyani was launched in 2002 by the ministry of health & family welfare in eight empowered action group (EAG) states to tackle communicable and non-communicable diseases, as well as other public health concerns. But how could a weekly TV programme become so much more than a broadcast? An example of such enduring public ownership of broadcasting dates to the early decades after Independence. A variety of rice, popularised by All India Radio (AIR), came to be known as *Radio Rice* in Thanjavur district of Tamil Nadu. That was an era of one broadcaster and captive audience.

Decades later, in an India transformed by satellite television, digital media and changing media consumption, how could a weekly TV programme leave an even deeper imprint? The answer lies in the evolution of an idea—radio transformed broadcasting from a medium of communication into a catalyst for community participation and social change.

In 1988, AIR launched a radio serial, *Jeevan Saurabh*, bringing adolescent concerns into the public conversation. It broke new ground by treating young people not merely as listeners but as participants in the communication process. Listeners themselves then prompted a sequel, *Jeevan Saurabh II*, urging that the equally sensitive questions of marriage and marital relationships be explored as they entered the next stage of their lives.

Jeevan Saurabh also opened the way for partnerships between AIR and development agencies—first with the Population Foundation of India, and later with Population Communications International (PCI).

The BBC World Service Trust's landmark TV series, *Jasoos Vilay*.

In Lutsan, near Aligarh, discussions generated by *Tinka Tinka* led 184 community members to send AIR a collective letter, pleading neither to give nor accept dowry and to educate their daughters. The model also attracted international academic attention, with Everett Rogers, pioneer of the Diffusion of Innovations theory, and his colleagues documenting it as an important contribution to development communication.

This participatory methodology found its fullest expression in *Kalyani*. TV became the starting point for dialogue, participation and collective action. The idea of organised community participation found expression through *Kalyani* Clubs. Each broadcast invited viewers to form local groups, discuss issues, undertake community initiatives and share their experiences, which then became part of subsequent programmes, encouraging other communities to do likewise.

Kalyani was extended from eight to 21 states, broadcast in 17 languages and 18 dialects, while nearly 2,500 *Kalyani* Clubs involving more than 83,000 volunteers emerged. The measure of success was not viewership but ownership. In some communities, anti-malarial tablets became known as *Kalyani* pills, newborn daughters were named *Kalyani*, and villages such as Bandrabha and Amliha adopted the name *Kalyani* Gram.

The programme's impact was measured not only in broadcasts but in the response it generated on the ground. That attracted international recognition. The WHO recognised *Kalyani* as one of the '75 top global innovations that advance the work of women's and children's health.' It was described as "a revolution in television for communication, the best action programme going in the world." Its work in transforming the lives of people affected by HIV/AIDS was honoured with the UNAIDS Civil Society Award.

As broadcasting enters the age of AI and digital platforms, it faces twin challenges: harnessing unprecedented technological capabilities while achieving financial sustainability. Technology can personalise and multiply messages, but participating still depends on trust, dialogue and a sense of shared ownership.

Dehleez to Kalyani is a journey that demonstrates that public value and financial sustainability need not be opposing goals. When broadcasting earns people's trust and engagement, financial sustainability can follow from public value.

Usha Bhasin is former additional director general, Prasar Bharati. The views expressed are personal.



Editor's TAKE

Cauvery water: Old dispute, new warriors

Every August, as the southwest monsoon falters, the Cauvery once again becomes less a river than a courtroom argument. This year is no different

Cauvery water disputes have become a perennial dispute. At the beginning of this month, Tamil Nadu pleaded before the Supreme Court that Karnataka is again withholding its share of the Cauvery's waters. CM Vijay's government told the court that Karnataka has ignored the Cauvery Water Regulation Committee's July 28 order to release 3,500 cusecs a day at Biligundlu through August 12. A day earlier, Karnataka Chief Minister DK Shivakumar had convened an all-party meeting in Bengaluru, uniting the Congress and the BJP behind a familiar plea: the state is in the grip of a poor monsoon and cannot spare water that its own farmers need.

Same river, same season, same impasse; only the names across the table have changed. The dispute is older than the republic itself. Two colonial-era pacts, in 1892 and 1924, apportioned the Cauvery between Madras and the princely state of Mysore; the 1924 pact lapsed in 1974, and Karnataka's push to expand irrigation reignited the quarrel. Tamil Nadu's plea led to the Cauvery Water Disputes Tribunal in 1990, whose final award in 2007, after seventeen years, gave Tamil Nadu a far larger share than its 1991 interim order had. Both states appealed, and in February 2018 the Supreme Court recalibrated the numbers: 284.75 thousand million cubic feet for Karnataka, including extra water for Bengaluru's drinking needs, and 404.25 TMC for Tamil Nadu.

To implement this, it ordered the creation of the Cauvery Water Management Authority and its technical arm, the Cauvery Water Regulation Committee, meant to turn an annual political brawl into hydrology and formula. It has not worked out that way. Every deficient monsoon still triggers the same sequence: a CWRG order, Karnataka's reluctance, citing its own distress, and Tamil Nadu's return to the apex court. Layered onto this is Karnataka's long-pending Mekedatu balancing reservoir, which it says will store surplus monsoon flow for dry years without affecting Tamil Nadu's entitlement, and which Tamil Nadu calls an upper riparian's ploy to control the tap.

Hearing Karnataka's plea last November, the Supreme Court called Tamil Nadu's objection premature. The Cauvery Water Management Authority already has the legal architecture to arbitrate on hydrology rather than politics; what it lacks is an automatic, real-time enforcement mechanism that does not require Tamil Nadu to plead before the Supreme Court every August. Publicly verifiable, real-time flow data would settle the perennial argument over how much water actually exists before it ever reaches a courtroom. Mekedatu's fate, too, should be settled where the Supreme Court has already sent it: before the CWMA and the Central Water Commission on engineering merit, not through parallel litigation and competing all-party theatre on both banks of the border.

Karnataka and Tamil Nadu have new Chief Ministers facing an old grievance for the first time. They would serve their states, and the basin's tens of millions, better by trusting the institutions already built for this purpose than by reaching, yet again, for the Supreme Court's number.

A strong Bharat demands stronger institutions

Recent agitations involving farmers and students appear to follow a similar pattern: local grievances rapidly escalate into nationwide movements, amplified by social media and, at times, influenced by domestic and international actors seeking to shape public opinion. As the ruling party has consistently demonstrated a strong ability to win elections, sections of the opposition may increasingly rely on mass mobilisation to challenge the government between electoral cycles, knowing full well that they cannot challenge the current government at the ballot box. However, the government must avoid complacency by responding to genuine public concerns, while the opposition should exercise restraint, ensuring democratic dissent does not spiral into unrest that ultimately harms the nation and all political stakeholders, including the people fanning the fire



PRASHANT TEWARI

India stands at a defining moment in its democratic journey. It is the world's largest democracy, one of the fastest-growing major economies, and an emerging global power. Yet the true strength of a nation is not measured only by GDP growth, expressways, airports, or digital infrastructure. It is measured by the quality of its institutions and the confidence that ordinary citizens place in them. Today, that confidence is under increasing strain. These challenges are not failures of one government or one political party. They are symptoms of institutional weaknesses that have accumulated over decades and have survived successive administrations of every political persuasion. As Abraham Lincoln wisely observed, "When public institutions fail to deliver efficient services, public frustration inevitably rises."

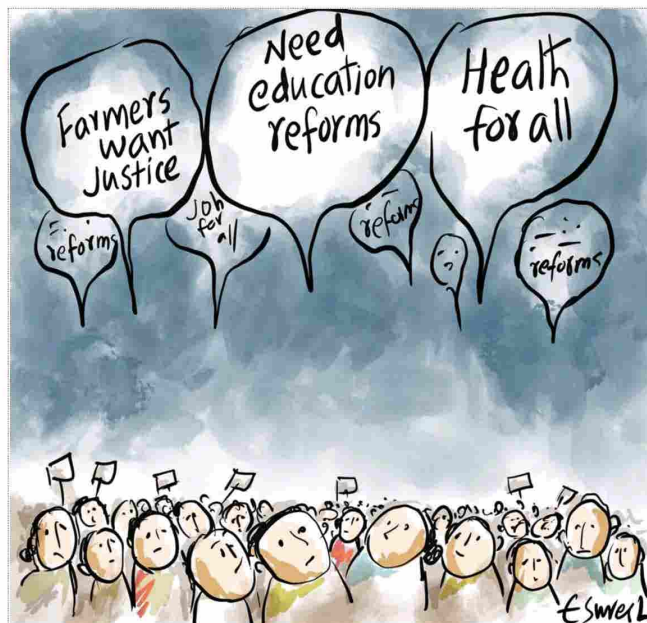
India's police system requires urgent modernization. Across the country, police personnel serve with courage under difficult conditions, yet they often work with inadequate manpower, outdated investigative methods, excessive workloads, limited forensic support, and insufficient technological integration. Citizens frequently perceive investigations as slow, corrupt, and legal processes as cumbersome. Genuine police reforms must focus on professionalism, operational independence, scientific investigation, accountability, and community policing for citizens to view the police as protectors rather than merely law enforcers. Moreover, the lack of reforms has led to police stations in India turning in extortion hubs.

The judiciary remains another pillar requiring comprehensive reform. Justice delayed has become one of India's greatest institutional challenges. Millions of pending cases undermine confidence in the rule of law, delay economic activity, discourage investment, and impose enormous costs on the financial system on ordinary litigants. Judicial reforms should include significantly increasing judicial capacity, adopting artificial intelligence for case management, strengthening digital courts, simplifying procedures, expanding mediation, and ensuring that justice is both affordable and timely. As William Gladstone famously remarked, "Justice delayed is justice denied." The courts in India have lately become an effective tool to serve the elites; the common man is left high and dry.

Urban governance presents equally serious concerns. India's cities generate economic growth but struggle with pollution, waste management, congestion, flooding, water shortages, unauthorized construction, and inadequate civic infrastructure. Municipal bodies frequently operate with fragmented authority, weak finances, and limited professional capacity. The issue is not simply funding; it is institutional efficiency, accountability, and measurable outcomes. Surely, citizens deserve clean streets, safe drinking water, efficient public transport, and transparent local governance, contrary to what they are getting across the country.

Healthcare represents perhaps the greatest daily concern for ordinary families. Despite remarkable advances in medical science, access to quality healthcare remains highly unequal. Public hospitals in many regions continue to face shortages of doctors, nurses, medicines, equipment, and infrastructure. A medical emergency should never become a financial catastrophe for a family. Investing in primary healthcare, preventive medicine, digital health systems, medical education, and rural healthcare infrastructure must become a national priority.

Education too requires structural transformation. Expanding enrolment alone cannot define success if learning outcomes remain weak. Schools and universities must produce critical thinkers, innovators, entrepreneurs, scientists, and skilled professionals rather than merely examination candidates. India's demographic dividend can become its greatest strength only if education equips young people with practical skills, digital literacy, ethical values, and adapt-



ability in an AI-driven economy. The recent Gen Z agitation should be an eye-opener for the ruling class; it exposes the disconnect between the government and its young citizens.

No discussion on institutional reform can ignore agriculture. Nearly half of India's population continues to depend directly or indirectly on agriculture, yet millions of farmers remain economically vulnerable. Fragmented landholdings, climate uncertainty, rising input costs, inadequate irrigation, price volatility, post-harvest losses, and limited value addition continue to constrain farm incomes. The objective of agricultural policy should move beyond ensuring production to ensuring prosperity. Farmers require modern technology, market access, storage facilities, affordable credit, insurance, research support, and integrated supply chains that allow them to participate meaningfully in India's economic growth.

The rise of social media has fundamentally transformed the relationship between governments and citizens. Public opinion now forms and spreads within hours, turning local grievances into national or even global debates. The Arab Spring demonstrated the disruptive power of digital platforms, while countries such as Sri Lanka, Bangladesh, Nepal, and Pakistan have witnessed major political upheavals influenced by rapid information flows and mass mobilization. Several European democracies have also experienced swift political shifts shaped by online discourse. In this digital age, governments must embrace greater transparency, responsiveness, and accountability, as citizens increasingly expect not just policy announcements but tangible, measurable, and timely governance outcomes.

India's young population further amplifies the urgency of reform. Aspirations have risen dramatically. Young Indians seek quality education, meaningful employment, efficient governance, and equal opportunity. When expectations repeatedly encounter institutional inefficiency, frustration naturally increases. Governments must recognize that economic growth alone cannot sustain public confidence unless institutions function fairly, efficiently, and transparently. Mahatma Gandhi reminded us that "The true

measure of any society can be found in how it treats its most vulnerable members." Institutional reform is therefore not an administrative exercise; it is a moral obligation.

Artificial intelligence, digital governance, blockchain, predictive analytics, and data-driven administration present unprecedented opportunities to modernize governance. Governments should deploy these technologies to improve judicial efficiency, detect corruption, streamline public services, strengthen healthcare delivery, enhance agricultural productivity, and improve policy implementation. Technology should become an instrument of accountability rather than merely a symbol of modernization.

The choice before India is clear. Political debates will continue, elections will come and go, and governments will change. But unless India undertakes bold institutional reforms in policing, the judiciary, healthcare, education, agriculture, municipal governance, and public administration, public dissatisfaction will continue to grow irrespective of which party occupies office. Strong institutions, not strong personalities, ultimately determine the success of a democracy. India needs reforms more than swanky airports, ports, railway stations, road network, administrative buildings.

Time, however, is running out fast for governments and citizens alike, for political parties and voters, for the ruling establishment and the opposition. Across India, public patience is wearing thin, and the electorate is increasingly willing to embrace credible alternatives when they emerge. Recent electoral outcomes from Tamil Nadu, where established political equations have evolved over time, to the Bankipur Assembly constituency in Bihar, where a new political force upset a long-standing BJP stronghold—demonstrate that no party can take public support for granted. In a vibrant democracy, performance, governance, and institutional credibility—not historical legacy or political dominance—will ultimately determine who earns the people's trust. Reform, therefore, is no longer a matter of choice; it is an imperative for India's democratic and developmental future.

The writer is a public policy expert and columnist

PIC TALK



'Kanwar' take out a 'Kanwar Yatra' procession with an idol of Lord Shiva during the holy month of 'Sawan' in Haridwar, Uttarakhand. PHOTO: PTI

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PRASHANT KISHOR DELIVERS JAN SURAJA'S FIRST ELECTORAL WIN

The Jan Suraj Party's maiden electoral victory in the Bankipur Assembly by-election, with Prashant Kishor emerging victorious, marks a significant development in Bihar's evolving political landscape.

Prashant Kishor has truly pulled off a masterstroke. He fought the election with remarkable strategy and determination, raising high expectations among the people of Bankipur. His victory reflects not only his personal credibility but also the growing appeal of the Jan Suraj Party as a viable political alternative in the state.

The by-election result also points to a broader political trend, signalling a gradual decline in the BJP's electoral fortunes. The outcome was not entirely unexpected, and similar results may be witnessed in future by-elections if the current political

momentum continues. It appears that the BJP's electoral slide has already begun.

Prashant Kishor secured 63,203 votes to defeat BJP candidate Neeraj Kumar Sinha, who polled 44,250 votes. RJD candidate Reisha Gupta finished a distant third with 14,085 votes. Kishor's victory margin of 18,953 votes is particularly significant as it marks the first electoral success for the Jan Suraj Party since its formation.

This landmark win provides a major boost to the party's political ambitions and strengthens its position as an emerging force in Bihar politics. It also demonstrates that voters are increasingly willing to support new political leadership and meaningful governance.

BHAGWAN THADANI | MUMBAI

For the success of an anti-drug campaign

Appropos the editorial, 'A Drug-Free India Begins with its Youth', India's 'Nasha Mukti Yuva, Viksit Bharat Sankalp Abhiyan' is a welcome initiative. The real challenge now is to translate public awareness into sustained policy action.

Awareness must be backed by life-skills education, mental health support, active parental involvement, access to sports, and effective de-addiction and rehabilitation services in every district. To dismantle the drug supply chain, the focus must extend beyond petty peddlers to include financial networks, hawala operators, organised crime syndicates, synthetic drug manufacturers and digital trafficking channels. Under a zero-tolerance policy, swift and exemplary action against the few "black sheep" who facilitate drug trafficking is essential to strengthen public trust and uphold the credibility of the vast majority of honest officers.

The campaign's success should not be measured merely by rallies or pledges, but by a sustained decline in first-time drug users, successful rehabilitation, and the dismantling of the drug mafia's financial ecosystem. Every consignment seized is important, but every young life saved from addiction is an even greater national achievement.

BJR J GOYAL | LUDHIANA

Safety must come before speed

Data recently presented by the Civil Aviation Ministry in the Rajya Sabha reveals an alarming reality about air travel in India. A total of 352 major technical defects were reported in flight operations this year. What is particularly concerning is that 334 of these defects occurred in domestic services, while international flights accounted for only 18. This stark disparity raises serious questions about the maintenance standards and operational practices of domestic airlines. In the race for quick turnarounds, packed schedules and cost-cutting, airlines appear to be compromising essential safety protocols. Technical faults such as engine problems, navigation system failures and hydraulic defects are not minor inconveniences—they can pose grave risks to passenger safety.

Air travel should inspire confidence, not anxiety. The Directorate General of Civil Aviation (DGCA) must immediately strengthen oversight through rigorous audits, surprise inspections and strict penalties for safety violations. Every aircraft should undergo comprehensive technical checks before being cleared for take-off.

Passengers paying for domestic flights deserve reliable engineering, uncompromised maintenance and complete peace of mind every time they board an aircraft. Safety must remain the aviation sector's highest priority.

N SADHASIVA REDDY | BENGALURU

Listening to young voices

Appropos "CJP: Resilience, Resistance and India's Youth" (August 4, 2026), the article rightly highlights the growing willingness of young people to question public institutions when they believe fairness has been compromised. Such civic engagement is healthy for any democracy, provided it remains peaceful, disciplined and grounded in facts rather than slogans. The larger issue, however, extends beyond one examination or one protest. Public confidence can be restored only when institutions demonstrate transparency before controversies arise. Examination agencies should adopt independent audits, publish detailed timelines, strengthen digital security and communicate promptly whenever irregularities are reported. Equally important, governments should engage student representatives through structured consultations rather than responding only after public pressure builds.

Youth movements must act responsibly by resisting political appropriation, remaining inclusive and pursuing reforms through informed debate. Lasting change comes from making institutions more accountable.

India has one of the world's youngest populations. Their energy is a democratic asset. If governments, universities and civil society respond with openness, this moment can strengthen public trust and institutional credibility.

A. MYILSAM | COIMBATORE



Football's soul is not for sale!

The controversy surrounding FIFA President Gianni Infantino's latest plans is not merely about finance or governance — it is about whether football will remain a shared cultural inheritance or become just another global commodity. The battle now is not over who controls the game, but over whether the sport can survive the relentless march of money



KUSHAN MITRA

Sport has always been one of the purest ways human beings test themselves, and football has long been the most tribal of all its languages. But when power, money and vanity begin to crowd out meaning, the game starts to feel less like a shared ritual and more like a cartel.

Those opening lines matter because they capture why football still cuts so deep. It is not just entertainment. It is identity, memory, class, geography and emotion all bundled into ninety minutes. It creates unlikely alliances, dissolves ideological borders, and turns strangers into a temporary family. I may disagree with both Zohran Mamdani and Piers Morgan and I'm sure both of them dislike each other as well. But we all love Arsenal Football Club and celebrated wildly when the North London club won its first title in twenty-two years a few months ago.

That is exactly why the recent actions of FIFA president Gianni Infantino have landed so hard with so many people. When the guardians of the game begin to behave as though football is merely a financial asset to be sliced, packaged and monetised, they do not just make a bad decision. They threaten the soul of the sport itself.

Infantino's reported push to create a new FIFA commercial subsidiary and potentially sell stakes to private investors has been widely read as a money-first move that could hand outsized influence over the World Cup to outside interests. The backlash has been fierce because the World Cup is not just another property. It is football's crown jewel, its most universal stage, the singular event that still seems to make the planet feel briefly connected. To suggest that it can be leveraged like a private equity product is to invite outrage not only from purists, but from anyone who believes sport should retain some moral distinction from ordinary commerce.

The deeper problem is not simply the proposal itself, but the pattern around it. Infantino has increasingly become a symbol of a football hierarchy that seems more comfortable talking about growth, revenue and control than about trust, integrity and stewardship. That is why this moment feels bigger than one controversial plan. It reflects a broader fear that football's governing class has drifted too far from the people who give the game its meaning. Supporters may accept commercial reality, but they do not want to feel like tenants in a sport they emotionally own.

There is also something especially corrosive about the language of "development" being used to justify such moves. FIFA often speaks in the name of smaller nations, grassroots expansion and global opportunity. Yes, the world saw Cabo Verde on the global stage a couple of months ago and boy, did they make the world notice them, just look at the superstar that their goalkeeper Vozinha has become.

Yet when power is centralised and financial engineering becomes the dominant instinct, the result looks less like uplift and more like extraction. It is hard to square the rhetoric of inclusion with structures that appear to concentrate power at the top while asking everyone else to applaud the efficiency.

That is why the phrase "selling the soul of football" does not sound melodramatic here. It sounds precise. Football survives because people believe it belongs to everyone: the child juggling a ball in a narrow lane, the worker watching a match after a long shift, the fan waking before dawn to follow a club thousands of miles away. Once that emotional compact is treated as secondary to dealmaking, the game loses something that no broadcast contract can restore.

And football is not dealing with this in isolation. Sport more broadly is under strain from corruption, opaque governance and the blurring of lines between competition and commerce. The modern sporting landscape is full of conflicts that erode trust: administrators who act like power brokers, institutions that seem too close to politics, and commercial structures that sometimes appear to matter more than the sport itself. Corruption does not always arrive as an outright scandal. Sometimes it arrives as a culture, a habit of doing things in ways that may be legal but are still deeply damaging to faith in the game.

The rise of sports betting adds another layer of concern. In America, gambling has moved from the



FOOTBALL SURVIVES BECAUSE PEOPLE BELIEVE IT BELONGS TO EVERYONE: THE CHILD JUGGLING A BALL IN A NARROW LANE, THE WORKER WATCHING A MATCH AFTER A LONG SHIFT, THE FAN WAKING BEFORE DAWN TO FOLLOW A CLUB THOUSANDS OF MILES AWAY. ONCE THAT EMOTIONAL COMPACT IS TREATED AS SECONDARY TO DEALMAKING, THE GAME LOSES SOMETHING THAT NO BROADCAST CONTRACT CAN RESTORE

The writer is Director and the Printer & Publisher of The Pioneer

margins into the mainstream, and with that shift has come a new kind of sport corruption, one where every pass, foul and substitution is immediately reducible to odds, spreads and profit. Betting is no longer a side market. It is becoming part of the spectacle itself. That may be profitable, but it also changes the relationship between fan and game. The supporter stops being just a supporter and starts becoming a participant in a machine built around extraction.

This is where Kylian Mbappé's recent remarks land with real force. He has been outspoken in refusing to lend his image to sports betting and junk food promotions, arguing in effect that athletes should not casually help normalise products that can harm vulnerable people. That is not a minor marketing quibble. It is a moral position. In an era where elite sport is increasingly saturated with gambling ties, food sponsorships and commercial clutter, Mbappé's stance feels unusually clear-eyed. It reminds us that the face of a game need not become the billboard for everything around it.

His criticism also matters because footballers today are more than players. They are cultural symbols, especially for younger audiences who absorb their choices as much as their performances. When a figure like Mbappé rejects certain endorsements, he is making a statement that the athlete's responsibility does not end at the boundary or touchline. He is suggesting that sport should not surrender all its authority to whatever pays the most.

And yet, despite all this, there is a reason to end on hope rather than despair. The backlash to Infantino has not been isolated or timid. It has brought together journalists, fan communities, football associations and institutional voices that might otherwise disagree on nearly everything else. In that sense, the scandal has done one useful thing: it has reminded people what they are defending. Not a logo, not a revenue stream, not a chairman's ambition, but the idea that sport should remain credible, shared and fair.

That shared resistance matters. It shows that the public still notices when the line is crossed. It shows that football has not been completely absorbed by the logic of money. And it suggests that a global sports cleanup is not only desirable, but possible. Better governance, stricter transparency, clearer sponsorship boundaries and a renewed respect for athletes and supporters would not solve every problem. But they would begin to restore the basic trust without which sport becomes just another business.

In the end, maybe that is the real silver lining. This controversy has united people who usually stand apart. It has forced sports bodies and fans to confront the same uncomfortable truth: if sport is allowed to become entirely commercial, it ceases to be sacred in the first place. The fight now is not against progress or modernity. It is for the preservation of the one thing that makes sport worth loving — its ability to belong to everyone.

Understanding the law beyond the controversy



ASHOK KUMAR

The recent controversy surrounding the alleged use of pellet guns during the BJP-led agitation at Delhi's Jantar Mantar has once again ignited a nationwide debate on police use of force. Allegations and counter-allegations have dominated television debates, social media and political discourse, yet the larger issue remains poorly understood: the legal framework governing the use of force by the police.

Public opinion is often shaped more by emotions than by law. As someone who has spent decades in policing and public order management, I believe it is important to explain what the law actually says, what powers have been conferred upon the police, what safeguards exist against misuse, and why, in exceptional circumstances, the use of force becomes both lawful and necessary. India is a constitutional democracy where every citizen enjoys the fundamental right to peacefully assemble and express dissent.

Peaceful protest is an essential feature of democratic governance. However, this right is neither absolute nor unconditional. Once a gathering turns violent or threatens public order, its legal character changes entirely. Earlier, an unlawful assembly was defined under Section 141 of the Indian Penal Code (IPC). The same concept is now covered under Section 189 of the Bharatiya Nyaya Sanhita (BNS), 2023. An unlawful assembly consists of five or more persons sharing a common unlawful object, such as resisting lawful authority, obstructing the implementation of law, committing an offence, damaging property, forcibly taking possession of property, or compelling someone to do an act not required by law. A gathering that begins peacefully can subsequently become unlawful if it resorts to violence, attacks public servants, indulges in arson, damages public property, or endangers public safety. At that stage, the law places a clear responsibility upon the police to restore order. The Bharatiya Nyaya Sanhita also prescribes punishment under Sections 189, 190 and 191 for members of unlawful assemblies.

The next logical question is: what are the police expected to do when such an assembly refuses to disperse? The answer lies in the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023, particularly Sections 148 to 151, which have replaced Sections 129 to 131 of the erstwhile Code of Criminal Procedure. The law provides a graded mechanism. A police officer not below the rank of Sub-Inspector may order an unlawful assembly, or even an assembly likely to disturb public peace, to disperse. If the crowd refuses to comply, the police may disperse it by using civil force, including arrest, wherever necessary. Most importantly, the law requires that only the minimum force necessary be used. Modern democratic policing follows the principle of graded response. Crowd control ordinarily begins with persuasion, public announcements and repeated warnings. If these measures fail, the police may employ water cannons, tear smoke and other non-lethal methods. If violence escalates further, a controlled lathi-charge may become necessary. Only when these measures prove inadequate and the mob continues to pose a serious threat to life or property may specialised anti-riot equipment, such as rubber projectiles, plastic pellets or pump-action anti-riot guns, be considered.



Their operational purpose is to disperse violent crowds while minimising the risk of loss of life. Their use nevertheless requires trained personnel, strict supervision and adherence to established standard operating procedures. Only where civil force proves insufficient does the law permit requisitioning assistance from the armed forces, and even then, such deployment is regulated and ordinarily takes place under the direction of the Executive Magistrate or a police officer vested with the powers of an Executive Magistrate under the commissionerate system.

Pellet-based anti-riot systems have been part of India's crowd-control mechanism for over two decades. They gained prominence during prolonged stone-pelting incidents in Jammu and Kashmir. Their operational purpose is to disperse violent mobs before circumstances compel the use of live ammunition. In practical policing, they are regarded as an intermediate option between conventional crowd-control measures and lethal force. Every use-of-force decision involves difficult choices. Officers often have only seconds to decide whether to permit a violent mob to torch buses, attack public institutions, assault police personnel or destroy public property, or to intervene using lawful force. During my policing career, I witnessed several incidents where violent mobs resorted to arson, vandalised government property, attacked police personnel and endangered innocent citizens. In such situations, failure to act would itself amount to dereliction of duty. The State has a constitutional obligation to protect the life, liberty and property of every citizen, including those who are not part of the protest. Another legal safeguard that is often overlooked is that the prosecution of police officers for actions taken in the discharge of their official duties requires prior sanction from the Government under Section 151 of the BNSS. This safeguard does not provide immunity for unlawful acts; rather, it protects officers from frivolous or motivated prosecution arising from bona fide operational decisions taken under difficult circumstances.

Equally important is the human dimension of policing. Every police officer deployed during riots is also a citizen and a public servant performing a constitutional duty. Violence against police personnel cannot be justified merely because it occurs during a protest. Assaulting police officers, damaging police vehicles or attempting to overrun security barricades is ultimately an attack on the authority of the State and the rule of law.

None of this should be interpreted as a licence for indiscriminate use of force. Democratic policing demands restraint, professionalism and accountability. Every allegation of excessive force deserves an impartial investigation, and any officer found to have exceeded the limits prescribed by law must be held accountable. At the same time, police personnel acting within the authority conferred by law should not be judged solely through the prism of public emotion. The principle, therefore, is straightforward. The police are legally empowered to use force to maintain law and order, and to prevent any such activity includes graduated measures like lathi-charge, tear smoke, water cannons and, where operationally justified, specialised anti-riot weapons, including pellet-based systems. In the rarest situations involving imminent threats to life, even firearms may lawfully be used, subject to strict legal safeguards. In a democracy, however, force must always remain proportionate, necessary and the last resort. The ultimate objective of policing is not to overpower citizens, but to restore peace, protect lives and uphold the rule of law with the least possible use of force.

The writer is a former DGP

Bangladesh: India's strategic dilemma



PARUL CHANDRA

Time flies. August 5 marks two years since Prime Minister Sheikh Hasina was ousted in a student-led uprising, forcing the deposed Awami League leader into self-imposed exile from India. Since those tumultuous events, India-Bangladesh ties have suffered a severe setback, with both sides still struggling to rebuild a once-robust partnership. A lingering trust deficit now clouds relations as the two neighbours attempt to reset ties under Bangladesh's new Prime Minister, Tanjir Rahman. Rahman, who assumed leadership of the Bangladesh Nationalist Party (BNP) following the death of his mother, former Prime Minister Khaleda Zia, took office in February. His party, seen as anti-India, swept the polls.

While the sharp friction that characterised New Delhi-Dhaka ties under Bangladesh's interim government led by Chief Adviser Muhammad Yunus has eased, relations remain uneasy. Stable on the surface, the partnership continues to be tested by underlying strain.

For now, India is banking on the upcoming BRICS Summit in New Delhi this September to host Bangladesh Prime Minister Tanjir Rahman and initiate a much-needed reset in bilateral ties.

Although Bangladesh is not a BRICS member, it aspires to join the grouping, and Rahman has been invited to the summit's Outreach Session. New Delhi hopes his participation will pave the way for a crucial meeting on the sidelines with Prime Minister Narendra Modi. Adding to New Delhi's chagrin, Rahman prioritised a visit to China, India's primary geostrategic adversary. Rahman's trip to Beijing was a clear strategic setback for Delhi.

During his four-day visit in June, Rahman was assiduously courted by Beijing as the two sides signed 17 pacts. The visit elevated bilateral ties from a "comprehensive strategic cooperative partnership" to a "China-Bangladesh community with a shared future". Additionally, Dhaka and Beijing agreed to institute regular strategic discussions and launch a 2+2 dialogue covering foreign policy and security.

Worryingly for India, Beijing has pledged support for Bangladesh's Teesta River restoration project. To prevent Chinese inroads along this strategic river basin, New Delhi needs to finally deliver the long-stalled Teesta water-sharing treaty—a task made far simpler now that a BIP government leads West Bengal.

Equally troubling for India is the agreement between Dhaka and Beijing to expand Mongla Port, alongside the decision to grant a Chinese firm the right to develop its adjacent economic zone. India was originally slated to develop this zone, but the project did not materialise and ultimately fell through. As a result, India will have to grapple with a growing Chinese footprint in the Bay of Bengal, which poses significant security risks in its immediate



diatribe neighbourhood.

The Rahman government's embrace of Beijing poses a clear challenge to New Delhi's strategic interests. China's expanding footprint in India's immediate neighbourhood, the Indian Ocean Region, and the broader Indo-Pacific directly threatens Indian security. While the new government in Dhaka has framed its foreign policy around "Bangladesh First" and multi-alignment, it remains to be seen whether it will truly adhere to these principles.

New Delhi's substantial leverage over Dhaka vanished with Sheikh Hasina's departure. Although Hasina cultivated strong relations with Beijing, she was always sensitive to India's regional security concerns—a principle New Delhi will undoubtedly highlight if the Modi-Rahman meeting takes place. The BNP government may not be as sensitive to India's concerns. A meeting at the prime ministerial level, therefore, is a necessity for India to be able to voice its concerns at the highest level.

For Rahman, a visit to New Delhi poses significant domestic risk as he has to navigate deep-seated anti-India sentiments.

Rahman, therefore, is treading carefully. He would also be looking for substantive outcomes from his India visit to quell any criticism he may face on the domestic front. A major sticking point in bilateral ties at present is Sheikh Hasina's continued presence in India. The Awami League leader has been tried in absentia in Bangladesh by a special tribunal and sentenced to death for alleged crimes against human rights. Hasina has put in a formal request with New Delhi seeking her extradition.

The former Prime Minister's political rhetoric while in exile here has also angered Dhaka. If India wants to safeguard its long-term interests and foster cordial relations with Bangladesh, it must firmly advise Hasina to refrain from engaging in political rhetoric from Indian soil.

Another major strain on bilateral relations has been the BJP's sustained campaign against illegal immigration from Bangladesh, marked by harsh political rhetoric including Home Minister Amit Shah's controversial characterisation of illegal migrants as "termites" in 2018. This anti-immigrant rhetoric reached a fever pitch during recent state assembly elections in West Bengal and Assam, casting a long shadow over neighbourly ties. Moving forward, both nations must prioritise more effective border management and establish a robust, formal mechanism to address the contentious issue of cross-border migration.

If India wishes to establish strong ties with

Bangladesh, it will have to make extraordinary diplomatic efforts to keep Bangladesh within its sphere of influence. For instance, the 1996 Ganges Water Sharing Treaty is up for renewal before it expires in December. Dhaka has already signalled that cordial relations will depend on extending the pact. With China eagerly waiting to occupy any strategic space that India might cede in the neighbourhood, India also needs to walk the talk and strengthen its economic, trade and investment linkages with Bangladesh. The new government in Bangladesh is grappling with numerous economic challenges—from inflation and acute energy shortages to rising youth unemployment and sluggish FDI. India should capitalise on this moment by offering meaningful economic support.

Addressing Bangladesh's long-standing concern over the sizeable trade deficit is equally critical. To that end, both nations should prioritise and expedite negotiations for the proposed Comprehensive Economic Partnership Agreement (CEPA). While Beijing may currently appear to hold the advantage in the contest for influence, India has the advantage of geographical proximity. This geographical edge will continue to work in New Delhi's favour—provided its diplomatic approach is driven by mutual benefit rather than an overbearing posture. This would also allow the BNP government to address its domestic constituency's anti-India sentiments while reaping the benefits of robust ties with India.

The writer is a political analyst specialising in strategic affairs

An unnecessary intervention

Minimum import price for PVC will increase costs

The Directorate General of Foreign Trade recently imposed a minimum import price (MIP) of \$0.766 per kg on suspension-grade polyvinyl chloride (S-PVC) resin for six months. The move is intended to curb alleged dumping and encourage domestic manufacturing. The objective of reducing India's import dependence is legitimate. But in an industry where domestic production meets barely one-third of demand, restricting cheaper imports is unlikely to reduce import dependence. Instead, it risks raising costs across the PVC value chain. PVC is a critical raw material used to manufacture irrigation and water-supply pipes, electrical conduits, cables, fittings, films and a range of medical and construction products. It is, therefore, an input in sectors such as housing, agriculture and infrastructure. India consumes around 4.7 million tonnes (MT) of PVC annually but produces only about 1.7 MT, leaving nearly two-thirds of domestic demand to be met through imports. In such a situation, imports are not a matter of choice but of necessity.

The immediate consequence of the MIP will be to strengthen the pricing power of domestic resin manufacturers. Industry associations report that domestic PVC prices rose almost immediately after the notification. This should not come as a surprise. Once cheaper imports are restricted, domestic producers face less competitive pressure and gain room to raise prices. The burden of this increase will be borne not by resin producers but by thousands of downstream manufacturers, the overwhelming majority of whom are micro, small and medium enterprises. These firms convert PVC resin into higher-value products and supply to sectors that are central to India's development. Higher prices will inevitably feed into the cost of irrigation equipment, drinking-water projects, housing materials, and electrical infrastructure. PVC pipes are integral to flagship schemes such as the Jal Jeevan Mission and Pradhan Mantri Kishin Sanchayee Yojana. Raising the price of their principal raw material means the government, effectively taxpayers, may end up paying more for the infrastructure it seeks to build. Equally important, many of these downstream firms are exporters. Higher input costs will erode their price competitiveness in global markets. Although the new rule is not applicable to export-orientated units, it is bound to create friction and complication.

The real reasons behind India's persistent PVC deficit need to be examined instead. Domestic capacity has lagged demand for years not only because imports have been cheap but also because India's PVC manufacturing ecosystem remains underdeveloped. PVC production depends on the availability of ethylene, the basic petrochemical feedstock from which ethylene dichloride (EDC) and vinyl chloride monomer (VCM) are produced. India has limited merchant ethylene availability while the domestic production of EDC and VCM is also inadequate, forcing manufacturers to rely heavily on imported intermediates. Delays in developing integrated petroleum, chemicals and petrochemical investment regions have further constrained access to feedstock and raised logistics costs. Clearly, the answer lies in expanding domestic production rather than restricting imports. That requires improving feedstock availability, building integrated petrochemical infrastructure, ensuring competitive access to EDC and VCM, and accelerating capacity creation. Thus, while gains from protection will be limited to a handful of large producers, it will increase costs and affect economic activity in a variety of sectors.

Justice delayed

India needs comprehensive judicial reforms

The Lok Sabha this week passed the Supreme Court (Number of Judges) Amendment Bill, 2026, which raises the sanctioned strength of Supreme Court judges from 33 to 37, excluding the Chief Justice of India. The Bill could have aimed to increase the strength further. Notably, the Centre has informed Parliament that over 10,000 cases at the Supreme Court remain pending for more than a decade. The situation in high courts is even worse — over 80,000 cases have been unresolved for over 30 years. This is despite spending over ₹9,800 crore since 2011 on judicial infrastructure and digitisation. Yet, pending cases continue to rise.

The numbers show that the Supreme Court is only a small part of the overall problem, and it accounts for only a minuscule proportion of the country's pending cases. Nearly all the burden lies with high courts and subordinate courts, where more than 50 million cases remain unresolved. High courts continue to face around 340 judicial vacancies out of the 1,122 sanctioned posts, while district courts have more than 7,300 vacant posts among the 30,868 sanctioned posts. Delays in appointments, shortage of court staff, inadequate infrastructure, frequent adjournments, weak case management systems, and limited use of technology have collectively slowed the pace of justice. Government departments also remain the country's largest litigants, accounting for a substantial share of pending cases through routine appeals and prolonged disputes. Unless this litigation culture changes and systemic bottlenecks are addressed, pendency will continue to accumulate. The government's recent proposal to establish fast-track courts for paper-leak cases indicates a broader shift towards specialised courts to address offences that demand speedy adjudication. However, experience shows that creating courts alone cannot ensure timely justice. As of April 30, 2026, 775 fast-track special courts (FTSCs), including 398 exclusive Protection of Children from Sexual Offences (POCSO) and e-POCSO courts, were functional in 29 states/Union Territories, yet pending cases increased from 204,000 in 2024 to 246,000 in 2025, as annual disposals declined. This suggests that creating specialised courts without addressing systemic constraints merely shifts the backlog.

Judicial reforms, therefore, need immediate policy attention. Filling vacancies through a predictable, time-bound appointment process must become the highest priority. It is critical to strengthen the subordinate judiciary, where citizens experience the justice system to the highest degree. Investment in trained court managers, stenographers, digital record management and modern courtroom infrastructure can significantly improve productivity. Better case-flow management, strict limits on unnecessary adjournments, and wider adoption of technology under the e-Courts Phase III programme can reduce procedural delays. Digital filing, virtual hearings, and transparent case listing can make courts more efficient without compromising due process. Also, there is a need for stronger mechanisms to filter cases before they enter the formal court system. Pre-litigation mediation for suitable civil disputes with clear mandates and effective administrative grievance-redress mechanisms can reduce pressure on regular courts while ensuring quicker dispute resolution. A well-functioning justice system will not only improve the ease of doing business, but also provide a big boost to the ease of doing business by ensuring the smooth enforcement of contracts.

Making ESG disclosures meaningful

India needs to align its ESG reporting norms with globally accepted standards to attract investments



ILLUSTRATION: AJAYA MOHANTY

Five years ago, in 2021, when the market regulator made business responsibility and sustainability reporting (BRSR) disclosures compulsory for listed companies in India from 2022-23 onwards, it was seen as a major step towards mandating non-financial disclosures by corporations. India was among the pioneers in doing so. Even the European Union made such disclosures compulsory only in 2024-25.

This was further strengthened by the introduction of BRSR Core in 2023, which prescribed third-party assessment of key performance indicators (KPIs), further strengthening the credibility of the scheme.

Environmental, social and governance (ESG)-related issues are gaining increasing importance globally. The BRSR guidelines need to be constantly reviewed in line with global developments, thereby maintaining their relevance for stakeholders. This column examines this issue and makes some suggestions for the consideration of the government and the regulator.

The BRSR guidelines mandate listed companies to disclose information under nine categories covering various aspects under ESG. As of now, the reporting templates are sector-agnostic. They need to graduate to sector-specific templates. Surely, the templates for a thermal power plant can't be similar to that of an IT industry. While the existing guidelines allow companies to report "not applicable" under columns that are not relevant to them, the disclosures can result in either information overload or a deficiency of relevant, sector-specific information. The regulator could use the National Industrial Classification to categorise different sectors while prescribing sector-specific templates.

The disclosure regime helps stakeholders to compare companies operating in the same sector. It would be more useful if disclosures under various parameters could also be compared with benchmarks, prescribed by the government/regulators for different activities. In the absence of benchmarking, it is not possible to judge the absolute performance of a company.

The government has various international commitments and domestic aspirations under different elements of ESG. It needs to figure out the contributions it expects from corporations towards meeting those commitments and aspirations.

For instance, under the environmental component of ESG, the government has committed to reducing the emission intensity of gross domestic product by 45 per cent by 2030 from 2005 levels and achieving net-zero greenhouse gas (GHG) emissions by 2070.

Naturally, these milestones cannot be achieved unless the targets are disaggregated across different activities and sectors, and progress is monitored. What does the government expect from corporations? Some sectoral GHG emission targets have recently been fixed for hard-to-abate sectors under the Carbon Credit Trading Scheme (CCTS). Companies in the covered sectors should be asked to clearly disclose their performance vis-à-vis those targets.

In fact, such targets should be fixed and performance monitored for more sectors. Going forward, specific targets should also be fixed for other parameters, such as water-use intensity and the proportion of renewables in total energy consumption. Similarly, under the social component, quanti-

tative and qualitative targets could be fixed for DEI (diversity, equity and inclusiveness), safety and labour code implementation. Under governance, in regulated sectors, regulators could prescribe linking executives' variable remuneration to ESG-related KPIs. Stakeholders could then assess the performance of the concerned companies against such benchmarks.

The BRSR coverage needs to go beyond the top 1,000 listed firms. While categorisation based on market capitalisation is an easy criterion to prescribe, it may not achieve the desired purpose. For instance, some of the most GHG-emitting industries could be outside the cohort of the top 1,000 listed companies. Also, many large companies whose ESG disclosures would be highly relevant prefer to remain unlisted.

Thus, the criteria need to be relooked, and the coverage expanded. Right now, the companies' boards don't have an exclusive committee to deal with ESG-related matters; the subject is typically handled by either the CSR committee or risk management committee. A separate board committee for ESG in materially significant companies needs to be prescribed by the regulator.

The inclusion of micro, small and medium enterprises under BRSR, including those that are value-chain partners of the covered entities, would need to follow a more gradual approach. They would need capacity building and hand-holding. To begin with, they could be covered under a lighter version of the regulations, say, BRSR-Lite.

While there are no universally accepted standards for ESG disclosures, for the reasons explained below, we need to gradually align our BRSR regime with international standards accepted in developed countries.

There is a general consensus among consultancy organisations, industry groups and researchers that in the foreseeable future we would need a substantial proportion of foreign funding to timely meet our sustainable growth goals. Many foreign pension funds, sovereign wealth funds, and other long-term investing funds have mandates from their investors to invest a proportion of these funds only in sustainable development projects. For them to invest in India, they would expect Indian companies to follow those standards that are applicable in their own jurisdictions.

Over the past few years, the sustainability reporting standards developed by the International Sustainability Standards Board, a body under the international financial reporting standards, have been largely accepted globally, and more and more jurisdictions have moved/are moving towards adopting them. We should, in consultation with all stakeholders, set a roadmap to align BRSR with these standards. If, based on our local conditions, we need to carve out some exceptions under certain parameters, we should have valid and convincing arguments to satisfy international investors.

The writer, a distinguished fellow at the Observer Research Foundation, is a former chairman of Sebi

Digital Neet: Secure, but is it fair?

As the debate over the National Eligibility cum Entrance Test (Neet) continues, the government's decision to shift the undergraduate medical entrance examination to a computer-based format from 2027, replacing the current pen-and-paper mode, marks a significant reform.

The move seeks to strengthen security, enhance transparency, and restore public confidence in the wake of the paper leak. These are important because a competitive examination draws its legitimacy from being secure and credible, and has to be trusted by those whose future depends on it.

Each year, millions of students compete for a limited number of medical seats through Neet, the most for any competitive exam, making its credibility critical to the country's education system. This year, over 2.2 million candidates took the test.

The transition from pen-and-paper to computer-based testing changes the nature of preparation itself. Familiarity with navigating digital interfaces, reviewing questions on screen, managing time electronically, and responding confidently under examination pressure can develop only through repeated exposure. These are not skills acquired suddenly. Rather, they are built gradually through opportunities to practice. Once the examination goes digital, access to computers becomes part of the preparation process.

The success of this transition also depends on the readiness of the examination system. Although several major competitive examinations are already conducted in a computer-based format, Neet will be the largest to make this shift and may require multiple shifts over several days, posing the challenge of ensuring comparable difficulty levels in question paper sets across sessions and appropriate score normalisation later. While these administrative and logistical challenges are critical to preserving the integrity of the

examination, the more fundamental question is whether every candidate has had an equal opportunity to prepare for a digital test.

Evidence from the recent NCAER-Quantum Hub report based on the India Human Development Survey (IHDS-III, 2022-24) (Ganguly et al., 2026) shows a large gap in technology ownership across the urban-rural divide. Only 4.7 per cent of rural households own a desktop computer or laptop, compared with 14.9 per cent of urban households. The digital divide is equally stark across economic groups, with computer or laptop ownership at just 1.2 per cent among the poorest households and 23.1 per cent among the richest. For some students, computer-based mock tests at home will be part of their daily routine; for many others, however, computers will remain beyond reach.

Owning a computer or laptop is only part of the problem. Digital preparedness remains equally uneven. IHDS-III shows that only 32.4 per cent of rural and 69.1 per cent of urban households know how to use a computer. Even among younger generations expected to participate in an increasingly digital education system, familiarity with computers remains far from universal. The country's digital transition has been remarkable, but digital preparedness has not progressed uniformly across regions, gender, and socio-economic groups.

Those with computers at home can enjoy an unfair advantage in the digital interface by building familiarity, speed, and confidence at no extra cost. Students who do not have a computer at home may still compensate by purchasing a device or enrolling in coaching institutes, or using private computer centres, if they can afford to do so. But for students from financially constrained families, it could impose an additional educational cost. They may have to travel farther and pay for access to computers or prepare with fewer opportunities to practise. They may there-

fore be disadvantaged, compared with their relatively affluent and urban counterparts.

Competitive examinations are meant to identify the most capable candidates, not those with greater access to resources. A computer-based examination introduces a new prerequisite for demonstrating merit: Familiarity with a digital interface. Students, familiar with computers, are likely to navigate the examination interface with greater speed, ease, and confidence than equally capable students with limited exposure to the device.

Every technological reform carries transition costs, and these costs are rarely distributed equally. Sustained investments in digital preparedness should therefore go hand in hand with the transition to computer-based testing. Expanding computer laboratories in government schools, providing free computer-based mock examinations, establishing district-level digital practice centres, and strengthening computer literacy well before students reach the examination halls could be some of the steps taken to provide a level playing field. These investments are essential to ensuring that the transition to computer-based testing remains fair, not only for Neet, but for all high-stakes examinations adopting the format.

The move towards computer-based examinations is both inevitable and desirable. But the transition to digital examinations should be accompanied by equal opportunities to prepare. As Neet enters the digital era, it is important that every student, regardless of their geographical location or socio-economic background, has an equal opportunity to adapt to the new system. Computer-based testing can make the examination more secure and transparent. Ensuring equal opportunities to prepare will make it fair as well. India needs both.

The writer is an associate fellow at the NCAER-National Data Innovation Centre. The views are personal

Searching for answers



ARUSHI BHASKAR

From time to time, reports on Google search data make the rounds in the news cycle. What is it about the Google Trends data that makes it so appealing as an object of curiosity and scrutiny? Is it the ubiquity of Google in our everyday lives now — the word became a verb for searching on the internet a long time ago, and it's the first reflex most of us have when confronted with a problem big

or small. From "how to register a company in India" to "weather today", Google is almost like a second conscience now for at least three generations, and it's precisely this phenomenon that Simon Rogers, data editor at Google, deals with in his new book *What We Ask Google*.

The book has 10 chapters based on the themes that they largely deal with: From everyday tasks such as cooking to scientific curiosity to seeking help regarding the deeper issues of life such as grief and love. These themes also represent the categories under which a major chunk of Google searches fall, offering a glimpse into the world in which we live together and how it has evolved since 2004, the year Google Trends data began. Mr Rogers heavily relies on data from the

United States (US) and the United Kingdom when he offers his analyses of what he sees in his everyday world, so the book might not offer a lot of insights for readers who are not from those two countries.

In the introduction, the author goes into detail about how search data is aggregated and emphasises that he "could not tell you how an individual searches even if I wanted to". It is this subtle way of assuaging fears about online privacy and how an individual's digital behaviour is in effect a blueprint for targeted advertising and other sinister phenomena associated with contemporary internet?

Mr Rogers also makes a case for the Google Trends data as the "most powerful dataset on earth". The first reason he gives is that since users are not restricted by public performance, as on much of social media these days, they present a more authentic version of how they are living their lives

through what they search for. The second reason is a bit more technical — "immediacy" — with the author claiming that it is possible to see spikes in search interests that have happened within the last five minutes at any time.

Much of the optimism in the book (its subtitle is "A surprisingly hopeful picture of humankind") stems from the observation that searches for "how to help..." have never been higher than in the mid-2020s. Mr Rogers writes that even though the world "may appear to be more polarised", the fact that more and more people are searching for methods to help others offers an optimistic direction to understand "what it means to be part of society in the twenty-first century". What he



What We Ask Google: A Surprisingly Hopeful Picture of Humankind by Simon Rogers. Published by Penguin Random House UK. 271 pages. ₹999

neglects to mention is that more individuals have access to the internet than any other point in history — governments actively try to include more people in the digital world, an internet connection is pretty affordable in many parts of the globe, and after the pandemic, entire industries have shifted online. Just because one corner of the internet offers a hopeful look at the world cannot necessarily mean that it is not a big reason many countries are seeing a rise in polarisation. This is not Mr Rogers or Google's headline, of course, but to claim that the searches for helping offer a "surprisingly hopeful picture" is perhaps a bit simplistic. The book doesn't delve enough into how artificial intelligence (AI)

is impacting search, especially since the top of the first page of results for a question-based Google search now offers users an AI-generated summary. The author merely says that the advent of AI has brought about longer queries, and that there is a "kind of cognitive offloading emerging where people are increasingly using it to make major life decisions, entire industries have shifted online, and relationships."

From the interest in health-related searches to people figuring out how to adjust to a world where working from home is a "new normal", *What We Ask Google* offers an interesting look at how the internet has evolved post the Covid-19 pandemic, which redefined the internet for societies everywhere. However, beyond this and the cool graphics, the book offers nothing ground-breaking for readers interested in the sociology of technology and the internet.

The Tribune

ESTABLISHED IN 1881

Births and deaths

Legal safeguards must not become barriers

THE passage of the Registration of Births and Deaths (Amendment) Bill by Parliament is a major step to strengthen India's civil registration system. The legislation introduces stricter norms for delayed registration by requiring an order from a judicial magistrate (first class) for births or deaths reported more than two years after the event, replacing the current executive approval mechanism for such cases. While the government's objective of preventing fraudulent registrations is legitimate, the amendment raises important questions about accessibility and inclusivity. India has made remarkable progress in civil registration — over 99% of the births and deaths are eventually recorded. The larger challenge today is not registration itself but ensuring that these events are reported within the prescribed 21-day period. Facilitating timely reporting, improving public awareness and enforcing existing provisions may therefore deserve greater policy attention than creating additional procedural hurdles. The government argues that judicial scrutiny will curb registration malpractices, particularly after birth certificates became the primary proof of identity for several public services under the 2023 amendments. However, the rationale for selecting the two-year threshold has not been clearly explained with empirical evidence. Moreover, delayed registrations often arise from genuine circumstances, including births in remote regions, migration and lack of awareness. The new law could increase costs as well as delays for the affected families.

Notably, the Bill was passed by both Houses amid persistent disruptions and without a comprehensive parliamentary debate. A law affecting every citizen's legal identity deserved detailed scrutiny and bipartisan engagement. A robust civil registration system is indispensable to governance, welfare delivery and electoral integrity. Yet its effectiveness must be measured not only by its ability to prevent fraud but also by its capacity to ensure that no genuine citizen is denied legal recognition. Safeguards must not become barriers to inclusion. Good governance lies in securing both administrative integrity and people's rights.

Drain discipline

Encroachments magnify Himachal's flood force

HEAVY monsoon rain may trigger flash-floods, but the scale of destruction is often determined by human actions. A recent study on the devastating Mandi flashfloods has reportedly concluded that encroachments along natural drains significantly amplified the disaster's impact, underlining an uncomfortable truth: while cloudbursts cannot be prevented, the damage they cause can certainly be reduced. The findings come even as Himachal Pradesh continues to reel under relentless rain. Hundreds of roads have been blocked in recent weeks, houses have been damaged by flashfloods and landslides, and several districts remain under weather alerts, exposing once again the fragility of mountain infrastructure and the vulnerability of settlements built too close to streams, rivulets and drainage channels.

The Himalayas are among the world's youngest mountain systems, inherently prone to landslides and flashfloods. Yet, rapid urbanisation, indiscriminate hill cutting, concretisation of slopes, narrowing of drainage channels and construction on floodplains have steadily increased the risks. Encroachments choke natural watercourses, forcing raging torrents to seek new paths through homes, roads and markets. Disaster management in hill states must move beyond relief and compensation towards prevention. Mapping and protecting natural drainage networks should become a planning priority. Illegal structures obstructing drains must be removed without political hesitation. Infrastructure projects should undergo rigorous geological and hydrological assessments rather than being driven by short-term commercial or electoral considerations.

Climate change is making extreme rainfall events more frequent and intense. That reality cannot be wished away. But converting every cloudburst into a catastrophe is not inevitable. Scientific planning, strict enforcement of land-use regulations and respect for the natural drainage system can save lives and livelihoods. Himachal's recurring tragedies should serve as a warning that nature's pathways cannot be occupied without consequences.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, THURSDAY, AUGUST 5, 1926

Currency Commission's report

ELSEWHERE in this issue will be found a very comprehensive summary of the main recommendations of the Royal Commission of Indian Currency and Finance, whose report has just been published, as well as a press communique embodying the decision at which the Secretary of State in Council and the Government of India have arrived on the basis of those recommendations. At the time when the Commission was appointed, general dissatisfaction was expressed in India both as to its constitution and personnel. Indian opinion had definitely asked for a Commission with a majority of Indian members and with a capable and experienced Indian as Chairman. The Commission that was actually appointed had six Europeans on it as against four Indian members, with a European Chairman. Indian opinion had also asked that the Indian members of the Commission should be public or business men in whom India had confidence, and who might be expected, in any conflict with the European members, to faithfully and courageously advocate Indian interests. Of the four Indian members of the Commission, only one belonged to this category. The other three had already been tried by the test of experience and found wanting, expected to support the government also in the present case.

NEET is flawed to the core

Paper leak signifies a crisis in the moral character of the system, not merely in its efficiency

KRISHNA KUMAR
FORMER DIRECTOR, NCERT

THE problem with NEET (National Eligibility cum Entrance Test) is not simply its tendency to leak. A far greater issue is that it is so crude. The lofty goal thrust upon it does not match its inner primitive core. NEET is supposed to find, among millions, who might best deserve to be admitted to a medical college. The method of performing this arguably difficult task is incredibly naive. It consists of listing 180 questions drawn from the three sciences, i.e. physics, chemistry and biology. These questions are all in one format. It presents four probable answers to each question. Only one of them is correct. The assumption is that if you are smart, you will spot it in a flash, mark it and move on to the next multiple-choice question (MCQ). That's what the format is called.

Why this format has swamped India is a question worth answering. From banking to medical colleges, just about every field now depends on the MCQ system to recruit candidates for education and employment. Why is it such a favourite?

For one thing, MCQs are amenable to industrial-scale examining and preparing. The coaching industry is now a bigger financial enterprise than education, and this industry loves MCQs. The system is also convenient for mechanised marking. This kind of marking conveys objectivity. Never mind the frequent paper leaks, what bothers a lot of people more is partiality, so if a method removes that, its popularity is hard to dent.



OUTRAGE: The paper leak scandal that hit NEET was not a one-off incident. TRIBUNE PHOTO

Basically, MCQ-based tests allow the elimination of a large number of candidates. The process of elimination is mechanical and thus impartial. This is why the process is regarded as being legitimate even if it is not quite valid.

The distinction between legitimacy and validity is important. Legitimacy refers to public perception and legal propriety. Validity, on the other hand, refers to the intrinsic connection of the method of the test with its purpose. In the specific context of NEET, nobody can argue that a student good at solving MCQs in physics, chemistry and biology at a great speed has both the potential and the aptitude to become a good doctor.

All that NEET does is to eliminate a great proportion from among the mass of applicants. How many among the eliminated might have the characteristics and stamina to pursue a doctor's career is not anyone's concern.

Even less of a concern is whether the eliminated belonged to the less-privileged sections of society. Success in NEET and other such tests is connected in a vast majority of the cases with coaching. The

No matter how advanced is the technology used for conducting NEET, its inner crude character will remain unaddressed.

expenditure incurred by candidates and their parents on coaching is substantial. A lot of students just can't afford coaching of any kind, let alone at one of the more reputed centres which spend enormous amounts of money on advertising their success rates, their coaches and the facilities available for a long stay. These ultra-commercialised services have made schools and their teachers irrelevant.

The paper leak scandal that hit NEET was not a one-off incident. In fact, it has been so common that people suspect it even

if an exam passes without a leak. Leakage of question papers does kill an exam; it also vitiates the social ethos in which young people live and struggle to succeed in an exam. Leakage of question papers is not new, nor is it the only form of cheating that the exam system in India has had to deal with. Long before paper leaks had become a dominant form of cheating, stories of success through unfair means were part of the popular lore of modern education.

Bringing any material that might help in solving questions was prohibited, but the practice was common enough to draw the attention of Rabindranath Tagore. In a bemused reference, the poet compared such students with Hanuman, who carried a whole mountain instead of just the particular herb that would save Lakshman's life.

In the post-Independence, pre-digital era, several other kinds of exam scandals arose. One was the "sale" of exam centres where candidates could comfortably copy answers from authentic sources like a textbook, or its "key", which was published in a convenient question-answer format. Some auctioned exam cen-

tres also provided live helpers who wrote the correct answers on a blackboard. Yet others offered the facility of proxy examinees whose knowledge was apparently greater than that of the nervous candidates.

There is, however, an axiomatic difference between cheating and paper leaks. The latter represents not just a systemic failure, but a breakdown of its assumed ethical structure. Hearing about a paper leak, a candidate must feel helpless — in the face of impending violation of his or her right to justice.

When paper leaks become routine, the suspicion is that the paper one is attempting was already known to some entrants and that they will get the advantage of their prior access.

This year, NEET was cancelled (and later re-conducted) because it was impossible to hide the leak. Last year, a dexterous legal exercise averted cancellation, but the limited re-examination left serious doubts about the scale of the leakage.

The suicides that followed this year's cancellation need not surprise us: they tell us how shocked the idealistic mind of 18-year-olds can be. The fact that the NEET paper leak resonated with so many young people who had no direct interest in the test underlines the point that leakage signifies a crisis in the moral character of the system, not merely in its efficiency or organising capacity.

No matter how advanced is the technology used for conducting NEET, its inner crude character will remain unaddressed. "Cracking" of a bunch of textbook-based questions from three science subjects at a superhuman speed has little to do with the motivation to become a doctor. Coaching outfits love the speed aspect. They drill the young to detect the distractors and spot the correct answer. This performance has nothing to do with learning or understanding, let alone with enjoyment that education is supposed to inculcate.

THOUGHT FOR THE DAY

As long as learning is connected with earning, so long must we take the exam system seriously. — EM Forster

Where there's a will, there's a job

VIKAS THAKUR

IN Ryszard Kapuscinski's much-acclaimed book *The Emperor: Downfall of an Autocrat*, I came across a character who worked in the palace and had an intriguing job. The Ethiopian Emperor had a pet dog, Lulu, who had a free run of the court. It was allowed to roam among the gathering and it used to urinate on the shoes of dignitaries, who were expected to remain still. The guy's sole job was to move around with a satin cloth to wipe the shoes clean. This way of earning a livelihood was certainly amusing.

As I thought about it, I could see many interesting occupations all around me — for instance, in the Manimajra auto market, known for its *juagad*. I was there to get my car's bumper fixed. The mechanic showed me a broken plastic bracket, and before I could ask him for a replacement, he called a 'plastic welder'.

Even as I wondered about this oxymoronic term, in came one Ali with an iron box full of burning coal and a variety of tongs and chisels. The coals were soon red-hot, thanks to the blowgun operated by him. He then deftly used the heated chisel to melt the broken ends of the plastic bracket, over which he laid a length of plastic rope used in an electric grass cutter and again duly melted it. Lo and behold, in no time the bumper was as good as new, and that too for a pittance.

In Meerut Cantonment, a large number of youth used to prepare for Army recruitment. On my walk, I used to see a young man running all year round. When I asked him whether he was unable to clear the tests, I came to know he was a 'pacer'. He used to run with candidates to set their pace! For a price, He also coached them.

I also know about doctors who once used to appear in medical entrance exams on behalf of aspirants in the days when verification was lax. In Haidwar, I found *pandas* who would charge you for eating the *Shradh* offerings for your ancestors! In Panchkula, I found a man doing monthly rounds on his rickshaw, announcing that he would buy human hair shed during combing at Rs 5,000 per kg. And there was this guy who went around the market asking Hindu traders for donations for his bedecked cow, which followed him everywhere.

There are professional witnesses and guarantors available on demand. We have people who are ready to lend their presence and voice for any protest against the establishment. With so many innovative fields of employment even in these times of AI-induced gloom, Trump tariffs, the Iran war and market meltdowns, I am sure that come what may, we Indians will manage to eke out a living!

The writer is a serving Colonel based in Panchkula

LETTERS TO THE EDITOR

Govt relied on Central control

Refer to 'What went wrong at Jantar Mantar'; law enforcement agencies used lathicharge, tear gas and preventive detention against students marching towards Parliament, which dramatically amplified public sympathy and national anger. Initial administrative silence regarding the deep distress and tragic student suicides linked to exam cancellations fuelled accusations of institutional callousness. Rather than initiating an early dialogue, the government relied on centralised control and defensive postures, allowing localised anger to morph into a unified national movement.

SS PAUL, NADIA, WB

GenZ's focus firm on issues

With reference to 'Why GenZ finally rebelled'; India's youth is reshaping priorities and rightfully so. Unlike earlier generations, they are less interested in politics of nostalgia, religion, or divisiveness. Their focus is firmly on issues that affect their daily lives — clean exams, high youth unemployment, declining living standards, soaring costs, limited job prospects despite higher education, job mobility, and income inequality. They are right in demanding attention to these urgent realities. This is not unique to India; similar youth-led movements are emerging worldwide, challenging entrenched elites reshaping the politics of the present and future. The older generation's role should be to mentor and guide.

HN RAMAKRISHNA, BENGALURU

Voters want change

Refer to 'BJP jolted'; the loss in the Bihar and MP bypoll is a great setback to the BJP which seemed to be invincible under the leadership of PM Modi. Prashant Kishor winning the Bankipur bypoll in Bihar, which was regarded as a BJP bastion, also reflects upon voters' aspirations for possible change. The Opposition will not leave no stone unturned to cash in on volatile issues like the GenZ agitation and donations theft at Ayodhya. How the BJP leadership regains its winning momentum shall be seen in the days to come. Neutralising the impact of the recent developments that have already hit the party's credibility greatly will be crucial in the UP Assembly poll.

RAVI SHARMA, DHARIWAL

Relaxation in barriers imperative

Apropos of 'Economic openings'; the prolonged blanket ban on ties and trade with Pakistan is akin to closing all roads and factories to avoid accidents. The surging internal strife notwithstanding, Pakistan, steered by the military and fundamentalists, continues to be incorrigible. However, trying a little relaxation in diplomatic, trade and people-to-people barriers is imperative. Pakistan punctures our foolproof stringent security protocols only due to traitors on our side and absolute zero tolerance to their hostile actions can sustain mutual gains of a possible thaw at Attari-Wagah and Kartarpur.

LALIT BHARADWAJ, PANCHKULA

Education, a long-term investment

Apropos of 'Punjab's universities struggle for survival'; education and healthcare are not expenses but long-term investments that determine a nation's progress. Chronic underfunding weakens teaching, research, innovation and infrastructure. Governments must provide stable and sustained support instead of treating higher education as a disposable budget item. Education deserves the highest priority in public policy because investment in education and healthcare yields lasting social and economic dividends. Citizens, too, must judge governments by their commitment to strengthening these sectors rather than by short-term populist promises, for they shape the prosperity, competitiveness and inclusive development of tomorrow.

K KUMAR, PANCHKULA

Failure at multiple levels

Refer to 'WFI ex-chief Brij Bhushan, aide cleared in wrestlers' sexual harassment case'; while the litigants had started to reconcile with the norm of justice delayed, it will be rather very hard to accept the denial of justice. It's the utter failure of our government and the legislature to enact foolproof rape laws; failure of our judiciary in allowing manipulation at the evidence stage of rape proceedings, with the executive being a mute spectator. How long will women continue to suffer gross injustice from their own governing dispensation? The government must feel ashamed of the judgment and should challenge the same before a higher court.

JAGDISH CHANDER, JALANDHAR

Letters to the Editor, typed in double space, should not exceed the 200-word limit. These should be cogently written and can be sent by e-mail to: Letters@tribuneindia.com

More work, less jobs



AJIT RANADE
NOTED ECONOMIST

It would be a mistake to view the recent students' march only as a protest against the mismanagement of examinations. For millions of young Indians, success in a competitive examination is one of the few remaining routes to a secure livelihood. When the integrity of that process is compromised, it means another year in an already prolonged wait for employment. The protests were as much about jobs as about examinations.

Entry-level private-sector salaries have hardly moved for a long time. The average monthly graduate fell from about Rs 21,800 in 2011 to Rs 19,573 in 2023. A government job, by contrast, offers much better pay, continuity, health benefits, social status and much greater protection against dismissal. Between 2004 and 2023, India produced roughly five million graduates every year, but graduate employment increased by only around 2.8 million annually. Even fewer obtained salaried jobs. Millions are either unemployed or working below their qualifications or in the waiting room for the elusive government job.

The Periodic Labour Force Survey reported an overall unemployment rate of 3.1% in 2025 and youth unemployment of 9.9%. But the 'usual status' measure can classify a person as employed even if he or she undertook a subsidiary economic activity for only 30 days during the previous year. Someone helping intermittently on a family farm, doing occasional delivery work or earning a small amount through self-employment may be statistically employed without having a stable livelihood.

More revealing is the wages picture. Average daily earnings of male casual workers remained unchanged at Rs 455 in 2025, compared with Rs 456 in 2024. Female casual earnings rose from Rs 299 to Rs 315. The spread of platform work must be understood in this setting. A recent promotional offer advertised an hour of domestic help for Rs 29.

This was a subsidised price charged to the customer, not the wage paid to the worker. Workers interviewed by a digital news publi-



MEAGRE: The average daily earnings of male casual workers remained unchanged at around Rs 455 in 2024 and 2025. ANI

cation reported monthly earnings that were often better than those available in traditional domestic work. Yet it also revealed rigid limits on leave, penalties, unpredictable breaks, long working days and close supervision through the app.

Platforms perform a useful economic function. They reduce search costs, match customers and workers, create new services and can bring some transparency into deeply informal labour markets. The policy response should not be to obstruct the gig economy.

Precarity is also appearing in occupations that were once regarded as secure. In IT sector, layoffs occur through reduced bench periods, performance improvement plans, skill-based exits and encouraged resignations. At the same time, researchers and engineers with scarce AI expertise are receiving exceptional salaries and stock awards. The labour market is becoming more unequal: extraordinary rewards at the frontier, but greater insecurity in routine coding, testing and back-office work.

This suggests that India must prepare for a future in which there may be plenty of work, but fewer conventional jobs. A job traditionally

implied a continuing relationship with one employer, a defined salary, predictable hours and some measure of social protection. Work in the future may increasingly be organised through projects, assignments, platforms and multiple short-term engagements. The gig worker, broadly defined, may no longer be a small or exceptional category. Flexible working arrangements could become the norm for a substantial part of the workforce.

Such flexibility can enable women with care responsibilities, older people, migrants and skilled professionals to participate on terms better suited to their circumstances. It can encourage entrepreneurship. But without an appropriate framework, flexibility for the employer can easily become insecurity for the worker.

India needs two objectives simultaneously: an environment in which the gig and platform economy can flourish, and a framework that makes such work decent. Social-security benefits must become portable across employers and platforms.

It is in this context that India's abstention from the ILO Convention on Decent Work in the Platform Economy does not bode well. The International Labour Organisation's Convention No 193 is the world's first legally binding treaty targeting app-based and digital platform work.

The representatives of both Indian workers and employers reportedly supported the convention, while the government delegate abstained. The government's choice raises concerns because India's domestic gig workforce is expanding rapidly, yet there is official reluctance to commit to binding global standards. India certainly needs more employment. The policy challenge is to protect workers, not jobs.

Credit: The Billion Press

The policy response should not be to obstruct the gig economy.

Pakistan debates its provinces



RANA BANERJI
EX-SPECIAL SECRETARY, CABINET SECRETARIAT, GOVERNMENT OF INDIA

ADDRESSING the Pakistan Economic Summit in Islamabad on July 30, Interior Minister Mohsin Naqvi said the present system of governance had collapsed and was incapable of resolving the country's problems. He urged all political parties to sort out the matter, including the issue of creating more administrative units quickly, as it was the only way to bring facilities closer to citizens. A new leadership was needed, Naqvi argued, holding that the country's youth wanted justice, merit and jobs.

A day later, Lt Gen Ahmed Sharif Chaudhry, Director General, Inter-Services Public Relations (ISPR), held a press conference where he endorsed the need for an administrative reset. But he did qualify that any such change must be carried out through constitutional means.

This is an obvious trial balloon, blessed by an impatient army leadership, which wants to pre-empt any possible public discontent reaching the streets elsewhere in the mainland, after having faced difficulties in containing the uprising in Pakistan-occupied Kashmir. It was worried especially in view of the economic malaise showing no signs of improvement.

The army may ultimately be wanting to move towards a presidential form of government, which could also lead to the undoing of the 18th amendment on the devolution of financial autonomy to the provinces.

Predictably, the Pakistan Muslim League (Nawaz) and the People's Party of Pakistan (PPP) have not taken kindly to the possibility of a disruption of their provincial fiefdoms, despite being told that the military establishment may not wait beyond six months to initiate the changes.

The PML (N)'s adviser on political affairs, Rana Sanaullah, observed, tongue in cheek, that the system failure, which was being bandied so casually, was a parliamentary democratic mechanism bestowed by Mohd Ali Jinnah. It was 'achieved as a result of politi-



CHANGE: Creating more administrative units is the only way to bring facilities closer to citizens, the Interior Minister feels. AP/PTI

cal struggle." Without naming Naqvi, he added that someone had just 'covered a 30-year journey in three and a half years.'

Not to be left behind, the PPP's former Senate chairman, Mian Raza Rabbani, observed that this proposal had stirred a hornet's nest and a debate on the subject would exacerbate the internal fault lines, strengthening terrorist movements in Balochistan, Khyber Pakhtunkhwa and other federating units.

Discussions in Pakistani media as well as blogs of dissidents abroad point towards smaller unit bifurcations affecting the existing provinces in the following manner: Punjab would be parcelled into five smaller units — Northern, Central, Southern Punjab, Potohar and Bahawalpur; Sindh into Karachi, Hyderabad, Mirpur Khas, Larkana and Sukkur; Khyber Pakhtunkhwa into Greater Peshawar, Malakand, Hazara and Dera Ismail Khan and Balochistan into Quetta, Makran (present coastal areas/districts), Zhob and Kalat.

Prime Minister Shehbaz Sharif is reported to have met brother Nawaz

Sharif to find ways to either legally delay the matter or probe discreetly whether there was a likelihood of dissent within higher army echelons to the reign of Asim Munir.

The Zardari clan seems equally perturbed. They would not like to shed control of the Greater Karachi milch cow, which would go to the Muttahida Qami Movement or an unstable Mohajir-Pash-tun coalition if the proposed bifurcations come through. They could signal to the army leadership two conditions for supporting the changes — one, control of the Karachi province as Chief Minister and two, a possible elevation of Bilawal Bhutto Zardari as Prime Minister. Neither of these may be acceptable to the army.

The PPP would also want to cater to the Sindh sentiment while renaming the bifurcated provinces. This may be easier for the army to accommodate.

The Pakistan Tehrik-e-Insaf's (PTI) concerns have been focussed on Imran Khan's incarceration, rumours of his ill-health and regular access to him by his close relatives. They cannot hope that this upheaval could be a precursor to Imran's release. Without his coming out, galvanising street dissent seems beyond their capacity.

Another factor could be the possibility of having more three-star-level positions in the field to appease disgruntled officers. If the plan for bifurcation of provinces comes through, it is not clear whether the corps commanders would function as overall supremos from behind the scenes or they would adjust to what would emerge as a new, untested variant of Pakistan's many hybrid experiments.

Political parties are not open to the possibility of a disruption of their provincial fiefdom.

Ceuta tests Spain's migration narrative



DENIZ TORCU
ADJUNCT PROFESSOR, IE UNIVERSITY

It is estimated that more than 50,000 migrants entered the small Spanish enclave of Ceuta in a single day after border security effectively collapsed. Ceuta, a Spanish city in North Africa, sits on Morocco's northern coast. The Spanish government has said almost all of the migrants have since returned to Morocco, and at least 57 have died. The public was left with only footage and photographs: people swimming and climbing on to Ceuta's Tar-

jal beach, tens of thousands in a single day and night, scores dead. With no explanations to back them, scenes like these land in the imagination first. And the imagination is where a country's attitude to migration is built. The Ceuta border crossing undermines one of Spain's more flattering ideas about itself. After enduring long years of fascist dictatorship, the country has spent recent years reasserting itself as a place that embraces migration and diversity while much of Europe talks about walls and defence.

This is a story Spain tells with conviction — a nation at the crossroads of Europe and Africa, shaped by centuries of cultural mixing. And it often puts these ideals into action. Six months ago, it opened a route to residence for hundreds of thousands of immigrants living and working in the country.

But national self-image and public opinion are more a cultural achievement than a legal one. They run on emotions, which makes them more vulnerable to misinformation

The Ceuta border crossing undermines one of Spain's more flattering ideas about itself.

and exploitation than any law. Opinions of people are reflected in the words they use. A day earlier, the public language of migration was neutral. It mostly concerned integration, work permits, the paperwork of settled lives. The next day, images emerging from Ceuta

showed a harder register as words like 'invasion', 'war', 'lood' and 'control' dominated across public statements and social media.

For ordinary people, this means the migrant, who could be a neighbour, a colleague or a classmate's parent, becomes a faceless figure, a number crossing a beach. A number is harder to grieve than a person, and language that deals in numbers can be cold.

Meanwhile, an image argues without making an argument. It moves the starting point of any conversation on the subject. The images from Ceuta mean that the Spanish government is forced to a position of explaining itself, while punitive ideas are waved through as common sense. Sentences that would have sounded ugly on Wednesday sounded sober by Friday. Moderate voices began to appear defensive and the burden of proof changed hands silently.

Optics are a gift for Europe's far right and it knows what to do with them. Despite losing an argument with the real numbers, the far

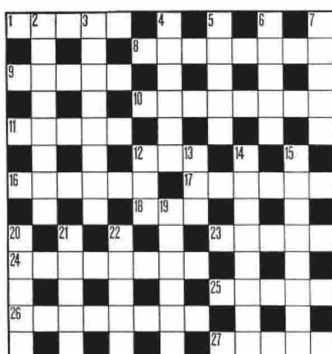
right can win because its aim is to make the story of a welcoming Spain look foolish. In the absence of any other information, videos and images do a lot of that work for it.

The leader of Spain's right-wing opposition party, the Partido Popular (PP), has linked the border crossing to the Spanish government's policy of mass regularisation introduced in February, claiming that it created a 'pull factor'. The leader of Spain's far-right Vox party went further, branding the arrivals an 'invasion' of military-age men.

But the moment its vocabulary stops sounding extreme, the mainstream right will have to answer in the same terms or risk looking weak. Once the conversation shifts, anyone defending Spain's image as an open, welcoming country is already on the back foot, apologising before saying a word. In the wake of the Ceuta incident, Spain stands to lose the ability to tell its story of welcoming immigration and embracing diversity without having to first apologise for it.

Credit: The Conversation

QUICK CROSSWORD



ACROSS

- 1 A form of football (5)
- 8 For each year (3,5)
- 9 19c Irish dramatist and wit (5)
- 10 Be quiet (4,4)
- 11 Alas! (5)
- 12 To cut grass (3)
- 17 Use as a means (6)
- 18 Slow clumsy boat (3)
- 23 Conveniently placed (5)
- 24 More than anything else (5,3)
- 25 Nominal (5)
- 26 Dismiss as unimportant (5,3)
- 27 Specify (5)

Yesterday's Solution

Across: 1 Talk turkey, 6 Pomp, 10 Mix-up, 11 Forgiving, 12 Prudence, 13 Banjo, 15 Unarmed, 17 Tarnish, 19 Natural, 21 Unequal, 22 Undue, 24 Accolade, 27 Temperate, 28 After, 29 Easy, 30 Bear garden.

Down: 1 Tame, 2 Luxuriant, 3 Tepid, 4 Refined, 5 Earnest, 7 Onion, 8 Pigeonhole, 9 Disburse, 14 Turn turtle, 16 Marketed, 18 Uninited, 20 Leakage, 21 Unclear, 23 Dumas, 25 Lhasa, 26 Iron.

SU DO KU



YESTERDAY'S SOLUTION

5	3	9	2	6	4	1	7	8
2	1	7	3	5	8	9	4	6
8	6	4	1	9	7	2	3	5
3	4	2	7	8	9	5	6	1
9	5	6	4	2	1	3	8	7
1	7	8	6	3	5	4	9	2
4	9	5	8	1	6	7	2	3
6	2	1	9	7	3	8	5	4
7	8	3	5	4	2	6	1	9

CALENDAR

AUGUST 5, 2026, WEDNESDAY

Shaka Samvat	1948
Shravan Shaka	14
Shravan Parvishat	21
Hijari	1448
Krishna Paksha Tithi 7, up to 8:43 pm	
Shoola Yoga up to 5:29 pm	
Ashwin Nakshatra up to 9:18 pm	
Moon in Aries sign	

FORECAST

SUNSET:	WEDNESDAY	19:14 HRS
SUNRISE:	THURSDAY	05:44 HRS
CITY	MAX	MIN
Chandigarh	32	24
New Delhi	33	24
Amritsar	35	27
Bathinda	38	26
Jalandhar	35	27
Ludhiana	34	25
Bhiwani	36	28
Hisar	36	28
Sirsa	36	29
Dharamsala	28	20
Manali	26	17
Shimla	22	17
Shrinagar	30	19
Jammu	33	24
Kargil	28	15
Leh	25	13
Dehradun	30	24
Mussoorie	21	18

temperatures in °C

The Statesman

Incorporating and directly descended from
the Friends of India - founded 1818

Youth Dividend

Governments often survive crises of policy. They find it much harder to recover from crises of perception. India's recent student protests over examination failures and paper leaks may ultimately be remembered less for the immediate political concessions they extracted than for the questions they raised about the relationship between the country's largest electoral constituency and its most powerful government.

The resignation of the Union Education Minister, legislative tightening of anti-paper leak provisions and promises of institutional reform were significant responses. But governments do not move with such speed merely because protesters demand it. They do so when they sense that an issue has begun to resonate beyond predictable political fault lines. That does not mean a political career is in jeopardy. India's electoral arithmetic remains firmly in the BJP's favour. Narendra Modi continues to be the country's most dominant political figure, and there is little evidence that a single movement can fundamentally alter that reality. Opinion polls conducted in the aftermath of the protests offer interesting snapshots of public sentiment, but they remain snapshots, not forecasts. Polling in India has an uneven record, and no single survey can establish the direction of long-term political change. Yet dismissing the protests as a fleeting outburst would be equally misplaced. The issue was never only about leaked examination papers. Competitive examinations represent the gateway to social mobility for millions of young Indians. When that gateway appears compromised, faith in merit itself begins to weaken. In an economy where formal employment remains scarce despite sustained growth, every cancelled examination or tainted recruitment process carries consequences far beyond administrative failure.

It deepens the fear that even hard work may not guarantee opportunity. This is where the protests acquired wider political meaning. They reflected not ideological rebellion but aspirational anxiety. The participants were not united by a common political programme. They were united by a belief that institutions responsible for determining their future must be competent, transparent and accountable. That demand cuts across party preferences.

For the government, this presents a challenge that cannot be resolved through communication strategies alone. Youth outreach on social media may improve visibility, but credibility depends on outcomes. Faster investigations, secure examinations, timely recruitment and visible job creation will matter far more than any digital campaign. The Opposition, meanwhile, should resist the temptation to mistake public frustration for electoral endorsement. Indian politics has repeatedly shown that governments usually lose because they fail to respond to accumulating discontent, not because their opponents automatically inherit public trust.

Unless the Opposition offers convincing alternatives on education, employment and institutional reform, transient anger may dissipate without producing political change. India has long celebrated its demographic dividend. That dividend was never guaranteed. It depends on whether the country's institutions can convert youthful aspiration into genuine opportunity. In the years ahead, the contest may not be over who speaks most effectively to India's youth, but over who demonstrates the capacity to deliver on the promise their ambitions demand.

Digital Mirage

The sea has always separated Africa from Europe. Today, however, the most dangerous crossing may begin not in the water but on a smartphone screen. The tragedy that unfolded off the coast of Ceuta, where dozens of young migrants lost their lives after attempting to swim into Spanish territory, is a grim reminder that social media has become one of the world's most powerful migration accelerators. The immigration crisis may not be triggered by geopolitical mastermind. Was this another instance of migration being weaponised by a hostile state? Did organised criminal networks orchestrate the exodus? Those questions deserve investigation, but they should not obscure a more immediate reality.

Tens of thousands of people acted because they believed a digital narrative that Europe had suddenly become accessible. That belief proved catastrophically false. For years, migration policy has revolved around physical barriers like higher fences, stronger patrols, surveillance drones and stricter border controls. Yet none of these can prevent a viral video from convincing thousands that a perilous journey offers a realistic chance of success. Information, whether accurate or fabricated, now travels faster than governments can respond. Border management has therefore become inseparable from information management.

The episode also exposes Europe's deep political divide over immigration. Even before rescue operations had concluded, the humanitarian disaster had become ammunition in domestic political battles. Governments favouring stricter immigration controls cited the incident as proof that liberal policies create irresistible pull factors. Others argued that misinformation, judicial rulings taken out of context and opportunistic political rhetoric had combined to produce panic rather than policy failure. The speed with which blame eclipsed empathy revealed how migration has become less a question of administration than of political identity. What should concern policy makers even more is the changing profile of migration itself. Many of those who entered Ceuta were not fleeing a sudden war or natural disaster. They were young people responding to a misplaced hope that a better future lay just across the water.

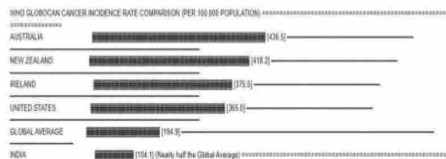
In an age dominated by short videos and algorithm-driven amplification, aspirations can be manufactured almost overnight. False expectations spread with extraordinary speed, while official clarifications arrive too late to prevent irreversible decisions. Europe will almost certainly respond with tighter external borders, greater coordination and more robust deterrence. Those measures may reduce future crossings, but they will not address the deeper challenge if digital misinformation continues to create waves of migration before governments even recognise they have begun. The lesson is sobering. The next time a digital narrative ignites a crisis of conflict, famine or diplomacy alone. It may begin with a trending hashtag, a viral livestream or a misleading post viewed millions of times. In the digital age, the first frontier is no longer the border. It is the screen.

Feeding 1.5 billion safely

An average Indian farmer utilizes nearly eight times fewer chemicals per hectare than the global average, and twelve times less than counterparts in the US and Europe. These objective data points prove that India's baseline chemical intensity is remarkably low, showing that global characterizations of widespread chemical excess are mathematically ungrounded

The average human life expectancy in India has risen to over 68 years, a substantial jump from the baseline of approximately 32 years recorded at independence in 1947. This critical advancement has been driven by systematic, technology-backed modernisations, including optimized irrigation networks, highly yielding seeds, resilient fertilizers, and targeted crop protection products. Driven by the Green Revolution, the nation successfully broke free from the shackles of chronic food deficits to feed its millions, achieving sustained self-sufficiency and commanding massive productivity surpluses in global food production. Crucially, this low-input, highly productive agricultural system now positions the nation to double its current agricultural exports from a stagnant \$50 billion to its true \$100-billion global trade potential within the next three years. Critics who attack this legacy frequently rely on outdated historical baselines. Highly toxic, first-generation chemicals marketed in the sixties and early seventies – such as endrin, lindane, and hexachlorocyclohexanes (HCH) – were systematically banned and purged from the domestic market decades ago, leaving exceptions like restricted DDT use strictly confined to public health vector control. India has achieved a critical milestone under its global commitments, moving to completely replace DDT in public health with safe, modernized alternatives. Modern Indian agriculture operates on a rigorous, data-verified foundation where plant protection products are applied at judicious, targeted levels, completely dismantling the archaic notion that India's crop surpluses are bought at the cost of widespread environmental poisoning. Despite this scientific evolution, sensationalist media and external advocacy groups frequently weaponize regional narratives to tarnish the country's agrarian reputation, creating non-tariff trade barriers that explicitly freeze India's export growth. The primary vehicle for this disinformation is the "Cancer Train" narrative. The "myth" of this specific train route is not that sick passengers do not exist, but rather the highly exaggerated, unscientific narrative that frames the region as a catastrophic, pesticide-induced wasteland and brands Punjab as India's "cancer capital".

The reality behind Train No. 1488/339, which runs an overt 32-hour train route from Bathinda in Punjab to Bikaner in Rajasthan, is fundamentally economic rather than environmental. Indian Railways offers free tickets for cancer patients and steep discounts for their companions. This transforms the train into a critical financial lifeline heading toward the Acharya Tulsi Regional Cancer Hospital and Research Centre in Bikaner, a premier facility renowned for highly affordable, subsidized oncology care. The train serves as a general-transit and multi-use medical corridor, carrying passengers seeking various



low-cost diagnostic treatments alongside its noticeable contingent of oncology patients. Comprehensive public health data confirms that Punjab actually ranks in the lower to moderate tiers of per-capita cancer incidence compared to several other Indian states, flatly contradicting the "cancer belt" hysteria.

Patients board this train not because healthcare infrastructure in Punjab is non-existent, but because Bikaner's government-backed subsidies offer unparalleled relief to low-income families. Attributing these regional cases solely to Green Revolution agrochemicals oversimplifies a complex disease. Medical experts universally recognize that cancer is a multifactorial condition driven heavily by lifestyle factors, widespread tobacco use, regional dietary habits, genetics, and general aging, rather than a single environmental factor. When subjected to rigorous mathematical normalization, the claim that India overuses agricultural chemicals collapses completely. Comprehensive data compiled by the Food and Agriculture Organization (FAOSTAT) establishes that the global average for pesticide application stands firm at 2.40 kg per hectare (kg/ha). Highly industrialized nations apply crop protection chemicals at vastly higher densities. China leads the high-input index at an intense 1307 kg/ha, followed closely by Japan at 1180 kg/ha, while Western agricultural hubs like Germany and the United States maintain application densities of 400 kg/ha and 357 kg/ha, respectively. In sharp contrast to these heavily intensive systems, India's national average footprint remains remarkably low, hovering between 0.29 and 0.31 kg/ha. This means an average Indian farmer utilizes nearly eight times fewer chemicals per hectare than the global average, and twelve times less than counterparts in the US and Europe. These objective data points prove that India's baseline chemical intensity is remarkably low, showing that global characterizations of widespread chemical excess are mathematically ungrounded.

The ultimate exposure of this global defamation campaign lies in a direct, side-by-side comparison of international epidemiological statistics against India's actual oncological standing. According to official data from the World Health Organization's International Agency for Research on Cancer (IARC GLOBOCAN), nations with the heaviest agricultural chemical dependencies report the highest cancer frequencies on Earth. The global average age-standardized cancer incidence rate stands at 196.9 cases per 100,000. India's incidence rate, based on nationwide cancer data, stands at 119.4 cases per 100,000 population – a figure that is nearly half the global average and less than a third of that frequency observed in North America and Western Europe. If Indian crop

inputs were causing a widespread health catastrophe, India's numbers would mathematically eclipse the global baseline. Instead, the reality of the data blows the false health link apart. It proves that India is successfully feeding its one and a half billion people with vastly safer, lower-residual food, and that its actual health profile has been deeply distorted by external actors. If the data vindicates Indian farming, why does international scrutiny persist? The answer lies in the geopolitical weaponization of Maximum Residue Limits (MRLs) to construct non-tariff trade barriers.

International advocacy networks regularly monitor compliance portals like the European Commission's Rapid Alert System for Food and Feed (RASFF). Between mid-2024 and mid-2026, European border customs issued 365 distinct notifications halting Indian agricultural consignments. These actions were rarely driven by genuine toxicological hazards. Instead, they stemmed from minor technical deviations against the EU's default analytical threshold of 0.01 mg/kg – a near-zero limit equivalent to just 1 gram of active ingredient per 100 metric tons of agricultural produce. Minor overages of ethylene oxide in spice blends or tricyclozole in Basmati rice are routinely amplified by Western agricultural lobbies and foreign-funded advocacy groups to brand all Indian produce as "toxic". This strategy serves a clear economic purpose. By triggering public anxiety over imported food items during Free Trade Agreement (FTA) negotiations, protectionist lobbies pressure governments to enforce arbitrary screening blockades.

This insulates Western domestic farmers from competing with highly affordable, competitive Indian agricultural goods. According to data from the Agricultural and Processed Food Products Export Development Authority (APEDA), these targeted trade disruptions cost the Indian economy an estimated \$340 million annually in lost cargo valuation, mandatory returns, and cancelled contracts, directly penalizing high-value fruits, chilis, and processed foods. To protect its international trade potential and secure its farming communities, India must transition beyond passive defence to implement aggressive, structural reforms at the policy and ground levels: Enact a Modernized Pesticides Management Bill. The regulatory framework must step past the outdated Insecticides Act, 1968. The revised legislation must mandate a strict twelve-month sunset window to systematically review existing chemical registrations. Because India spans diverse tropical and sub-tropical climates, its agronomic requirements naturally differ from Western ecosystems. India actively cultivates a record 54 distinct crops – a biological diversity unmatched globally – meaning molecule choices must be tailored to specific local pest matrices. Uphold Scientific Sovereignty: The

World Health Organization (WHO) explicitly states that sovereign nations have the independent authority to determine their own pesticide protocols based on local crop cycles, weather variables, and insect patterns. For instance, while non-rice producing nations may ban paddy-specific chemistries due to lack of local utility, India must preserve inputs critical to its staple rice security. Historically, the Ministry of Agriculture and Farmers Welfare has relied on scientific peer-review panels – including the Dr. Bhanu, Dr. Banerjee, Dr. Mayee, Dr. R.B. Singh, and Dr. Anupam Verma Committees – to restrict or phase out harmful agents based on objective consensus rather than arbitrary external narratives. Accelerate the Shift to Green Chemistry: India has actively phased out legacy toxic formulations (historically marked by red rectangle labels). These high-volume inputs have been replaced with advanced green chemistry solutions that drive environmental load down from multiple kilograms per hectare to a precise 200-1000 grams per hectare. Consequently, Ministry of Chemical & Fertilizer data shows that while the national acreage under plant protection expanded annually to bridge yield deficits, the total physical volume of chemicals consumed continues to decline. Currently, only 40-50 per cent of India's arable land utilizes structured, plant protection, leaving room for sustainable infrastructure growth.

Eradicate Spurious Inputs with Blockchain Traceability: Unlicensed, counterfeit manufacturers operating without legitimate CIB registration routinely exploit credit-deficient smallholders by pushing unauthorized chemical cocktails misbranded as "organic formulations" or "bio-stimulants". A recent market analysis in Karnataka examining 250 suspicious samples revealed an alarming reality: 100 per cent of the audited products were illicit chemical cocktails, some containing up to 12 undeclared synthetic molecules. This included unapproved entities like nitrofen and pyridaben, which are unregistered in India and point to cross-border smuggling networks. Enforce Heavy Legal Penalties: The bill must neutralize these elements by enforcing non-bailable criminal prosecution, a minimum 7-year prison term, and a Rs 50 lakh fine for input counterfeiting. This enforcement loop must be locked via a mandatory National Agrochemical Traceability Network, using serialized, tamper-proof QR codes on all packaging to map every container from the factory to the field. All labels must explicitly display the manufacturer's name, address, email, contact numbers, and proper educational leaflets. Scale Precision Biocontrol via FPPOs: Spray-eliminating by untrained individuals must be systematically phased out. Farmer Producer Organizations, NGOs, agricultural cooperatives, and institutional bodies must be financially incentivized to deploy professional "Spray Doctor" modules. Equipped with advanced AI-driven precision agricultural drones and proper Personal Protective Equipment (PPE), these specialized teams will minimize occupational exposure, expand the use of eco-friendly biocontrols like Trichoderma viride, and guarantee strict compliance with mandatory Pre-Harvest Intervals across all chemical, biological, or nutrient inputs. By combining an unyielding, data-backed defence on the international stage with a rigorous internal clean-up of our domestic supply chains, India can protect the health of its farmworkers while securing its position as an unassailable trade powerhouse. Removing these non-tariff trade bottlenecks gives India the direct capacity to break through its current \$50 billion agricultural export stagnation and double its global trade footprint to \$100 billion within the next three years.



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Viet Nam News

Rights holders should be more proactive in protecting their rights

Viet Nam constantly strives to improve its legal framework to protect copyright and related rights to encourage intellectual work and creativity among people, publishers and rights holders. We have established laws and regulations to meet requirements on these rights from eight out of nine international treaties that Viet Nam is bound to. Most recently, in 2025, we amended the Law on Intellectual Property, adding provisions on copyright enforcement in the digital environment, particularly on the use of artificial intelligence to support the creative process. We have also amended the decree that stipulates

administrative penalties for copyright and related rights violations. Decree 341, dated December 26, 2025, added new acts of infringement, including copyright infringement in the digital environment and cyberspace, and specified the responsibility of internet service providers in coordinating with copyright holders to remove infringing digital products. Individuals and organisations involved in the violations are also subject to strict penalties. The Copyright Office is also coordinating with copyright enforcement agencies and increasing

communication efforts to raise people's and businesses' awareness on these rights. We have also collaborated with the Police Department of Cyber Security and High-Tech Crime Prevention (A05) to combat high-tech crime and implement cooperation programmes to enforce copyright in cyberspace.

Alongside these activities, recently, with the efforts and determination of the Government in Official Dispatch 38 sent to concerned ministries and departments across the country, awareness-raising campaigns on intellectual property enforcement have been intensified. We are also proposing amendments to

the Criminal Code regarding acts of copyright infringement, including infringement in the digital environment, to make the penalties more severe and deterrent.

Businesses must review their operations and the software products they're using. If there is any unlicensed software, they must immediately contact the copyright holders to purchase a licence.

We are trying to organise training programmes for businesses on copyright issues. Our office is always ready to cooperate and support organisations, individuals, and businesses in improving their awareness and compliance with the law on these issues.

Letters To The Editor ✉ editor@thestatesman.com

Credibility

Sir, Even before the six-member committee constituted by the Modi government to suggest measures to make national examinations tamper proof, a series of incidents in National Testing Agency (NTA), and ensure that examinations are conducted in a free and fair manner could compromise its work. It is surprising that V. Kamakoti, Director of IIT Madras and a member of the committee, has virtually given a clean chit to the NTA.

Further, he has chosen to place the blame primarily on the media for leaking test papers for the leaks and malpractices that have allegedly plagued NEET ever since its introduction in 2017. Adding insult to injury, he remarked, "We need teachers whom we

can trust, who will set the question paper and keep quiet," as though teachers alone were responsible, while conveniently overlooking the possibility that such large-scale irregularities could not occur without systemic failures. And, as some critics allege, the support or protection of powerful interests. If a member of the committee appears to have formed conclusions even before the inquiry has begun, the credibility and purpose of the committee itself may be called into question. Yours, etc., Tharcus S. Fernando, Chennai, 30 July.

Citizenship

Sir, India is the most populous country in the world. However, if a citizenship verification

were to be conducted for every citizen today, perhaps 50 to 70 per cent of the population would be unable to prove their citizenship. This is because the government has already stated that documents such as passports, bank passbooks, Aadhaar cards, PAN cards, and voter ID cards do not guarantee citizenship.

Even if I have held a voter ID card for the past 40 years, it offers no guarantee that I am a citizen of this country. The Calcutta High Court has now confirmed this position. The Court observed that all these documents and ancestral land records do not constitute conclusive proof of Indian citizenship. It dismissed a habeas corpus petition filed by an individual. The petitioner claimed to be the uncle of the detained person and alleged that his nephew had been wrongfully detained

since 18 June 2026. According to the court, "The petitioner and the detained individual have failed to fulfill the obligation of presenting the necessary evidence under the Immigration and Foreigners Act, 2025". It is surprising that while common identity documents, such as Aadhaar cards, PAN cards, Voter ID cards (EPIC), and driving licences, establish residence, identity, or voting rights, none of them individually serves as legal proof of citizenship. Now, suppose a person is 70 years of age or older and has lost their school-issued birth certificate or school leaving certificate. They would then lose their Indian citizenship in the twilight years of their life?

Yours, etc., Jang Bahadur Singh, Jamshedpur, 30 July.

The tale of two Kashmirs

RAJA MUNEEB

For more than seven decades, Jammu & Kashmir and Pakistan-occupied Jammu & Kashmir (POJK) existed under two different political systems. Geography may have divided the region in 1947, but governance has shaped fundamentally different societies. One has evolved through constitutional institutions, electoral accountability and expanding developmental infrastructure. The other continues to function under a structure where ultimate authority rests not with the people but with Pakistan's military establishment, leaving local institutions with little autonomy.

The contrast is no longer confined to constitutional documents or political theory. It is visible in roads and schools, in elections and protests, in public investment and public dissent. While J&K has witnessed multiple democratic exercises, massive infrastructure expansion and increasing integration with India's constitutional framework, POJK continues to experience recurring protests against inflation, shortages, unemployment, political marginalization and heavy-handed state response. These developments represent two competing models of governance: constitutional democracy versus administrative control, local empowerment versus systemic disenfranchisement, and developmental integration versus chronic neglect.

The story of these two regions is therefore not merely one of territorial dispute. It is increasingly becoming a comparison between two governance models whose outcomes are visible in the lives of their populations.

J&K as an integral part of India functions within India's constitutional framework. Citizens participate in elections, approach independent courts, exercise rights guaranteed under the Constitution and engage with institutions ranging from Panchayats and municipal bodies for legislative and parliamentary representation. Political disagreements are expressed through electoral competition, judicial review and democratic debate. Governments change through ballots rather than administrative decrees.

POJK presents a fundamentally different constitutional reality. Although it possesses a legislative assembly and a prime minister in name, the decisive levers of authority remain concentrated in Islamabad. Constitutional arrangements

governing the territory have historically limited genuine political autonomy, while strategic, financial and security decisions remain heavily influenced by Pakistan's federal government and military establishment. Local institutions therefore operate within boundaries defined elsewhere.

This distinction becomes important during periods of political unrest. Democratic systems permit governments to face criticism, opposition campaigns, judicial challenges and electoral consequences. Authoritarian systems, by contrast, often interpret dissent as a security problem rather than a political question. The ongoing protests across POJK illustrate precisely this difference.

Over the past several months, thousands of residents have repeatedly mobilized over rising electricity tariffs, wheat shortages, unemployment, inflation, inadequate public services and growing frustration with Islamabad's policies. Demonstrations have spread across multiple districts, reflecting grievances that extend far beyond a single economic issue. Protesters have increasingly framed their demands not merely around prices but around dignity, representation and the right to determine their future.

The state's response has exposed the structural imbalance between citizens and authority. Security deployments have expanded, protest leaders have been detained, demonstrations have been dispersed by force and allegations of excessive use of power have repeatedly emerged. Images of police action, reports of injuries and claims of arbitrary arrests have reinforced the perception among residents that peaceful political expression remains vulnerable to coercive suppression.

These are not isolated incidents but manifestations of a governance structure where maintaining administrative control frequently takes precedence over political accommodation. When institutions lack meaningful autonomy, dissent naturally encounters coercion rather than negotiation.

J&K presents a markedly different institutional framework. Political disagreements certainly exist, as they do in every democracy, but mechanisms exist for contestation through elections, judicial intervention, media scrutiny and legislative politics. Panchayat representatives, District Development Councils, municipal corporations and

elected representatives provide multiple layers through which citizens can influence governance. While these institutions continue to evolve and face their own challenges, they nevertheless represent constitutional avenues unavailable under authoritarian systems.

Perhaps the clearest illustration of this divergence lies in grassroots governance. One of the defining features of democratic consolidation is decentralization. Governance becomes meaningful when citizens can influence decisions affecting their villages, towns and districts rather than relying exclusively on distant capitals.

In J&K, strengthening of Panchayat Raj institutions, Block Development Councils and District Development Councils has significantly expanded local participation in governance. Thousands of elected representatives now participate in planning local infrastructure, allocating developmental priorities and addressing community concerns. Funds increasingly flow directly to grassroots institutions, enabling local decision-making rather than purely centralized administration.

Grassroots democracy is not simply about elections. It creates accountability because local representatives remain directly answerable to their communities. Roads, drinking water schemes, schools, healthcare facilities and public works increasingly become subjects of local political debate rather than distant bureaucratic discretion.

POJK lacks comparable grassroots empowerment. Decision-making remains heavily centralized, with financial dependence upon Islamabad limiting local autonomy. Many critical developmental decisions ultimately depend upon federal priorities rather than local democratic mandates. Consequently, public dissatisfaction accumulates because institutional mechanisms for meaningful local accountability remain weak.

When democratic participation is limited, frustration naturally migrates from council halls to streets.

The divergence becomes even more striking when development is examined. Infrastructure is often the most visible measure of governance. Citizens may disagree politically, but they experience roads, hospitals, electricity, schools and connectivity every single day.

Across J&K, the last decade has witnessed unprecedented investment

in transport, healthcare, education and tourism infrastructure. National highways have been expanded, tunnels have reduced travel times across mountainous terrain, railway connectivity continues to move closer toward complete integration with the Kashmir Valley, new bridges have improved accessibility, airports have been modernized and rural road connectivity has expanded substantially.

Healthcare infrastructure has similarly witnessed considerable investment through new medical colleges, AIIMS campuses, upgraded district hospitals and expanded health services. Educational institutions have grown, tourism infrastructure has improved and digital connectivity has accelerated economic integration.

Large infrastructure projects have transformed not merely transportation but economic geography itself. Improved logistics reduce isolation, attract investment, strengthen tourism, facilitate trade and generate employment. Development thereby reinforces political stability by expanding opportunities available to ordinary citizens.

The picture across POJK is considerably different.

Many regions continue to struggle with deteriorating roads, unreliable electricity, inadequate healthcare facilities, weak educational infrastructure and limited industrial development. Residents frequently complain about prolonged power shortages despite the region's vast hydropower potential. Basic civic infrastructure remains uneven across districts, while economic opportunities remain constrained by limited investment and centralized decision-making.

The irony is particularly striking. POJK possesses enormous hydroelectric resources, yet many residents continue protesting over electricity tariffs and shortages. Resource-rich regions remain unable to fully benefit from the wealth generated within their territory because larger policy decisions remain concentrated outside local control.

This contradiction has become a recurring source of public anger as the economic development also reveals fundamentally different trajectories.

J&K increasingly seeks integration with India's broader economy through industrial incentives, tourism expansion, start-up initiatives, improved logistics, agricultural modernization and digital governance. Public and private investments



increasingly complement each other, creating long-term opportunities for employment and entrepreneurship.

POJK remains significantly dependent upon fiscal transfers from Islamabad. Limited industrial diversification, constrained private investment and recurring fiscal challenges continue restricting long-term economic growth. Youth unemployment remains a persistent concern, encouraging migration while simultaneously fuelling political dissatisfaction.

Economic dependency often reinforces political dependency. Regions lacking autonomous economic capacity frequently struggle to exercise meaningful political agency. Hence the democratic contrast extends beyond economics.

A constitutional democracy derives legitimacy through consent. Elections may produce governments that citizens support or oppose, but authority ultimately rests upon constitutional processes accepted by the population. Citizens retain the ability to replace governments peacefully.

Authoritarian structures derive legitimacy primarily through administrative control rather than continuous democratic accountability. Stability therefore depends increasingly upon security institutions rather than representative institutions.

The recurring protests in POJK demonstrate this dilemma. Public dissatisfaction repeatedly resurfaces because institutional mechanisms for resolving grievances remain limited. Security responses may temporarily suppress demonstrations, but they rarely eliminate underlying political frustration.

J&K's democratic institutions are not without challenges. Democracies are inherently imperfect because they constantly negotiate competing political interests, ideological differences and developmental priorities. Yet precisely because democratic institutions permit peaceful disagreement, they possess greater capacity for long-term adaptation.

That distinction matters profoundly. When citizens believe institutions can eventually respond, they continue participating within constitutional frameworks. When institutions appear permanently insulated from public accountability, frustration increasingly spills into confrontation.

The comparison between J&K and POJK therefore extends beyond geopolitics. It is fundamentally a comparison between two political philosophies.

One emphasizes constitutional participation, electoral legitimacy, decentralization and developmental integration. The other remains constrained by centralized authority, institutional dependence and recurring cycles of political unrest.

As fresh protests continue to unfold across POJK, the contrast has become increasingly difficult to ignore. On one side stands a region where political disagreements are increasingly channelled through constitutional institutions and expanding local governance. On the other stands a territory where repeated public protests highlight persistent demands for representation, accountability and equitable development.

Ultimately, the difference between J&K and POJK is not simply who administers the territory. It is how power is exercised, how citizens participate, how institutions respond to dissent and how development reaches ordinary people. Democracy is measured not by constitutional vocabulary alone but by the everyday ability of citizens to influence their own future. In that comparison, the trajectories of the two regions have grown steadily farther apart with one moving toward deeper constitutional participation and infrastructure-led development while the other continues to grapple with centralized control, recurring public unrest and enduring questions over political agency under a militarized occupation.

The writer is an independent journalist and columnist, focusing on Indian, national security and South Asian strategic affairs.

Women could well unite Parliament and Gen-Z

SRINIVAS MADHAV

The Monsoon Session of Parliament, set to conclude on August 13, stands at a critical juncture. The government faces a defining test of its political will regarding three pivotal pieces of legislation: the Delimitation Bill, 2026; the Constitution (131st Amendment) Bill, 2026; and the Union Territories Laws (Amendment) Bill, 2026.

Brought forward to fast-track the implementation of the women's quota for the 2029 Lok Sabha elections, rather than waiting for the distant 2034 timeline set by the *Nari Shakti Vandan Adhiniyam*, 2023, these Bills are now reportedly at risk of being dropped. Rattled by the ongoing nationwide youth protests and a perceived loss of confidence, the government now appears reluctant to move forward.

On July 17, Union Minister Ramdas Athavale confidently declared that the NDA's strengthened numbers in Parliament, coupled with the expected support of parties such as DMK and NCP (Sharad Pawar), had cleared the way for the passage of the Bills during the current session. Even the Opposition may support the Bills if they ensure a proportional 50 per cent increase

in seats for every State and Union Territory. This optimism was meant to turn the page on the events of April 17, when the Constitution amendment Bill was defeated, failing to secure the required two-thirds majority in the Lok Sabha.

Now, even after securing an arithmetic advantage, the government's hesitation in the face of the continuing protests is a tragic miscalculation. The nationwide Gen-Z agitation, led by the satirical but highly effective Cockroach Janta Party (CJP) movement, has achieved the unimaginable: dismantling a long-standing climate of fear in public life. The protests, which culminated in the resignation of Union Education Minister Dharmendra Pradhan over examination irregularities, proved that Indian youth can successfully demand systemic accountability.

But this movement is not just about exam papers. A considerable number of the youth who occupied the streets were young women and girls. Crucially, the third of the five core demands in the CJP manifesto explicitly calls for 50 per cent reservation for women, without increasing the overall strength of Parliament, alongside a mandate for 50 per cent of all Cabinet positions to be held by women.

The youth are not demanding that the government halt its progress on women's rights; they are demanding the government go further. Dropping the 33 per cent reservation Bill in response to a movement demanding 50 per cent representation is a paradox the government must avoid.

Furthermore, the CJP should not stop its demands at the Cabinet level. To achieve true systemic change, the youth movement must look to global precedents and extend this demand to the judiciary as well. Mexico, for example, achieved sweeping equality in its executive and judicial branches through the historic *Paridad en Todo* (Party in Everything) policy. Remarkably, as a result of such progressive shifts, women now hold the majority in the Mexican Supreme Court (5 out of 9 judges). The CJP must push for a similar, all-encompassing parity in India's Constitutional courts to ensure justice is genuinely representative.

Why is this legislative urgency so vital? Research consistently demonstrates that mixed-gender decision-making teams are more rigorous and less prone to groupthink, with group performance peaking near a 50:50 gender balance. As the Nobel Committee for Economic Sciences noted in 2023,

the unequal allocation of female talent is not merely an equity failure, it is an efficiency failure."

India's own Panchayat Raj Institutions are a living testament to women in governance. With over 1.4 million women holding elected positions (46 per cent of all local representatives), grassroots women leaders have transformed their communities. From women sarpanches in Telangana shutting down local liquor shops to village leaders in Uttar Pradesh promoting dowry-free marriages and councillors in Maharashtra abolishing regressive widow-shaming rituals, women leaders have consistently demonstrated that empathy and effective statecraft go hand in hand.

The journey from the panchayat to Parliament is both proven and possible. Union Ministers Savitri Thakur and Raksha Nikhil Khadse, who began their public careers in local governance, are living proof that India has a deep reservoir of women leaders ready for Parliament and beyond. If women can successfully govern villages, they are more than ready to govern from the benches of the Lok Sabha and the halls of the Supreme Court.

This moment offers a rare opportunity for the government and the CJP

movement to actually work together. Women's political empowerment offers a rare, non-partisan opportunity for the state and the youth movement to collaborate. The state and the protesting youth do not need to fight on every single issue. While they recently clashed fiercely over the education scandal, the empowerment of women stands as a unifying cause. The government wants to fast-track the women's quota for 2029; the youth are demanding 50 per cent reservation across Parliament, the Cabinet, and, ideally, the judiciary.

The CJP protests marked a major turning point in India's democratic discourse, forcing the state to back down and ensuring accountability. Having won a massive victory for transparency in education, this youth coalition should now direct its formidable energy toward securing women's political representation by urging the state to pass these Bills. Let all sides rise above politics in the national interest and enable the young women who bravely faced down the establishment to become equal partners in nation-building.

The writer is a transparency and equality advocate and co-founder, SIABI Foundation.

100 Years Ago

News Items

GOVERNMENT & THE NIZAM

INTERNAL AFFAIRS OF HYDERABAD

(FROM OUR CORRESPONDENT) LONDON, AUG.

The London newspapers give considerable prominence to stories from India which amount to an allegation that the Nizam of Hyderabad has been given an ultimatum demanding the cessation of alleged abuses and the setting up of an efficient system of Government within Hyderabad.

Whitehall is at present not prepared to make a statement, feeling that the matter is best left to the handling of Simla. — Copyright.

WAR ACTIVITIES

LIFE SENTENCES ASKED FOR PLOT LEADERS

("TIMES" SPECIAL SERVICE.) LONDON, AUG.

The "Times" Ankara correspondent states that the trial has begun of the 49 members of the Committee of the Union of Progress, barely half of whom were present in connexion with incidents arising from war activities.

The German Chargé d'Affaires listened interestedly while Kutuchum Talat, one of the accused, emphasised Enver Pasha's desire to continue the war at all costs. Talat thought Kemal was the only man capable of saving Turkey.

The prosecutor, Nedjib Ali Bey, accused the defendants of organising a plot for a coup d'état and also of launching Turkey into the war. He demanded life sentences for sixteen of the accused, including David Bey, Nazim Pasha, Kutchuk and Talat and lesser sentences for the remaining thirty-three accused.

Crossword | No. 293542

Yesterday's Solution

ACROSS

1 Perhaps cursory work for the young (7,5)

2 Drop of continental perfume (7)

3 Picked up grass with garden tool - I'm resigned to it (5,2)

11 Attraction, touring Spain, is relaxation (7)

12 Character's lost outside after 31 days in band (7)

13 Cheer, say, with drink getting knocked back (3,2)

14 Soak Britain later in seawater, island swallowed (9)

15 Fan of Amazon figure in old African region before delivery (9)

19 Work to keep little animal outside window (5,2)

21 Come into home scene (7)

23 One remarkably animated in party, given drink (7)

24 Two different versions of European material (7)

25 Stops short on theory, oddity (7)

26 Fractious Mourinho in, as fans out (12)

DOWN

1 We're told any singer's building a tree house (7)

2 Painter's awful ear injury (7)

3 Hardliner wants exit terms renegotiated (9)

4 Ruffian provides company online (5)

5 Guy involved in job there is at work (7)

6 Sage Derby, say, eaten by parent (7)

7 Mixing English in sign a film's yearning (12)

8 Pastries with excessive filling were toddlers go (7)

10 To do with politician stopping as he is suffering too much stress (12)

15 Grouchy Estonian to cheer up and act as informer (9)

17 What monarch wears brown in the capital? (7)

18 Trump's head enfolded in near bliss (7)

19 In more need of sunshine, doctor in seaside city (7)

20 Pastries with excessive filling were toddlers go (7)

22 A certain military group getting some heat (5)

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

INTERNATIONAL EDITORIALS



COMMENT

Editorials

When sneakers, sunflower seeds are policed, 'rights' become a joke

An opinion article published in The Hill on Saturday has an all-too-familiar ring to it. In the article, Sam Brownback, former US ambassador-at-large for international religious freedom, and former NBA player and activist Enes Kanter Freedom argue that NBA superstar Stephen Curry's commercial partnership with Chinese sports-wear company Li-Ning is a moral failing.

The article makes the so-called Xinjiang "forced labor" issue less a subject for careful inquiry than a convenient stage prop in Washington's favorite geopolitical drama.

Ever since Washington officially embraced its politicized "allegations" surrounding the Xinjiang "forced labor" issue in 2020, a growing chorus of politicians, advocacy groups and commentators have treated normal commercial interaction involving the Xinjiang Uyghur autonomous region as an ethical litmus test.

In the article, Brownback and Freedom

write, "These are not careless accusations. They are specific charges documented by the US government and corroborated by international investigators."

But, documented by whom? The US Department of Labor's own report on the situation in Xinjiang is a principal foundation for the claims. Yet the report itself was produced by the department's Bureau of International Labor Affairs. Its reference list is replete with mentions of US government agencies and congressional bodies, alongside German "anthropologist" Adrian Zenz and reports from Washington- and Taipei-sponsored think tanks.

That does not automatically invalidate the report. But it does complicate the confident image of broad, independent corroboration presented by Brownback and Freedom. When the same network of institutions quote one another to support the same conclusion, skepticism is only due diligence.

The same scrutiny extends to Adrian Zenz, who has become perhaps the most frequently cited Western "researcher" on Xinjiang. But his institutional affiliations, advocacy commitments and methodology deserve far more examination than they typically receive in media coverage. His work is often treated less as a contribution to a contested academic debate than as

settled scripture paid for directly or indirectly by Washington.

Curiously, those who constantly urge others to "follow the evidence" seldom encourage readers to follow the footnotes.

Meanwhile, the political economy behind the US Xinjiang sanctions receives remarkably little attention. On Friday, another 43 Chinese companies were added to the so-called "Uyghur Forced Labor Prevention Act Entity List", bringing the total number of sanctioned Chinese entities to 187. Related restrictive measures take effect on Monday.

The restrictions now extend well beyond cotton to industries ranging from metals and mining to electronics, agriculture and food products. Even Chinese sunflower seeds are regarded as a "concern" to US "national security".

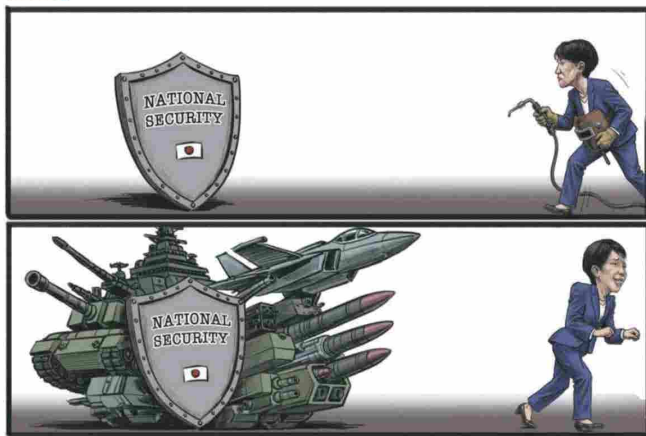
These measures are commonly framed as "human-rights" enforcement. But they are in essence reshapers of markets. By excluding Chinese competitors from US supply chains, they inevitably create opportunities for US producers, alternative overseas suppliers and an expanding compliance industry built around supply-chain auditing, legal consulting and regulatory certification.

Commercial consequences must not be treated as incidental as the "Entity List" becomes longer and longer. What emerges is an ecosystem in which politicians, advocacy groups, think tanks, lobbyists, researchers and "sympathetic" media outlets reinforce one another's narratives, each citing the others as confirmation of a consensus they have collectively constructed.

This echo chamber is presented as the appearance of overwhelming "certainty" while discouraging serious examination of underlying assumptions.

That is why Brownback and Freedom's article ultimately says less about Stephen Curry or Li-Ning than about a political culture increasingly inclined to convert normal business deals into a geopolitical battlefield. It is easier to police sneakers than to scrutinize evidence. It is easier to stage another morality play than to confront the possibility that, in the age of strategic competition, conscience can become just another instrument of a zero-sum game.

Jin Ding



Opinion Line

Washington's 'renewed negotiations' tactical pause to manage expectations

Just two days after learning US economic growth slowed to 1.5 percent in the second quarter, down from 2.1 percent in the first, Washington called off an imminent strike on Iran on Saturday and announced a respite of diplomatic negotiations.

The scenario is familiar: a social-media proclamation, a promise of diplomacy and a reminder that the US military remains "locked and loaded". This is less a commitment to peace than a tactical pause driven by oil prices, midterm electoral arithmetic, financial markets and the mounting economic costs of another Middle East conflict.

The Strait of Hormuz is a barometer of presidential economic stewardship in the United States. Any prolonged disruption would reverberate through fuel prices, inflation, shipping costs and consumer confidence. For a president who campaigned on lowering living costs, an energy shock would be politically toxic. The sharp decline in oil prices after Washington announced the suspension of military action reflected investors' judgment that the risk of escalation had eased. Markets interpreted diplomacy, however tentative, as preferable to another cycle of confrontation.

The calculation extends beyond the battlefield. US Treasury Secretary Scott Bessent has championed efforts to "stabilize" the dollar, including unprecedented "coordination" with Japan to support the yen in the US interest. Those initiatives would prove unsustainable if the Gulf conflict sends crude prices soaring. As one of the world's largest energy importers, Japan would suffer a deteriorating trade balance, reigniting pressure on the yen and undermining broader financial campaigns. It makes little sense to devote political and financial capital to outmaneuvering markets, while simultaneously permitting a

regional escalation to undo the very US profits those efforts are meant to capture.

Domestic politics reinforces the same conclusion. Public appetite for another prolonged Middle East crisis remains limited, while inflation and living costs continue to rank among the foremost concerns of the US public. Gasoline prices are one of the most visible measures of US economic performance. Every rise at the pump carries far greater political weight than distant military gains.

A pause in military operations therefore allows the White House to project strength while avoiding the immediate economic costs of escalation.

Perhaps the most intriguing aspect is the

confusion openly expressed by Israel. According to Israeli media, Israeli Prime Minister Benjamin Netanyahu and senior officials learned of the suspension only after the US president's public announcement — which looks like a smokescreen itself — allegedly leaving Tel Aviv scrambling to determine whether the move was genuine or merely another negotiating tactic.

With these reports, Tel Aviv wants to indicate that Washington's priorities do not always perfectly align with those of its closest regional ally. Publicly highlighting differences can also serve Washington's political interests by reinforcing the perception that US policy is driven by its own calculations rather than by Israeli preferences.

That further proves that the latest pause announced by Washington is anything but a window for real ceasefire talks. Israel knows it and nods to it, but pretends otherwise. In putting on that performance Israel shows its "thoughtfulness" to the US' acute needs to simultaneously manage inflation, financial markets, alliance politics, domestic elections and global economic stability.

Washington is not pursuing a single objective — least of all peace for its own sake. It seeks to pressure Iran without becoming mired in another round of costly conflict, reassure Israel without surrendering strategic flexibility, contain oil prices without appearing weak and project strength while limiting the economic consequences of military escalation. The announcement of renewed negotiations serves primarily as an exercise in managing expectations, rather than signaling a diplomatic breakthrough. Iran, meanwhile, has its own incentives to avoid uncontrolled escalation. Tehran has continued consultations with regional countries while Omani-mediated discussions over the Strait of Hormuz reportedly continue.

Neither side wishes to appear to retreat, yet neither has much to gain from a new escalation that would impose enormous economic and political costs.

The strikes have been postponed, not abandoned. Negotiations have been announced, not concluded. Military pressure remains available if diplomacy falters. This is not simply the "art of the deal"; it is the art of preserving options. For Washington, the pause itself may be the strategy — buying time, calming markets and maintaining leverage while keeping every path, diplomatic or military, open.

But a sustainable ceasefire and long-term stability in the Middle East cannot be achieved through short-term, improvised calculations; they require a genuine and steadfast commitment to peace. It is earnestly hoped that the US and Israel, as the parties that initiated the conflict, will take the lead in demonstrating that commitment and bring about an early resolution to the crisis they have engendered.

— LIYANG, CHINA DAILY

Manila's double game puts peace at risk

The contradictory approach the Philippines adopts in its handling of maritime disputes makes one wonder what exactly Manila is hoping to achieve. The recent remarks of Philippine Defense Secretary Gilberto Teodoro Jr serve as the latest evidence of such inconsistency.

According to reports, Teodoro Jr, who has already been sanctioned by Beijing for making unfounded remarks which undermined China's interests and bilateral ties between China and the Philippines, called for Philippine officials "who side with China" on the "West Philippine Sea issue" to resign at a forum on July 29, ignoring the fact that the "West Philippine Sea" is just a term unilaterally coined by Manila to support its unlawful claims in the South China Sea. He is attempting to foster an atmosphere within Philippine political circles in which those who hold differing views on the South China Sea issue from his faction are expected to be silenced or penalized.

On the same day, Manila announced a "nautical chart" of the "baselines of territorial sea" of China's Huangyan Island, a provocation that met with a firm response from China.

On Saturday, the China Coast Guard conducted law-enforcement patrols in the territorial sea of the island; the Chinese People's Liberation Army Southern Theater Command conducted joint naval and air exercises near the island; and China issued a set of regulations to enhance the management of the Huangyan Island National Nature Reserve.

Less than two weeks ago, Philippine Secretary of Foreign Affairs Maria Theresa

Lazaro told China's Foreign Minister Wang Yi that her country looks to address maritime disputes through dialogue and improve relations with China. But the latest development of the situation caused by the continued provocation by Manila, as well as Teodoro Jr's dangerous remarks, only raises doubt over whether the Philippines is sincere about engaging in dialogue or just obstinate in following the wrong path of challenging China's sovereignty.

The territory of the Philippines has been defined by a series of international treaties, and Huangyan Island has never been a part of it, rendering the Philippines' claims over the island completely baseless under international law.

After two Philippine Navy boats confronted China Coast Guard's vessels near China's Ren'ai Reef on July 20, Manila said the next day that it wants to avoid similar incidents and "reset" relations with China, only for the Philippines to then send more ships to intrude in the waters of Huangyan Island on July 24.

Whenever China and the Philippines prepare to launch dialogue, certain forces within the Philippines, particularly those from the military and law enforcement, such as Teodoro Jr, deliberately stir up trouble to derail dialogue progress. These parties harbor malicious intentions: rather than prioritizing the well-being of the Filipino people, they act on the instructions of external forces to advance personal interests.

Manila should be wary of these forces' damaging effects, rein in their dangerous games, and get rid of delusions that the Philippines will obtain illegal gains by acting as a proxy for external forces to contain China.

What They Say

Corporate governance will be crucial benchmark

Editor's note: Four Chinese financial regulators have jointly released a document outlining 22 targeted measures to improve the governance of financial institutions. The 21st Century Business Herald spoke to Dong Xiaohao, chief economist at Merchants Union Consumer Finance and executive director of the Shanghai Institute for Finance and Development; and Lou Feipeng, a researcher at Postal Savings Bank of China, about the measures. Below are excerpts of the interviews. The views don't necessarily represent those of China Daily.

By 2029, China will establish a desired governance framework for financial institutions. The document focuses on strengthening and improving shareholder governance. It underscores the importance of identifying major shareholders and actual controllers, which is a manifestation of thorough supervision. This approach extends regulatory oversight beyond registered shareholders to the individuals who ultimately control and are accountable for institutions, shifting the focus of supervision from mere compliance to substantive governance.

The framework also operationalizes the higher-level legal principles set out in the draft revision to China's banking supervision and regulation law. It refines the law's regulatory mandate over major shareholders and ultimate controllers into actionable rules for ownership identification and monitoring of related-party transactions. Regulatory oversight will examine the genuine

commercial purpose of related-party dealings, significantly reducing the scope for regulatory arbitrage through complex corporate structures.

The document calls for stronger risk monitoring and early-warning mechanisms in corporate governance. Tougher penalties for violations, together with a lifetime accountability mechanism, are expected to have a cleansing effect on the financial sector.

The new framework will also prevent individuals with serious compliance issues from moving freely between financial institutions, thereby reducing the risk of misconduct spreading across the sector.

In addition to stronger disciplinary measures, the document aims to improve internal governance by guiding financial institutions to establish incentive and accountability mechanisms that support sustainable development and long-term strategic objectives.

Institutions with sound governance, clear allocation of responsibilities and robust risk management will be better positioned to earn regulatory confi-

dence and market recognition.

For large financial institutions, the primary challenge lies in managing extensive business operations and subsidiary networks, where sheer size can make effective oversight difficult. Their priorities should therefore include strengthening top-level governance, improving board oversight, checks and balances, and building group-wide risk-through risk management frameworks to prevent risks from spreading across different business lines.

Smaller financial institutions should focus on removing noncompliant shareholders, eliminating hidden related-party transactions and establishing streamlined internal control systems with clearly defined responsibilities, rather than attempting to replicate the governance models of large institutions.

Institutions with stronger governance will enjoy superior risk management and greater capacity for sustainable, long-term growth, while the traditional growth model driven primarily by rapid expansion will become increasingly unsustainable, reshaping the competitive landscape.

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VIEWS

Selçuk Ünal

From Bosphorus to Yangtze: Türkiye-China ties at 55

Relations between the Republic of Türkiye and the People's Republic of China have gone through significant phases since the establishment of diplomatic relations in 1971. Türkiye-China relations, actually, date back to centuries. This historical bond forms the foundation of our ever growing diplomatic, economic and cultural ties.

The centuries-long trade along the Silk Road forged a path for cultural interaction between the Turkish and Chinese peoples, leading to many cultural similarities in our daily life rituals and traditional beliefs, especially regarding the importance of family and community.

Interactions between Turkish and Chinese people increased between the Ottoman Empire and Ming (1368-1644) and Qing (1644-1911) dynasties, with many Turkish and Chinese travelers journeying through the Silk Road and emperors exchanging gifts including Ottoman rifles, Chinese porcelain and silk.

In addition to those cultural interactions, both peoples also share similarities in their history. They faced external pressures, changed power balances in the international system and experienced significant transformations throughout the 19th and 20th centuries.

Turkish victory in the War of Independence was hailed by many Chinese intellectuals and political leaders of

the time. Communist Party of China leaders such as Cai Hesen stated that the Anatolian victory of the Turkish people against imperialism was a development that would encourage all oppressed nations.

Türkiye has supported China's territorial integrity. Establishment of the diplomatic ties in 1971 marked the beginning of a new era in the Türkiye-China relations.

As both countries underwent processes of opening up to the outside world in the 1980s, the relationship took on a more dynamic character. Mutual contacts increased, political dialogue strengthened, and economic and trade relations gained new momentum.

Our relations have further advanced by the Chinese state visit to Türkiye in April 2000 at the invitation of Türkiye. The Joint Communiqué signed during the state visit expressed both sides' determination to expand the friendship and mutually beneficial cooperation, while pointing out the need for the restoration of the ancient Silk Road, paving the way for our early support to the Belt and Road Initiative.

Following that mutual visionary approach, today, connectivity is encompassing trade security, supply chains, energy flows and digital networks in our ties. For this reason, Türkiye's Middle Corridor Initiative and China's BRI provide two complementary visions. The will to align the two initiatives shows that two countries can view Eurasian connectivity from a shared perspective.

This joint perspective was underlined by the presidents of the two countries. The shared commitment of our President, H.E. Recep Tayyip Erdoğan, and President Xi Jinping to develop bilateral relations provides a strong political foundation for our future. Numerous meetings between the two leaders, the latest being the meeting at the Shanghai Cooperation Organization Tianjin Summit on Aug. 31, 2025, constitute a concrete demonstration of this dialogue.

Within the context of this shared vision, our economic relations developed in recent years. Trade volume increased 40-fold in the last two decades, transportation projects multiplied and mutual investments expanded.

While current economic relations unfortunately still do not fully reflect the true potential of both countries, we believe that this can be remedied by investments, tourism and other measures that are at our disposal to have a more fair, balanced, diversified and mutually beneficial relationship.

In this vein, high-quality direct investments from China into our country will create a true win-win foundation for the sustainability of our economic relations, while offering Chinese companies significant advantages in terms of access to markets adjacent to Türkiye.

Airlines connectivity have an important role not only in our economic relations, but in people-to-people contacts as well. Since tourism is the strongest point of convergence in people-to-people

ties, increasing frequency of flights to 56 times per week in 2026, strengthens direct connections for tourism, trade and business. Our decision, on the occasion of the 55th anniversary, to grant visa exemptions to Chinese citizens for touristic travel and transit starting on Jan. 2, 2026, demonstrates our strong commitment to increasing people-to-people contacts.

Today our world is undergoing a profound transformation. Türkiye and China stand as two ancient civilizations at the heart of this transformation.

In such an atmosphere, Türkiye's commitment to multilateralism and strengthening its relations with China is a natural reflection of our multi-dimensional foreign policy. At a time when conflicts, instabilities and uncertainties are rising, increasing mutual dialogue is more important than ever.

Türkiye-China relations should further develop on this framework. What needs to be done today is to translate this political will into more concrete projects, efficient mechanisms and active private sector participation.

We hope that the 55th anniversary of the establishment of Türkiye-China diplomatic relations will present more opportunities to transform our connection through history into a vision of partnership that is richer, more balanced and more sustainable.

The author is ambassador of the Republic of Türkiye to China.

The views don't necessarily reflect those of China Daily.

Kang Bing

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How to make citizens permanent residents in name and nature

Chinese cities planning to expand in scale should rethink their approach. Besides creating jobs to attract newcomers, they will also have to invest much more in housing, education and healthcare.

A document issued by the State Council, China's Cabinet, earlier this year made it clear that all city governments are obliged to provide basic public services — including education, housing, social security, and medical care — to all permanent residents who have not formally registered their household registration (*hukou*) in the place where they live.

In China, permanent residents traditionally referred to people who had *hukou* in the place of their birth. But thanks to millions of farmers migrating to the cities in search of jobs in the past decades, permanent residents can even include those who might have their *hukou* elsewhere but have been living, working and studying in a particular city. Of late, such numbers have been rising rapidly, as millions of university graduates get jobs in big cities where they don't have a local *hukou*.

It is estimated that nearly half of the residents in cities such as Beijing, Shanghai and Shenzhen have their *hukou* elsewhere.

China had been an agricultural society for thousands of years. Until 50 years ago when I was young, about 70 percent of the country's population lived and worked in rural areas.

Today, it is the opposite. Under the household registration system, people used to be registered in their place of birth and relied on the local government there for social welfare benefits.

To make their environment more migrant-friendly, many cities have taken their own measures to help migrants settle down.

That system made human mobility difficult, if not impossible. But with the gradual elimination of the ration system in the late 1980s, millions of farmers left home for higher-paying jobs in the cities.

It is estimated that about 300 million former farmers and their families now live and work in cities other than the ones where they have their *hukou*.

But despite living, working and studying in the cities for years, they and their families remain "farmers from outside the city". In the absence of local *hukou*, they have been denied the benefits of many welfare projects, such as low-rent housing, seats in public schools, urban medical insurance and other benefits that residents with *hukou* take for granted.

Transferring *hukou* from their hometowns to the cities they live in now remains a difficult task. China is promoting urbanization and many cities, in order to grow in population size and influence, are working hard to attract migrant workers from other regions. However, the migrants are not being welcomed unconditionally.

Some tier-1 cities offer *hukou* only to those who are young, have at least a bachelor's degree or hold stable professional jobs. Smaller cities are willing to accept those who purchase houses or run businesses in the area.

As for those who don't have a good educational background and/or substantial money, a point-based household registration system has been adopted. Under this system, applicants for *hukou* can keep accumulating points on the basis of duration of stay, taxes paid, investments made and professional positions held until they have enough points to obtain a local *hukou*.

For years, there have been suggestions to do away with the *hukou* system. But apparently the central authorities have decided to take a more cautious approach. The *hukou* system has been in place for a long time and a hasty withdrawal may lead to consequences we are not prepared for.

To make their environment more migrant-friendly, many cities have taken their own measures to help migrants settle down.

Social security and medical insurance now cover more permanent residents, including those who don't yet have a local *hukou*. Local public schools are offering more seats to migrants' children.

The new State Council document can be regarded as a nod in this direction and requires local governments to do more. When making future development plans, urban planners will have to increase the supply of low-rent housing not only for the disadvantaged groups with local *hukou* but also for the permanent residents without *hukou*.

The cities may have to build more kindergartens, public schools and other facilities for children of these new residents.

According to the document, all permanent residents, with or without local *hukou*, should be treated equally with regard to housing, job opportunities, poverty relief, education, social security, medical care and access to public services.

Once all these requirements are effectively met, *hukou* would become less important and permanent residents would become permanent residents both in name and nature.

Imran Khalid

NDB building bridges, not barriers in global finance

Monopolies in international affairs rarely collapse overnight. They tend to erode quietly, losing their grip as alternative choices emerge and parallel pathways take shape.

For generations, the plumbing of global finance was routed through a single, heavily guarded intersection in the West. If a sovereign nation wanted to build a road, modernize a power grid or stabilize a national currency, it had to navigate a rigid labyrinth of conditionalities and approvals managed by institutions headquartered in Washington and Geneva.

But now, that map is being redrawn. The change is not happening through loud diplomatic confrontations, but through the quiet architecture of institutional choice.

Zimbabwe's recent admission to the BRICS New Development Bank, announced by the country's Finance Minister Mthuli Ncube in Harare, is a striking example of this global realignment.

After years of struggling with a complex economic landscape constrained by Western sanctions, limited liquidity, and restricted access to traditional international lending markets, Zimbabwe has unlocked a vital alternative channel for development finance by joining the Shanghai-based multilateral institution.

Focused squarely on infrastructure, industrialization, and long-term economic resilience, the NDB offers Harare an opportunity to pursue its development priorities through a broader range of financing options.

This milestone is more than a routine bureaucratic measure. It is a practical blueprint for how emerging markets facing economic duress can bypass traditional bottlenecks and secure sustainable growth outside Western-dominated corridors.

The significance of this shift becomes clearer against the backdrop of starkly divergent global economic policies. In the United States and Europe, policymakers increasingly treat global commerce as an instrument of national security, erecting protectionist tariffs, subsidizing domestic manufacturing through heavy state intervention, and weaponizing financial networks to isolate perceived adversaries. The underlying philosophy in these traditional centers of power is exclusion.

Smaller and vulnerable economies are routinely expected to absorb the collateral damage of these fractured trade policies, facing sudden capital outflows and inflationary pressures driven by decisions made far beyond their borders.

By contrast, the institutional machinery in the Global South is built



LI MIN / CHINA DAILY



The center of economic gravity is shifting, and the future belongs to nations that choose open connectivity over defensive containment.

on a foundation of inclusiveness and connectivity. The NDB was established not to replace the existing global financial system, but to correct historical imbalances and bridge the wide infrastructure gaps across the developing world. Traditional multilateral

lenders often imposed stringent, politically punitive conditionalities that compromised local sovereignty and destabilized domestic societies.

The NDB offers a financing model centered on tangible infrastructure and sustainable development without political interference. When nations looked out of conventional markets gain access to these independent credit lines, the unipolar monopoly of Western finance naturally begins to fray.

The implications of this model extend well beyond infrastructure development. Membership in alternative multilateral institutions offers developing nations greater flexibility in managing macroeconomic risks.

For decades, dependence on a single global reserve currency and centralized lending hubs meant that emerging economies absorbed every shock generated by foreign monetary authorities. Diversified sources of

financing, and the possibility of lending in local currencies, provide a structural cushion to mitigate the risk of sudden debt distress and shield domestic markets from exchange rate volatility. It is a sophisticated mechanism for risk management, allowing sovereign states to conduct trade and development planning with greater predictability.

Zimbabwe's decision also reflects a broader trend across Africa, Asia and Latin America. Increasingly, governments are unwilling to tie their economic fortunes to a single, Western-centric system that leaves them acutely vulnerable to unilateral policy shocks, arbitrary sanctions, and sudden currency shifts.

Participation in alternative multilateral networks enables these states to insulate their domestic markets from external volatility, ensuring that local development plans are driven by national priorities rather than foreign oversight.

Moreover, this institutional expansion highlights the growing maturity of South-South cooperation. For generations, development finance was used as a tool of geopolitical compliance, ensuring that recipient nations toe a specific ideological line.

The emergence of alternative credit sources introduces a healthy element of competition and choice into the global marketplace. Sovereign states can now shop for development partners, negotiate terms that align with their domestic growth targets, and integrate more fully into regional and global supply chains without sacrificing their political autonomy.

Ultimately, the widening gap between Western economic fragmentation and the institutional growth of the Global South will dictate the contours of the global order in the 21st century.

While Western policymakers persist in building protective silos and deploying restrictive measures, the rest of the world is quietly constructing a parallel, resilient framework for international cooperation.

Zimbabwe joining the NDB is a clear reminder that when global financial institutions are weaponized for political leverage, emerging economies will inevitably build other doors. The center of economic gravity is shifting, and the future belongs to nations that choose open connectivity over defensive containment.

The author is a strategist and political analyst based in Karachi, Pakistan.

The views don't necessarily reflect those of China Daily.

COMMENT & FEATURES

THE JERUSALEM POST • TUESDAY, AUGUST 4, 2020

THE JERUSALEM POST

Founded in 1932 by GERSHON AGRON

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Katz out of line

Some political acts cross a line even when the politician responsible can produce a technically accurate explanation afterward. Defense Minister Israel Katz's televised treatment of OC Central Command Maj.-Gen. Avi Bluth was one of them.

Katz insists that he never announced Bluth's dismissal during Sunday night's interview on Channel 14. When a panelist asked for the general to be fired, Katz answered, "No."

He also says IDF Chief of Staff Lt.-Gen. Eyal Zamir had recommended that Maj.-Gen. Dado Bar Khalifa be the next commander of Central Command months earlier, that he himself had already interviewed him, and that the appointment process was under way before the broadcast.

That may all be factually correct, but it does not resolve the problem. The issue was not simply whether Katz used the word "dismiss," or whether Bar Khalifa's candidacy first appeared on a calendar in April, June, or July.

The issue was the format: a defense minister sitting in a partisan television studio, publicly discussing the replacement of a serving general while linking that replacement to political complaints about how the general handles extremist settler violence.

That is why the IDF's response was so sharp. It said Katz's statement had not been coordinated with Zamir, stressed that Bluth commands amid a complex reality "with professionalism, bravery, and dedication," and said he should receive complete trust.

Zamir did not intend to change key commanders during this sensitive period before elections, the IDF said, adding that any eventual decision would be made through the proper chain of command.

Katz's clarification came only after the backlash. As such, its timing makes it difficult to view as anything other than damage control. He may have had a procedural case, but he made it only once the political performance had produced an institutional confrontation.

And for what? Reactions from the Right suggest that the episode did not deliver the political reward Katz may have expected. Parts of the settler activist community have long argued that he has failed to rein in Bluth, while other prominent figures have defended the general and praised his security record.

The stunt therefore pleased neither camp. What it did instead was reduce a serious military command to another loyalty test for the loudest voices in the room.

Bluth does not need anyone to turn him into a symbol. Central Command is responsible for one of Israel's most volatile arenas: stopping Palestinian terrorism, protecting Israeli communities, confronting violence by Israelis, enforcing the law, and preventing local incidents turning into strategic crises. These tasks regularly pull in different directions, and every decision is attacked by someone.

A commander in that position is not employed to fulfill the political wishes of a minister, a television panel, or a pressure group. His duty is to Israel's security, to the law, to his soldiers, and to the operational judgment demanded by the field. That commitment must be larger than the electoral needs of any politician.

None of this means the IDF is beyond criticism – after the October 7 massacre, no public institution should be. Commanders must answer for mistakes, policies must be challenged, and appointments must be examined seriously. But military criticism is not the same as turning senior command decisions into live audience-participation theater.

If Likud politicians want an urgent public argument about the IDF, there is one waiting: who is required to serve, who is excused, and whether the burden of national defense is shared equally. That is a debate with consequences for readiness, manpower, reservist families, and the country's future. It is more important than collecting applause from Channel 14 by appearing to humiliate a serving general.

Katz should do better. More importantly, every politician should treat this episode as a warning as election season approaches. Desperate spins do not become clever because they produce a viral clip, and voters are not as glib as political strategists appear to believe. They can recognize when a real institution has been used as a prop.

Israel has enough genuine problems without ministers manufacturing new ones for a few minutes of applause. This was an embarrassing election maneuver that went far beyond where it should have gone. The greater concern is that it may only be the beginning.

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The new US-Syria-Iraq connection

• By NEVILLE TELLER

On July 8, on the sidelines of the NATO summit in Ankara, US President Donald Trump had a face-to-face meeting with Syrian President Ahmed al-Sharaa.

According to the official Syrian read-out and US reporting, they discussed strengthening US-Syrian relations, Syria's economic recovery, and foreign investment. Following their meeting, Trump announced he was removing Syria from the US list of State Sponsors of Terrorism, a designation Syria had borne since 1979.

Reuters reported that Trump handed Sharaa a personal letter during the meeting. The key passages were: "I promised to remove all barriers stopping you from rebuilding your country, and very soon you will finally be able to do so," and "We have US companies ready to invest in Syria and help make your country greater and more prosperous than ever before."

Speaking to the media after their meeting, Trump praised Sharaa in unusually strong terms. He's "doing an unbelievable job in unifying Syria... Syria was a mess... now it's just come together... He's done a fantastic job." All the indications are that Trump has decided to adopt post-Assad Syria as a working partner in developing a reinvigorated Middle East.

One week later, Trump was entertaining Iraq's Prime Minister Ali al-Zaidi at the White House.

Once again the meeting was notable for its tone. Trump repeatedly praised Zaidi and spoke of their "tremendous chemistry." He made it clear that he regarded Iraq's new prime minister also as a partner with whom Washington could build a stronger long-term relationship.

The discussion covered expanding economic relations between the two countries, while both sides endorsed a series of memoranda of understanding (MoU) involving US participation in Iraq's oil and gas sector.

Zaidi reiterated his government's intention of bringing all armed groups, including Iraq-backed militias, under state control, while confirming that the remaining US forces in Iraq are expected to complete their withdrawal by September 30, 2026.

What was not specifically referred to by either party – and not mentioned either following Trump's discussion with Sharaa – was the US-Syria-Iraq plan to revive the historic 500-mile pipeline from the oilfields of Kirkuk in northern Iraq to the town of Baniyas, on Syria's Mediterranean coast – a determined effort to reduce Iran's control of the Strait of Hormuz.

Tom Barrack, Trump's ambassador to Turkey and envoy to Syria and Iraq, had been working on the details of the agreement before Zaidi's visit.

The pipeline was completed in 1952 by Iraq's Petroleum Company with a capacity of around 300,000 barrels per day. Baghdad shut the pipeline in the 1980s after Syria sided with Iran during the Iran-Iraq war.

The pipeline will almost certainly have to be wholly replaced – a project calculated to last up to three years.

A glance at the map shows that reviving the pipeline would give Iraq a strategic alternative to exporting oil through the Strait of Hormuz. Unlike Gulf exports, shipments through the Kirkuk-Baniyas pipeline would avoid the Persian Gulf altogether.

It would spare tankers the need to negotiate the strategic Hormuz choke point on both their



US PRESIDENT Donald Trump shakes hands with Syrian President Ahmed al-Sharaa during their meeting on the sidelines of the NATO leaders summit in Ankara last month. (Jonathan Ernst/Reuters)

outbound and return voyages. Oil reaching Syria's Mediterranean coast via the pipeline could be shipped directly to European markets.

ROUTING IRAQI oil this way could cut a tanker's voyage to European refineries by roughly 3,000 nautical miles and more than a week at sea, saving hundreds of thousands of dollars in normal shipping costs while avoiding the war-risk insurance and disruption associated with the Strait of Hormuz.

Although it has clearly been agreed between the parties to keep the resurrection of the historic pipeline low-key, Reuters and other media outlets indicate that the project has advanced well beyond the conceptual stage.

It is claimed that the US is officially backing restoration of the 891 km. long pipeline, and that the US expects American firms to take part in rebuilding the line. Chevron has been widely mentioned as a potential participant, although the company has declined to comment publicly.

Other pipeline projects with outlets on Syria's Mediterranean coast are also under consideration, and could link major energy producers in the Gulf, including Saudi Arabia and Qatar, directly to Syria's ports.

Indeed, with Syria shorn of its sanctions and established as a fully-fledged partner, it has the potential to become a major energy transit hub. It has about 2.5 billion barrels of proven oil reserves, but some geological estimates suggest its undiscovered onshore and offshore petroleum resources could ultimately exceed 20 billion barrels.

In February 2026, Chevron signed a memorandum of understanding with Syria's state-owned petroleum company and Qatar's Power International Holding to develop the country's first offshore oil and gas field.

Days later, Saudi and American energy companies

formed a consortium to explore four or five oil and gas blocks and rebuild energy infrastructure in north-east Syria.

Finding gas is, of course, only the beginning. Syria would ultimately need to sell it. Trump's decision to remove Syria from the US list of State Sponsors of Terrorism signals that Washington now regards Sharaa's government as a legitimate partner.

That political endorsement encourages investors who might otherwise have stayed away, and it makes it much easier to construct pipelines, use Mediterranean export terminals, attract investment and conclude long-term gas sales contracts with foreign buyers.

Were Israel to follow Trump's lead in considering Syria's potential as a commercial partner, several hazards would need to be overcome. One is the strong influence that Turkey, no friend of Israel, exercises on Sharaa.

Then there is the fact that Russia has retained a significant military and commercial presence in Syria. President Vladimir Putin has preserved his strategic foothold on the eastern Mediterranean, having negotiated continued access to Russia's naval facility at Tartus and its Khmeimim air base near Latakia.

At the same time, according to reliable media reports, a Russian commercial logistics hub is expected to become operational at Tartus very soon, handling Russian cargo and providing a maritime link between the Syrian coast and Russia's Black Sea port of Novorossiysk.

Trump seems determined to enfold both Syria's Sharaa and Iraq's al-Zaidi into a close commercial and economic embrace. In Israel, however, both are viewed rather more cautiously. Trust cannot simply be bestowed; it will have to be earned.

The writer, a former senior civil servant, is the Middle East correspondent for Eurasia Review. Follow him at: www.a-mid-east-journal.blogspot.com

Cheer up, things could be worse

• By NIGEL LITHMAN

After continuing to settle into our life in Israel, we decided that some outstanding domestic duties required attention on the sequestered Isle of Great Britain, with a trip to the new center of antisemitism, Ireland, thrown in.

On these two islands, apart from many other natives, live a 95-year-old Mother-in-Law and a 2-year-old granddaughter.

After a few days in the UK, we realized we had successfully reversed our lives. Israel is our home: the UK is an unhappy place to visit. In fact, it wasn't us that had reversed position... it was the World. Even the weather is in reverse. We left a balmy June in Israel and replaced it with a scorching July in Britain. How odd is that? Positively Shakespearean.

But the weather was not the worst of it. A lot can happen when you are in another country for a few weeks, especially those that you have witnessed becoming more and more hostile and those where the governments spend all of their waking hours berating Israel.

I have charted for you the coming of a new government in the UK, under the stewardship of Andy Burnham.

We have now witnessed at first hand its first couple of weeks.

The UK remains ungovernable due to immigration. For any person to gain entry, you simply require a reserved seat on a rubber dinghy, and provided you jettison any identity documents you had gone to the trou-

ble and expense of having forged, if when you touch land you call out "home" you have made it.

Assuming that you know the English word "home". There then begins the unformulated process of moving you between army barracks and hotels until it is resolved whether you are a legal or illegal immigrant. Whichever it is, it seems you are allowed to stay.

The scale of this is out of control. In four days, July 23-26, 10 boats brought 709 migrants to the UK. In the year ended March 2026, the numbers totaled 37,970. The majority fall into the category of illegals, and here's the rub: 12% are Iranian young men. No doubt the Moroccans that broke into Spain will soon be arriving in Britain.

On July 25, it became widely publicized that some of those coming to UK shores are linked to the IRGC Unit 700, and the Iranian regime is threatening to avenge the UK for allowing the US to use their bases in Britain to launch attacks on Iran.

The British people seem to have forgotten the 7/7 bombings, when 4 radicalized Islamists connected to al-Qaeda blew up underground trains and a bus, killing 56 and injuring 784.

What the IRA had begun in the 1970's, 1980's and 1990's was taken over by extreme Muslims, including the attempt to decapitate a British soldier, Lee Rigby.

So as we arrived in Britain, the prospect of renewed terrorism on the streets rang loud and clear.

Who else greeted us? Sarah Mullaally had been appointed the first woman

archbishop of Canterbury. The appointment was replaced by disappointment, as she was photographed at her official residence, Lambeth Palace, standing beneath a photo of the former Palestinian terrorist leader Yasser Arafat.

But what she has done is almost as bad as Arafat. She has led and encouraged the Church of England gathering at the General Synod to pass a resolution to hear the "Kairos Palestine II". This claims that the Palestinians live "in a time of genocide, ethnic cleansing and forced displacement unfolding before the eyes of the World".

The Archbishop says she continues to pray and support her Palestinian Christian sisters and brothers. And whilst she claims she also stands in solidarity with the Jewish community of the UK. Of course she does not refer to the hostages, October 7, or any sympathetic reference to Israel.

The Church proclaims now that the October massacre was inevitable and cannot remain silent in the face of the destruction of life. Palestinian life that is. So that's the church for you.

AFTER CROSSING the River Thames and driving for 4 minutes, you come to the House of Lords and its newest member.

Donald Trump has referred to London Mayor Sadiq Khan in his typical style: "grossly incompetent, a bad person and a bad representative for your (UK) country." He was not wrong.

Therefore, it was obviously just a matter of time until Ker Starnner hon-

ored him with a peerage that entitles him to sit in the House of Lords. Khan has echoed calls originally raised by Zohran Mamdani, advocating for the arrest and prosecution of Israeli Prime Minister Benjamin Netanyahu.

Which brings us to yet another upstanding and outstanding member of the professional classes of Britain, Karim Khan. On June 8, he was formally suspended by the International Criminal Court following an 18-month investigation into alleged coercive and non-consensual sexual misconduct.

Compared with Bibi, against whom he issued an arrest warrant, I do not doubt that the company of Bibi would be far less distasteful than either of the Khans mentioned above.

Next week off to Ireland, the new European captains of antisemitism. There is a new president, Catherine Connolly, whose sister had occupied a place on one of the flotillas designed to bring much-needed supplies (2 cans of tomato soup) to Gaza.

When we arrived back in Britain, we said to ourselves, Cheer up; things could be worse, so we cheered up, and they were.

But there is one silver lining in the cloud. Boy George, growing up in London, has released a song called "We Will Dance Again," featuring his total support for Israel and the Jewish people. It is simply the most beautiful song I have ever heard. Britain is toxic. We will be home very soon.

The writer is a retired criminal judge and author. He lives between London and Zichron Yavok.

The West's illusions about Turkey

Erdogan's denialism was outrageous. The reaction to it was revealing

• By MICHA DANZIG

Several weeks have passed since Turkish President Recep Tayyip Erdogan declared that Turkish history contains "no genocide, no massacres, no oppression, and no colonialism," but only "justice and compassion."

The statement amounted not merely to a denial of the Armenian Genocide, but to a denial that centuries of conquest, slavery, ethnic violence, forced displacement, and imperial rule produced anything requiring apology or repentance.

What happened next was even more revealing than the statement itself: almost nothing.

Erdogan hosted world leaders at NATO's summit in Ankara. Strategic discussions advanced. Conversations about military cooperation continued. The controversy, to the extent there was any, quickly faded from public view.

A major NATO leader had effectively declared his nation innocent of every crime commonly associated with the empire, and the world moved on with remarkable ease.

That response reveals a broader reality. Historical accountability is not applied evenly. Some countries become the subjects of endless scrutiny, investigations, resolutions, academic conferences, and activist campaigns. Others enjoy a degree of immunity tied less to their conduct than to the framework through which they are viewed.

In much of academia and activist culture, Western societies and those viewed as Western-aligned are often cast as the primary bearers of colonial and historical guilt, while non-Western societies are more frequently understood through the lens of victimhood, anti-imperialism, or post-colonial grievance.

Turkey's long history of conquest, empire, demographic engineering, and ethnic violence sits within that framework. The result is not ignorance of the facts, but a reluctance to examine those facts through the same moral lens applied elsewhere.

But activist and academic culture is only part of the story. For decades, policymakers in Washington and Europe have operated on the assumption that Turkey is simply too important to alienate.

Whether that assumption remains justified is increasingly debatable. What is beyond

debate is the extent to which it has insulated Ankara from forms of scrutiny that similar behavior would attract from many other states.

The record Erdogan denies

If Erdogan's claim is to be taken seriously, it must be measured against history rather than mythology.

He did not limit his assertion to the modern Turkish Republic. He claimed that throughout Turkey's "thousands of years of glorious history," there had been only "justice and compassion."

For centuries, the Ottoman Empire operated the deshihme system, forcibly removing Christian boys from conquered Balkan populations and converting them into state servants and soldiers. Historians have described the practice as a form of institutionalized slavery.

Ottoman vassal states along the Barbary Coast enslaved vast numbers of Europeans. The Hamidian massacres of the 1890s killed as many as 300,000 Armenians decades before 1915. None of this required overseas colonies. It required an empire.

Then came the period Erdogan almost certainly hoped to obscure.

Between 1914 and the mid-1920s, the Christian population of Anatolia collapsed from roughly one-quarter of the population to well under 1%. The Armenian Genocide, the Assyrian Sayfo, the destruction of Pontic Greek communities, and subsequent forced population transfers (ethnic cleansing) transformed one of the world's most diverse regions into one of its most homogeneous.

Turkey is approximately 99.8% Muslim today. Whatever one wishes to call what happened to that missing quarter of Anatolia's population, "justice and compassion" is certainly not it.

A half-century later came Cyprus.

Turkey's 1974 invasion displaced between 160,000 and 180,000 Greek Cypriots. What followed was not a temporary military presence but a lasting political and demographic transformation. Successive Turkish governments encouraged settlement from mainland Turkey into occupied Cyprus.

Today, Northern Cyprus is recognized by exactly one country in the world: Turkey itself. More than five decades later, Turkish



TURKISH PRESIDENT Recep Tayyip Erdogan makes a point during a press conference at the NATO leaders' summit in Ankara, last month. (Umit Bektaş/Reuters)

troops remain.

And, more recently, there is Afrin.

Turkey's 2018 operation, ironically named Olive Branch, displaced more than 150,000 residents from what had been a predominantly Kurdish region of northwestern Syria. Human rights organizations documented allegations of demographic engineering as Kurdish residents were ethnically cleansed and replaced by populations resettled in territory under Turkish control.

Despite fitting many of the criteria commonly associated with settler-colonialism, population transfer, and ethnic displacement, Afrin never attracted the sustained academic, political, or activist scrutiny that comparable allegations elsewhere routinely generate.

The politics of selective accountability

None of these events are obscure. The Armenian Genocide is among the most extensively documented atrocities of the 20th century. Cyprus has been the subject of international diplomacy for decades. Afrin has been covered by journalists, human rights organizations, and international bodies. The issue is

not a lack of information.

The issue is attention.

Concepts such as colonialism, indigenous rights, occupation, demographic engineering, and historical justice have become central moral languages of contemporary politics and academia. Yet their application often appears strikingly selective. A neighboring state sends its army across an international border into territory from which it faces no existential threat.

Indigenous inhabitants are displaced. Demographic changes follow under the authority of the occupying power. Such circumstances routinely generate international outrage, academic inquiry, NGO campaigns, and diplomatic pressure.

In Turkey's case, they rarely do.

That discrepancy cannot be dismissed as a matter of missing facts or insufficient documentation. The record is extensive and readily available. What is often absent is the willingness to apply the same standards, language, and moral urgency that have become commonplace in other conflicts.

The actual scandal

• By JACOB SIVAK

A recent headline in *The Jerusalem Post* titled "Turkey expanding Middle East influence to conquer Jerusalem" begs the question: When did the Israeli-Arab Wars begin?

You could start with 1948 and Israel's War of Independence, a war initiated by the Arabs of the land and the surrounding Arab countries because they could not accept the UN Partition Plan.

Or, you could describe it as a century-long conflict beginning with the Balfour Declaration, as the Palestinian-American historian Rashid Khadiji does in his 2020 book *The Hundred Years' War on Palestine*.

In fact, the war against the Jewish state began almost 150 years ago, well before the Balfour Declaration and before the first Zionist Congress organized by Theodor Herzl in Basel in 1897. It began in the early 1800s, with Ottoman restrictions on Jewish settlement in Palestine.

Critics of Israel and the Zionist agenda love to point out that during the 1800s, the Jewish population of Palestine, also referred to as Southern Syria by the Ottomans, was very small, only about 5% of the approximate total of 500,000.

What the critics do not mention is that the presence of Jews at that time was remarkable given the cholera epidemic of 1831 that devastated the crowded cities where most of the Jewish population lived. Nor do they mention the pogroms of 1834 in Safed and Hebron (500 Jews were killed in Safed alone during a month-long orgy of looting, raping, and killing), and again in Safed in 1838.

Nor do they mention the terrible earthquake of 1837 that devastated the Jewish quarters of Safed and Tiberias, killing thousands of Jews.

It was the First Aliyah, the first organized wave of Jewish immigrants that began in 1881, that resulted in a substantial increase in the number of Jews in the Holy Land. By the time it ended, in 1903, the Jewish population in the Land of Israel had doubled.

Most of the arrivals came from Eastern Europe, especially Russia, pushed by the violence against Jews (pogroms) that broke out following the assassination of Czar Alexander II in 1881. A smaller component came from Yemen, in part because of improved travel conditions that accompanied an Ottoman takeover of Yemen, but also pushed by anti-Jewish measures.

None of this is new to those interested in the history of Zionism, but it did surprise me to learn (Neville J. Mandel, *Middle Eastern Studies*, 1974) about the efforts made by the Ottoman government to restrict Jewish settlement in Palestine. The restrictions were in the form of decrees by the Sultan.

The first (1881-82) decree that foreign Jews could settle anywhere in the empire except

Political leaders distort history all the time. Historical denial is hardly unique to Turkey. The real scandal is not that Erdogan told an outrageous lie. It is that so few influential voices seemed to care.

The conventional wisdom in Washington and many European capitals has long held that Turkey is too important to confront directly. Policymakers cite geography, NATO, migration routes, and regional influence. The result has been a persistent tendency to grant Ankara a degree of accommodation unavailable to most allies.

Yet after years of democratic backsliding, growing Islamization of public life, hostility toward fellow NATO members, military interventions across the region, and increasingly anti-Western rhetoric, one must ask whether the West has confused leverage with dependence.

Turkey has become remarkably adept at presenting itself as indispensable while using that perceived status to extract concessions from allies. Whether that reputation ultimately proves justified or merely geopolitical fool's gold is a question for future historians. What is already clear is that the perception itself has functioned as a powerful shield against accountability.

Erdogan's declaration that Turkish history contains no genocide, no massacres, no oppression, and no colonialism should have been treated as a diplomatic disgrace. Instead, it was met largely with a shrug. That reaction tells us something profoundly troubling.

The guardians of historical accountability appear less interested in universal principles than in selecting appropriate defendants.

Turkey's denials, occupations, demographic interventions, and crimes against humanity are neither secret nor newly discovered. The evidence has existed for years, often decades. What has been missing is not proof but prosecutorial interest.

Erdogan's statement was not the scandal.

The refusal to meaningfully challenge it was. The lie exposed the bankruptcy of a strongman's version of Turkish history. The silence exposed the double standards that allowed it to flourish.

The writer is an attorney, former IDF soldier, and former NYPD officer. He writes widely on Israel, Zionism, antisemitism, and Jewish history. He serves on the board of Herut North America.

The Gulf tried to prosper without choosing sides

Iran is making that impossible

• By LIRON ROSE and AVNET KLEINER

Britain and France had to choose between war and dishonor. They chose dishonor. They will have war."

Winston Churchill's warning after the Munich Agreement belonged to another era, but the dilemma remains: Does avoiding confrontation prevent war, or merely postpone it at a higher price?

That is the question now confronting the Gulf States.

The Gulf's great strategic bet

In recent years, Saudi Arabia, Qatar, and other Gulf States have pursued an ambitious strategy: rely on the American security umbrella, maintain dialogue with Iran, deepen trade with China, and develop ties with Israel where interests converge.

The goal was to avoid fully aligning with any one camp while turning the Gulf into an island of stability and prosperity in a volatile region.

This rational hedging became part of the economic model on which the Gulf's future was built.

Saudi Vision 2030, Dubai and Abu Dhabi's financial hubs, Qatar's LNG industry, and the region's airlines, ports, tourism, technology, and foreign investment all rest on the assumption that the Gulf can insulate its prosperity from regional turmoil while maintaining security ties with Washington, trade with Beijing, and dialogue with Tehran.

The current war threatens that assumption.

The Gulf States were not wrong about the cost of war. Regional conflict threatens infrastructure, shipping, foreign investment, and projects worth hundreds of billions of dollars. The question is whether staying out could ever shield them from its consequences.

Geography is ending the luxury of neutrality

Iran has struck targets in the Gulf during July, in some cases describing them as American military facilities in Bahrain and Kuwait. Meanwhile, Saudi Arabia struck Houthi targets in Yemen, and the Houthis responded with missiles and drones at Saudi targets and threats against Saudi shipping through the Bab al-Mandab.

To the east lies the Strait of Hormuz, where Iran can threaten a vital global energy artery. To the west lies the Bab al-Mandab Strait, where the Houthis can threaten Red Sea shipping. The war Gulf States spent years

trying to keep at arm's length has reached them from both directions.

For years, Israel asked how other countries would respond if missiles were routinely fired at their civilians. The Gulf States are now confronting that question themselves. Israel spent decades building air defenses, civil resilience, and the capacity to function under sustained attack. The Gulf must now ask whether it has built the same resilience.

Saudi Arabia's renewed use of force against the Houthis does not mean Riyadh wants a regional war. It underscores a crucial distinction: avoiding war cannot come at the expense of convincing an adversary that escalation carries a price.

Israel chose a different model

Israel's advantage lies not simply in military power, but in the credibility of its threat. Tehran knows Israel has demonstrated a willingness to use force even at high military, economic, and diplomatic cost. Deterrence depends not only on capability, but on what an adversary believes a country is willing to do.

Under Prime Minister Benjamin Netanyahu's leadership, Israel has pursued a strategic vision developed over nearly four decades: sustaining a prolonged war requires not only military strength, but economic resilience. Netanyahu has consistently viewed a strong, innovative economy as a pillar of national security, giving Israel the financial endurance to absorb the costs of extended conflict while continuing to fight and function.

By contrast, the Gulf States possess vast wealth, but their dependence on energy infrastructure, global trade, aviation, tourism, and international investment makes them far more vulnerable to prolonged regional warfare.

Israel has also recognized the strategic vacuum created by Gulf hedging and Washington's reluctance to be drawn into another regional war. For years, Netanyahu has sought to turn Israel's military power into a regional asset, positioning it as the one regional actor both capable and willing to confront Iran directly.

Tehran must factor in the risk: escalation with Israel could push the Gulf States closer to Israel and strengthen its role as a security anchor against the Iranian threat.

The Gulf States pursued security differently — through diversified partnerships, de-escalation, trade, and reduced friction. But if military pressure can shape a neighbor's behavior, hedging can turn from an insurance policy into a vulnerability.

This is not "the language of the Middle East." It is the language of international

politics. Pressure that succeeds invites more pressure. Diplomacy backed by credible deterrence can produce an agreement. Diplomacy, interpreted as an unwillingness to confront, may simply buy time until the next crisis.

Washington's choice

The key question facing the Trump administration is not whether the president is a hawk or an isolationist, but where Washington's threshold for intervention lies.

Will it act when American forces are attacked? When navigation through Hormuz is threatened? When Gulf partners come under attack? Or will it conclude that Iran's recurring ability to threaten the regional order is itself the problem?

America in 1939 had not concluded that the war in Europe was America's war. Pearl Harbor changed that calculation overnight. History need not repeat itself for threat perceptions to change rapidly when a distant conflict becomes a direct challenge to national interests.

A dramatically weakened Iran or regime collapse could create a vacuum, allowing Turkey to expand its influence while China and Russia seek opportunities. Iraq after 2003 reminds us that defeating an enemy is no substitute for a strategy for what comes next.

But fear of the day after cannot make preserving today's threat a strategy. Deterrence and preparation for the next regional order must proceed simultaneously.

The Gulf may no longer be able to have it all

For years, the Gulf States sought American security, Chinese trade, calm with Iran, and global prosperity without having to choose among Washington, Beijing, Tehran, and Jerusalem.

The current war may be bringing that luxury to an end.

Iran is confronting them with a harder question than whether to choose peace or war: Can they continue to prosper without choosing who will defend the regional order that makes that prosperity possible?

The Gulf built its future on the assumption that it would never have to choose a side. Iran may be choosing for it.

Liron Rose is an entrepreneur, co-founder of the Masad Haaretz Institute, and creator and host of the geopolitical podcasts *Israel Insider* and *HaYanush*.

Avnet Kleiner is an alumnus of the Tikvah Fund Leadership Program specializing in strategic development, public policy, and international relations, with extensive experience cultivating partnerships in Israel and the United States.

150 years of war against the Jewish state

• By JACOB SIVAK

A recent headline in *The Jerusalem Post* titled "Turkey expanding Middle East influence to conquer Jerusalem" begs the question: When did the Israeli-Arab Wars begin?

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Most of the arrivals came from Eastern Europe, especially Russia, pushed by the violence against Jews (pogroms) that broke out following the assassination of Czar Alexander II in 1881. A smaller component came from Yemen, in part because of improved travel conditions that accompanied an Ottoman takeover of Yemen, but also pushed by anti-Jewish measures.

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The first (1881-82) decree that foreign Jews could settle anywhere in the empire except

Palestine. The second (1882) banned the sale of land in Palestine to foreign Jews, even if they were Ottoman citizens.

The third, the Consolidated Regulations (1900-1901) consisted of rules to prevent Jewish pilgrims from overstaying their visit to the Holy Land and involved a "Special Commission for the Prevention of Jewish Immigrants from Settling in Palestine."

THE FIRST ALIYAH succeeded, despite Ottoman restrictions, because of corrupt local officials who looked the other way, and because some of the newcomers were able to use their foreign status to get around them. Also, the Jewish groups that arrived, especially in the beginning (1881-82), were relatively small and unlikely to attract attention.

For example, the first group of Biluim (an acronym for the house of Jacob, Isaiah 2:5) consisted of 14 university students from the then Russian city of Kharkiv, while only 200 individuals were in the first contingent from Yemen.

So why were the Ottomans so opposed to small numbers of Jews immigrating to a small neglected corner of their enormous empire? According to Mandel, the Sultan and his ministers understood that modern Zionism was a nationalist ideology that might be contagious to other parts of the Ottoman domain.

They were also wary of European designs on the Ottoman Empire, and, in their eyes, the Jews from Eastern Europe were, above all, Europeans.

However, another factor, perhaps the most important one, was that the Sultan, Abdul Hamid II, was also anxious to pursue policies that would benefit the many Arab subjects in his domain, many of whom were chafing under Ottoman rule.

Also, as a Pan-Islamist who viewed himself to be the spiritual leader of all Muslims, how could he simply "hand Jerusalem, the third city of Islam, to the Jews?"

The depth of the Sultan's feelings was revealed in 1901 when Herzl offered to help pay off the Ottoman debt in return for a charter to allow Jewish settlement in the Holy Land.

The Sultan replied, "The Turkish Empire belongs not to me, but to the Turkish people. I cannot give away any part of it. Let the Jews save their billions. When my Empire is partitioned, they may get Palestine for nothing. But only our corpses will be divided. I will not agree to vivisection."

The article mentioned at the outset of this column, regarding Turkey's expanding influence and "neo-Ottoman ambitions" with respect to Israel and Jerusalem, is a reminder that the war against the Jewish state is older and wider in scope than the Israeli-Palestinian arena. Moreover, it is a war that shows no sign of ending soon.

The writer, a fellow of the Royal Society of Canada, is a retired professor of the University of Waterloo.

Yair Golan cannot defend democracy by weakening its norms

• By EITAN CHIKLI

Yair Golan's service to Israel deserves respect. A former IDF deputy chief of staff and major-general, he has contributed greatly to the country's security. He is also obviously entitled to hold left-wing views, oppose the government, and seek to replace it through democratic elections.

Precisely because Golan leads a party called The Democrats and aspires to govern, his own democratic instincts deserve scrutiny. Democracy is tested not only by the causes a politician supports, but by how he treats opponents, public institutions, and media outlets he regards as hostile.

Over the past two years, Golan has repeatedly used language that sits uneasily with the values he claims to defend.

In December 2024, during the controversy over proposals to dismiss Attorney-General Gali Baharav-Miara, Golan declared that any coalition member voting for her removal would become "a full partner in a crime, in the dismantling of democracy and in treason against the State of Israel."

One may believe that dismissing the attorney general would be reckless or profoundly damaging. But "treason" is not ordinary political criticism. It places a legal and constitutional dispute outside the realm of legitimate disagreement. Once political rivals become traitors, alternation in power begins to resemble a struggle between patriots and enemies.

That same month, after an investigative report raised questions about Police Commissioner Daniel Levy's relationship with figures close to the Netanyahu family, Golan warned him that Prime Minister Benjamin Netanyahu and National Security Minister Itamar Ben-Gvir "will not always be here to protect you," adding that after the government changed, "if necessary, we will settle accounts with you as well."

Golan was entitled to demand an investigation. Yet "settle accounts" is the language of political retribution, not institutional accountability. Investigators, prosecutors, and courts should examine



YAIR GOLAN, chairman of The Democrats Party, speaks during a Democrats party rally at Rabin Square in Tel Aviv last month. (Avshalom Sassoni/Flash90)

suspected misconduct. Opposition leaders should demand due process, not imply that a change of government will bring personal reckoning.

The same problem appeared in May 2025, when Golan said that "a sane country does not wage war against civilians, does not kill babies as a hobby, and does not set itself the goal of expelling a population." He later clarified that his attack was directed at the government and praised IDF soldiers as heroes. That clarification matters, but does not erase the original formulation.

An Israeli leader, particularly a former general, knows such words will be heard beyond the domestic arena. They can be used to portray Israel and its soldiers as

deliberately murderous. Severe criticism of government policy is legitimate; language echoing the most inflammatory accusations against Israel is neither responsible nor necessary.

IN SEPTEMBER 2025, before David Zini had begun serving as head of the Shin Bet (Israel Security Agency), Golan announced that a future government led by his camp would remove him and "clean up the civil service." He added that appointments made by the current government would be reviewed and replaced if they had departed from the democratic path.

A new government may reconsider certain senior appointments and investigate

improper politicization. But announcing that the civil service must be "cleaned up" risks replacing one alleged loyalty test with another. The permanent state apparatus belongs neither to Netanyahu nor to Golan.

At the end of 2025, Golan promised that his camp would close Channel 14, which he described as propaganda rather than legitimate media. He later said it would be transformed into "real media."

Channel 14 is openly ideological and entirely open to criticism. But governments should not decide which broadcasters qualify as genuine media. If a channel violates regulations or the law, regulators and courts should address specific viola-

tions. The democratic answer to partisan media is stronger standards, competition, and pluralism – not closure by political decree.

Golan's response to the deadly events near Gilad Farm in July 2026 raised a related moral concern. He expressed regret for the loss of "Israeli and Palestinian lives alike" and called for everyone involved in violence to be prosecuted.

Compassion for every innocent life is essential. Yet his wording did not distinguish between the two Israelis who died, Maj. Yuval Ezra and Benayahu Mellet, and the Palestinian whom the IDF identified as an attacker who seized a weapon and opened fire.

Golan then moved rapidly from mourning the dead to blaming the government, illegal outposts and extremist settlers for creating an explosive reality. Those issues deserve debate, and the entire incident should be investigated. But political context must not erase individual responsibility.

Recognizing everyone's humanity does not require placing victims and an armed attacker on the same moral plane. A national leader should first express condolences to the Israeli families and condemn the shooting unambiguously, before moving to the political argument.

Israeli democracy cannot be protected through a monopoly on democratic virtue. It requires restraint when describing opponents, respect for due process, tolerance of hostile media, and recognition that public institutions must survive government changes without becoming instruments of revenge.

Golan presents himself as a defender of Israeli democracy. To make that claim convincing, he must show that democracy protects not only the people and institutions he values, but also the opponents, officials and journalists he distrusts. A democratic leader is measured by whether he continues to recognize them as legitimate participants in a shared political order.

The writer is an Israeli educator and former director of the TALI Education Fund and the Hebrew University of Mexico.

Would Theodor Herzl recognize today's Jewish state?

As Herzl's grandparents are reburied in Jerusalem, Israel should revisit his ideas

• By TOVA HERZL

As the remains of Theodor Herzl's grandparents are to be reburied in Jerusalem on Wednesday, it is easy to predict what the speakers at the ceremony will say. I would venture to suggest a few things that should be said, though I doubt they will be.

The founder of political Zionism grew up in an assimilated Jewish family in Budapest. His grandfather, Shimon Leib Herzl, lived and died in Zemun, today part of Belgrade, Serbia, and was close to Rabbi Judah Alkalai, one of the earliest advocates of Jewish national revival.

It is only natural that the speakers, including Israel's president and prime minister, will argue that Herzl's Jewish identity endured thanks to his grandfather, who also planted the first Zionist seed in his mind. They will rightly celebrate the establishment of the State of Israel and pledge to defend it.

But will anyone mention how far Israel has drifted from Herzl's vision?

It was laid out in two works. *Der Judenstaat* (The Jewish State), published in 1896, two years before the First Zionist Congress, provided the intellectual foundation for the Zionist movement.

In 1902, two years before his death at 44, Herzl published *Altneuland* (Old-New Land), a novel depicting the future Jewish state. Together, the two books offer not only a political program but also a moral compass.

Given his principles, how would Herzl respond to the widening inequality in Israel today? How would the man who founded a movement on behalf of a persecuted minority react to the overwhelming rejection of political partnership with Arab citizens in Israel, simply because of their national identity?

Writing in a Europe marked by stark class divisions, Herzl nevertheless imagined an almost egalitarian society. Health care, education, and housing would be guaranteed to all, and so would human dignity.

One episode in *Altneuland* is particularly revealing. Two candidates compete for a leadership position in the Jewish commonwealth: an Arab engineer from Haifa and a Jewish politician of German origin who



PRIME MINISTER Benjamin Netanyahu attends a memorial ceremony for Zionist leader Theodor Herzl at Mount Herzl in Jerusalem last month. (Alex Kolomoisky/Pool)

seeks to deny equal rights to non-Jews. Herzl, a successful playwright and journalist, before turning to politics, causes the racist to lose.

Herzl also addressed the relationship between religion and the state. He respected every faith and its leaders, but believed their primary role belonged in religion and culture, not government. Rabbis, he argued, should not intervene in affairs of state.

At the same time, he championed education, science, and knowledge as the engines of progress and prosperity. Will any of the speakers acknowledge the

growing influence of religion in Israel's public sphere, or the long-term consequences of an expanding population that is not receiving a core secular education?

A DOCTOR of law, Herzl envisioned an independent, professional judiciary worthy of a liberal state. The country he imagined would be administered by experts, with clear institutional separation between political authority and economic management, thereby avoiding conflicts of interest and preserving public trust.

Although Herzl tirelessly sought financial backing from wealthy supporters, he refused personal compensation. He invested his own money, and that of his wealthy wife, in the Zionist cause. When he died, his family was essentially left destitute.

It is not difficult to imagine what Herzl would think of the polarization that characterizes Israeli politics today. Throughout his career, he sought the broadest possible coalition. He spoke to religious Jews in their language and to intellectuals in theirs, while searching for common ground that would allow the movement to advance with a united purpose.

The same instinct guided his diplomacy. Herzl understood that Zionism could not succeed without international support, and he carefully identified where the interests of foreign leaders whom he met overlapped with the Zionist project.

To the Ottoman sultan, he offered a plan to help eliminate the empire's crushing debt. To Britain, he proposed ideas that would strengthen its position in some colonies. One wonders what he would say today, when public confrontations with leaders, including friends, increasingly replace quiet diplomacy, and even as domestic political messaging often takes precedence over careful statecraft.

Seventy-seven years ago, Herzl's final wish was fulfilled when his remains were reburied in the nascent country he had envisioned. My late father, a Holocaust survivor, served in the Israel Defense Forces honor guard at that ceremony.

It seems to me that if those two men sharing a name – the visionary who imagined the state and the ordinary soldier who fought for it – could look upon Israel today, they would not be satisfied merely to celebrate its existence. They would ask what kind of country it has become, whether this is what they had hoped for, and what must be done to bring it closer to the vision that inspired its creation.

The writer was Israel's first ambassador to the Baltic states after the disintegration of the Soviet Union, ambassador to South Africa, and congressional liaison officer at the embassy in Washington. She is a graduate of Israel's National Defense College.

Do not ground our vote

• By JOSH DRILL

In New York City, I am organizing Israelis to do something citizens of many democracies can do without crossing an ocean: vote in our national election.

I moved here from Tel Aviv to pursue a master's degree in strategic communication at Columbia University. Around me are Israeli students, entrepreneurs, and tech workers who came for different reasons. Some left after October 7 shattered their sense of security and trust. But living abroad has not made Israel any less our home or its future any less our responsibility.

Since Israel does not permit ordinary

citizens abroad to vote absentee, we must fly home to reach the ballot box. In the United States, by contrast, citizens living overseas can vote absentee in federal elections. Asking Israelis to spend hundreds of thousands of dollars and travel for hours simply to vote is an extraordinary burden.

It was reported that senior Transportation Ministry officials, under Transportation Minister Miri Regev, discussed restricting non-scheduled flights before the election and limiting airport slots allocated to charter flights. The reported concern was that Israelis returning from abroad will vote against Prime Minister Benjamin Netanyahu.

Trying to make this journey harder for us

is disgraceful and undemocratic.

When war breaks out, the government calls on Israelis abroad to get on a plane and report for reserve duty, but when we seek to return in order to vote, the government works to block our path to the ballot box.

Recent polling places Netanyahu's existing bloc below the 61 seats required to govern. The government that presided over the catastrophic failures of October 7 has every reason to fear public judgment. However, it has no right to use state infrastructure to influence who will deliver that judgment.

Such an effort would also backfire politically. By treating Israelis abroad as a threat, the government only deepens our alien-

ation from it. Every attempt to obstruct us from exercising our democratic right to vote creates more anger and more determination to replace this government in the upcoming historic elections.

For many Israelis like me, flying home to vote is also personal. October 7 caused my generation to carry grief, fear, and trauma. A ballot will not erase our trauma, but it can restore our agency, which is crucial to the healing process. We will not remain passive. We will take responsibility for what Israel becomes next.

The Transportation Ministry and Israel Airports Authority should guarantee transparent slot allocation and sufficient capacity before Election Day. The attorney

general and Central Elections Committee should scrutinize and prevent any decision that will restrict incoming voters.

And Israelis abroad should book their flights, as thousands already have.

For me, this moment is about far more than one election. My vision is that the Israelis flying home to vote will become part of a broader movement of Israelis returning to Israel for the long term, ready to live there and build a different future together.

We have not lost hope in Israel. We believe that through partnership and determined political action, we can create real change and lead the country to peace, security, and equality.

OPINION

JD Vance 'Fixes' Capitalism



MAIN
STREET
By William
McGurn

Vice President JD Vance would seem to have little in common with J.D. Rockefeller (1839-1937), once the wealthiest man in the world. But the two Republicans have in common a belief that capitalism doesn't work for the American people. Mr. Vance has little faith in market competition, which Rockefeller called "a sin."

Republicans used to have more faith in freedom than in bureaucrats.

Pat Buchanan campaigned on similar grounds in his 1992 run for president, in which he promised to "make America first again." This Republican distrust of the free market comes from seeing competition in exclusively destructive and material terms. To give an

example, Amazon is often blamed for driving competitors out of business—primarily brick-and-mortar stores such as the bookseller Borders. In this telling, Amazon won and Borders lost.

And it's true. But market reality is more complex than a boxing match in which one guy wins and one guy loses.

For the real winner is the customer, who gains greater choice, better prices, higher-quality goods and services or

some combination thereof because people must compete for his dollar. It is the customer, not "the market," who determines which producers win.

This isn't how Mr. Vance sees it. Where Mr. Buchanan in the 1990s rallied against the North American Free Trade Agreement, Mr. Vance attacks free-market icons such as Milton Friedman. It's telling that in his new book, "Communism," the chapter the vice president devotes to economics is called "A Dismal Science," a phrase Thomas Carlyle coined in the 19th century as he opposed the coalition of evangelical Christians and economists fighting slavery.

Today Mr. Vance says that while Friedman's ideas might have worked "in a world where there are Christian guardrails on everything," they are ill-suited for our more secular age.

"The caricature of Milton Friedman as one who advocated for selfishness or a sort of chaotic freedom that undermined the common good is a classic straw man," says David Bahnsen, a National Review trustee and managing partner of the Bahnsen Group, a \$10 billion wealth-management firm. "Friedman's love of free enterprise was rooted to his argument that it optimized conditions for social cooperation—not that he was apathetic about such."

If we're going to have an honest talk about justice, human dignity and social harmony, do we really believe any third party—especially the government—will make better



choices than we ourselves would make?

While market critics are quick to point out the limitations of the market and its participants, they place extraordinary trust in the people they think will fix it. The beauty of capitalism is it is designed for imperfect people. Competition limits the harm they can do and provides real alternatives.

"The danger begins not when men compete to serve," says the Rev. Robert Sirico, president emeritus and a co-founder of the Acton Institute, "but when they conspire—privately or politically—to prevent others from competing with them."

This is a central tenet of the free economy: openness to new competitors. Today it's unpopular in Republican as well as Democratic circles, albeit for different reasons. From the left, the Democratic Socialists of America wish to replace capitalism with socialism. On the Republican side, Donald Trump has embraced

government intervention through tariffs and government ownership of corporate shares.

Unlike some of his intellectual supporters, however, the president is willing to live with contradictions and seldom follows his own beliefs to their logical conclusions. That's why there are so many internal fights over what the true Trump philosophy is. He would likely say that he takes each problem and applies common sense.

Mr. Vance is an educated man who served his country a time of war. He has a compelling life story about his rise from poverty and dysfunction to the U.S. Senate and the White House, and he is right to be skeptical about a classical liberalism not rooted in truth but in agnosticism about the very possibility of truth.

Even Karl Marx recognized the revolutionary improvements capitalism brought to feudal society. Yet even among business elites and other beneficiaries of capitalism, there is little appreciation for that fact. It is especially curious to find such critics of capitalism on the right, where many now put their faith in bureaucrats who they assume will be wise enough to impose and run a system with all the blessings of the free market without any of the defects of government-run economies.

What ought to give Mr. Vance pause is that history confirms one truth about markets: The opposite of competition isn't cooperation. It's collusion.

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BOOKSHELF | By Michael O'Donnell

Pushed to the Breaking Point

The Cruellest Game

By Matthew Futterman

Doubleday, 352 pages, \$35

The men's final between Jannik Sinner and Alexander Zverev at Wimbledon last month resembled a shootout from the 1990s. Back then, tennis stars such as Pete Sampras and Goran Ivanisevic routinely hit dominant serves and played short points, offering little variety or intrigue for fans. Messrs. Sinner and Zverev made around 70% of their first serves and engaged in few long rallies. Before Mr. Sinner claimed the title in four sets, a friend tended to say, "good lord this is boring tennis."

Tennis is a sport of eras, as Matthew Futterman emphasizes in "The Cruellest Game," a snapshot of modern tennis and its leading personalities. The Sinner-Zverev match was thankfully an aberration. The sport today offers much on-court variety and frequently produces exciting matches. A dogged battle between Chris Evert and Martina Navratilova from the late 1970s—wooden rackets and all—is almost unrecognizable next to today's high-intensity pace and graphite tools. When Björn Borg tried to return to tennis in 1991 after eight years in retirement, he played nine matches without winning a set. The game had passed him by.

This year, the once-dominant Serena Williams was similarly humbled after four years away, losing in the first round at Wimbledon.

Mr. Futterman, a journalist at the Athletic, captures how tennis has moved on from a golden age of champions such as Ms. Williams, Justine Henin, Roger Federer and Rafael Nadal to welcome new greats such as Mr. Sinner, Carlos Alcaraz, Coco Gauff and Aryna Sabalenka.

The book offers capsule biographies of the game's young stars. Naomi Osaka, the author writes, "ticks all the boxes. She's exceptionally curious, constantly asking questions, not simply following commands" as she tries to rebuild her game following the birth of her daughter. Mr. Sinner is the "cool northern Italian redhead with the Germanic roots and the most punishing of ground strokes." His rivalry with Mr. Alcaraz has given fans some of the more memorable recent battles in men's tennis.

Yet the old lions refuse to surrender to the cubs. Mr. Futterman portrays this generational struggle as both brutal and inevitable. As he writes of Novak Djokovic, who has won 24 Grand Slams, "how could anyone who experiences that not want to experience it again and again and again, for as long as they possibly can, no matter what it takes?"

Mr. Djokovic is one of the book's more revealing subjects. The author describes the Serbian as "the most curious, hungry, ever-seeking athlete on the planet." Mr. Djokovic—who is polarizing and was never as beloved as his rivals Messrs. Federer and Nadal—is both a rare physical specimen and a brilliant tactician. He tells Mr. Futterman that he cuts through the pressure by focusing on sensations such as how the ball feels coming off the strings of his racket and the cool press of the ice towel between games. His mindfulness allows him to play with a freedom that younger players seek but seldom achieve.

Tennis is the cruelest game for a variety of reasons, Mr. Futterman contends. It is both lonely and silent, with the players on their own as they compete, unless they have an overbearing coach yelling at them from the sidelines. The unusual scoring system attacks the ego, with champions losing almost as many points as they win. No other sport, Mr. Futterman writes, has as many stars, such as Jennifer Capriati, Mats Wilander and Kim Clijsters, who unravel or quit in their prime. Tennis, the author writes, "is all about time—gathering it for yourself, taking it away from the opponent, battling against its relentless move toward the end of a brief career."

Tennis has moved on from a golden age of champions to welcome new stars. Yet the veterans refuse to surrender to the upstarts.

Mr. Futterman occasionally exaggerates his case with over-the-top prose. Tennis "appears uniquely delicate and to double as an MRI of the soul," he asserts. "You can do this sport, but it might kill you"—spiritually if not literally. It is certainly true that tennis requires discipline and sacrifice, but is this country-club sport really more intense than, say, distance running, mountaineering or solo sailing? Mr. Sinner offers refreshing perspective. Win or lose, he remains humble and loves spending time with his family. "The most important thing," he placidly tells the author, "is that we are healthy, that we are having a nice time together."

"The Cruellest Game" overlooks some of the most interesting trend lines in tennis today. Despite equal prize money for men and women at the four Grand Slams, pay disparity persists at many other tournaments globally. Mr. Futterman's focus on superstars will leave some readers wishing he'd chronicled the occasional journeyman trying to scrape out wins and paychecks. And he doesn't consider how the best-of-five-set format in men's tennis looks increasingly tenuous as matches run longer and cause frequent injuries. Mr. Djokovic and Félix Auger-Aliassime recently played the longest quarterfinal in Wimbledon history, at 5 hours, 15 minutes.

Mr. Futterman, the author of "Players: How Sports Became a Business" (2016), notes how canny investors stake players from a young age. Alfonso López Rueda, a Spanish dessert mogul, began supporting Mr. Alcaraz when he was around 10 years old. The author also has a keen eye—and little patience—for preening coaches. Mr. Sinner's ex-coach Riccardo Piatti, who runs his own tennis academy on the Italian Riviera and frequently appears on television as a commentator, comes off as a one-man conglomerate. Of the beautifully coiffed Patrick Mouratoglou, who coached Ms. Williams, the author writes, "don't step between him and a television camera."

"The Cruellest Game" is a solid companion as the U.S. Open approaches. Will Mr. Alcaraz return diminished from the wrist injury that has kept him from competing in the two most recent Grand Slams? How long can the fascinating variety at the top of the women's tour persist? Might a fading champion like Ms. Williams reclaim her former renown in a few weeks? Tennis is a sport that rewards our keenest attention. It feels impossible not to watch and find out.

Mr. O'Donnell is the author of the novels "Concert Black" and "Above the Fire."

Trump's Unpredictability Has Costs, Too



GLOBAL
VIEW
By Walter
Russell Mead

My grandfather was an irritating bridge player. Avoiding dramatic and attention-grabbing high-risk bids, he worked on the creep system, inching toward his goals by winning one boring low-bid hand after another. Lately, America's adversaries seem to be taking a leaf out of his book. Even as they step up their campaign against American power, the revisionist axis of China, Russia, Iran and North Korea seeks to avoid triggering moments like the Pearl Harbor attack, which roused the American people to the heroic efforts and sacrifices that won World War II.

The strategy has brought them some successes. China, Russia, Iran and North Korea are cooperating with one another more effectively than ever. Even as war material and North Korean soldiers flow across Eurasia to support Russia's war on Ukraine, information and technological breakthroughs flow back, preparing Chinese and North Korean military leaders for the new age of war. Similarly, Iranian drones helped Vladimir Putin's war on Ukraine, and access to Russian technology and intelligence is helping Iran in its war against the U.S.

At the same time, the level

of gray-zone or hybrid war continues to creep up without triggering a strong public reaction. Last week's reports that cyberattacks on water systems in seven states may be linked to Iranian hackers created scarcely a stir. That shouldn't be surprising. Cyberattacks on both physical infrastructure and information systems have inexorably grown into a strategic threat.

There are other forms of gray-zone war. China is stepping up harassment in the waters around Japan, the Philippines and Taiwan. Beijing is also using trade as a weapon in its assault on European industry and has placed restrictions on key exports and raw materials. The weaponization of information operations has brought the most sophisticated propaganda campaigns in history into American media and politics. Migration has become a political tool as countries ranging from Russia and Turkey to Morocco hold back or encourage waves of migrants to achieve political ends. The infiltration of non-governmental organizations, political movements and institutions by foreign operatives is at unprecedented levels.

Cries to "globalize the intelligence" are essentially calls for global terrorism against Jews and the institutions and people who support them. Much global terrorism was quietly supported by the Soviet Union and its satellites during the Cold War, and one can safely

assume that today's revisionist powers are easing the path for jihadist attacks on Jewish and other targets across much of the world.

So far, the public response to all this is mostly a yawn. Americans may be uneasy about the state of the world, but most haven't connected the dots. Until they do, U.S.

He gains flexibility at the price of public persuasion and strategic coherence.

policy responses are unlikely to achieve the strategic coherence and focused intensity needed to reverse the global trend toward ever-sharper great-power confrontation potentially leading to war.

Normally one would look to the president to educate Americans to the perils we face, but President Trump, like Presidents Biden and Obama before him, isn't rising to the challenge.

Mr. Trump has his reasons. For one thing, he must deal with a fragile and combustible coalition divided between neoconservative "realists" and interventionist hawks. Then there is his negotiating style. When it comes to deal-making and politics, Mr. Trump believes he loses leverage when he tips his hand. Keeping adversaries, the pub-

lic and even close allies guessing is part of his method. For this president, tactical flexibility is the foundation of strategic success, and he'd rather keep China and Russia guessing about his intentions than lay out his view of the world with the clarity that inevitably would diminish the maneuverability he craves while making his behavior more predictable to his opponents.

These are real considerations, but Mr. Trump finds himself in a jam. He must marshal support for the policy choices he will make in the next two years and for the cost of the defense measures the situation requires. His administration has to engage more persuasively and more systematically to ensure the public support the president will require to respond to a more dangerous world.

Greatness in presidents has three components. Great presidents grasp the true nature of the country's challenges. They communicate that vision effectively to the American people. And despite the inevitable mistakes and misfires, they ultimately find the right people and the right methods to deal with those challenges.

Mr. Trump very much wants to be recognized as one of America's great presidents. Awakening the American people to the true state of world affairs would be a historic achievement and bolster his reputation while making the nation more secure.

The Bald-Faced Truth About Beards

By Joseph Epstein

The question of who is more vain, women or men, didn't use to be a question. Women had beauty shops, fashion magazines, their own designers. Vanity for them was no sin but a way of life. A man could be well turned-out, but if he made too much of his wardrobe or grooming, he overstepped the bounds of good taste. Vanity was the preserve of women.

No longer, it seems. Many men now wear earrings. They walk the streets pomaded, braided, wearing strangely arranged hairdos meant to call attention to themselves. Above all, men have taken to facial hair—mustaches and beards, and usually both together—in loosely counted but clearly large numbers. Various reports say about one-third of American men are fully bearded, with the numbers inching toward half if you count goatees and heavy stubble.

Some say this bearding

trend began with the 1980s television series "Miami Vice," wherein the actor Don Johnson sported a 5-o'clock shadow that was much commented on. Yet in the modern era, no American president has gone about in mustache or beard. Does the country want a bearded president? Or are

Who knows where the trend began, but I remain clean shaven.

beards so common that it scarcely matters? Perhaps our bearded vice president will find out.

George Balanchine, the great modernist choreographer, forbade his male dancers to wear long hair or beards. He detested beards, thought them all fakes—his bearded Georgian father had died in 1937. No one was more clean-shaven than Balanchine.

Beards can help cover up

bad skin, weak chins, too-long or too-short upper lips, facial tattoos and more. What they don't do is relieve one of the burden of shaving, as they require a high degree of maintenance. Last time I met with an old friend I noted the disappearance of his goatee and mustache. He shaved it off, he told me, because maintaining it was too much trouble.

Different professions seem to have different proportions of beard-wearing members. I don't know the percentage of congressmen with facial hair, but I suspect it isn't high.

Lower, I am sure, than that of male television news reporters. And nowhere near as high as among professional athletes. But athletes wear a short day across short seasons, with plenty of free time for beard-keeping. In an earlier era, George Steinbrenner, owner of the New York Yankees, forbade his players to wear their hair long or have beards. He probably couldn't get away with that today, when, who knows, hav-

ing a beard may be considered a civil right.

Graham Platner keeps a reddish-brown beard. Pete Buttigieg has acquired a dark black one, topped off with a thick mustache. The podcaster and news-show panelist Guy Benson seems to change his brownish beard—on, then off, then on again—more often than his suits. Nothing ages a man more efficiently than a white beard. Exhibit A: Wolf Blitzer, whose white beard has bestowed the gift of perpetual old age on him.

As for me, I attempted a mustache one summer years ago while on vacation in Green Lake, Wis. I had hoped it would lend me something of the suavity of Douglas Fairbanks Jr. After a week, I looked more like the guilty partner in a police lineup, and off came the mustache. I shall meet my maker clean-shaven.

Mr. Epstein is author, most recently, of "Never Say You've Had a Lucky Life."

OPINION

REVIEW & OUTLOOK

Can the U.S. Treasury Save the Yen?

Investors, politicians and economists said they wanted a world of fiat currencies with floating exchange rates, and they're getting it good and hard in Japan.

Surprise, now they want off the currency roller coaster. The U.S. Treasury in recent days has joined with Japanese authorities in a rare coordinated currency intervention to stabilize the yen. The two sides have engaged in large-scale yen purchases, likely to the tune of tens of billions of dollars. Washington also is making available a line of dollar credit Tokyo can tap by using U.S. Treasury debt it holds as collateral.

The idea is to give Japan more scope to intervene in the foreign-exchange market without having to sell U.S. Treasuries, which otherwise would push up American interest rates. This fear—that sudden exchange-rate swings in Japan would trigger tidal waves across global financial markets—is a primary justification for Treasury to join the interventions. And the fear is legitimate.

The intervention “worked” over the weekend to the extent that officials reversed the yen's recent steep declines. As of Monday, one dollar bought about ¥156, a substantial improvement over the Japanese currency's 40-year low of ¥164 per dollar last week.

Notably, however, no one expects the intervention to have much staying power. The coordinated show of force probably will deter speculators for a time. But there were reasons for investors to sell yen before and none of those have gone away.

Fiscal policy is an obvious culprit. Tokyo is indebted to the tune of 230% of GDP. Prime Minister Sanae Takaichi this spring pushed through a record ¥122.3 trillion budget for 2026, and already has supplemented it with a few billion dollars more for energy subsidies amid the war in the Middle East. An aging population and chronic economic anemia raise questions about whether Tokyo ever will repay the debt, a worry that all else being equal suppresses demand for Japanese assets and thus the yen.

The Bank of Japan also bears much of the blame. Despite much hullabaloo about monetary normalization in recent years, Japan's

short-term policy rate remains 1%. Unusually for major central banks, that's negative in inflation-adjusted terms. It's hard to say when the

BOJ might resume rate increases—possibly in September, investors believe—at what pace, or to what level. Meanwhile, the BOJ continues quantitative easing at a pace of ¥2.5 trillion in asset purchases every month.

BOJ officials and their political jeering squad (which includes Ms. Takaichi) appear to believe Japan's economy still needs monetary support, despite ample evidence in recent decades that abnormally low rates have weighed on the economy. Tokyo also worries that a withdrawal of monetary support for the government-bond market might trigger a financial panic.

That latter point may even be true, but officials have traded one panic for another by setting in motion exchange-market wobbles. And instead of causing disruption to the bond market, they've stoked a politically poisonous bout of inflation that's exacerbated by this spring's energy shock. No one told Japanese voters that domestic inflation is supposed to be one of the “macroeconomic adjustment mechanisms” under a floating-exchange regime.

The longer the BOJ persists in its go-slow approach, the more dangerous the currency market becomes. Recent interventions won't have a lasting effect on the supply of yen as long as the central bank keeps rowing in the opposite direction. A September interest-rate increase by the U.S. Federal Reserve in particular would widen the gap between Japanese and foreign interest rates and cause more investor flight from the yen.

A better yen salvage plan would involve less government spending and renewed reforms to spur economic growth—making Japan a more desirable place to invest. It also would require the BOJ to move more aggressively to normalize monetary policy.

The good news is that Scott Bessent's Treasury has signaled its determination to work with Tokyo to stabilize markets. This global cooperation is welcome. But it's no substitute for Tokyo's commitment to fix itself. Absent that, no swap line in the world can save the yen.

Bessent bucks up Japan's currency, but the BOJ has to tighten.

California Democrats Run Over Newsom

Who has more sway with California's Democratic Party rank and file—two-term Golden State Gov. Gavin Newsom, or socialist Vermont Sen. Bernie Sanders? Apparently the answer is Bernie, as the state party on Sunday endorsed the wealth tax on the November ballot.

Mr. Newsom has come out against the (supposedly) one-time 5% tax on the net worth of California residents with more than \$1 billion in wealth on grounds it would cause top earners to flee. He's joined by the California Teachers Association and firefighters union that fear a loss of revenue for schools and other programs. Democratic gubernatorial nominee Xavier Becerra also opposes the measure.

On the other side is the SEIU Healthcare Workers West, which spearheaded the ballot measure and claims it would raise \$100 billion. Ninety percent of the revenue would have to go to healthcare—namely, Medicaid. Mr. Sanders and the Teamsters are on board mainly to stick it to the billionaires.

Energy and opinion among Democrats appears to be on their side. A Public Policy Insti-

tute of California poll in May found that 54% of likely voters supported the initiative, including 76% of Democrats.

A large reason for this support is the proponents' misleading advertising, which Mr. Newsom has echoed in his criticisms of the GOP's Medicaid 2025 reforms. Proponents without evidence say “massive federal healthcare cuts are driving California towards a healthcare collapse” and the wealth tax is needed to “keep hospitals & ERs open.”

California's federal Medicaid payments have increased 14% (\$16.4 billion) over the last year. Healthcare is among the only industries in the state adding jobs. Progressives hope the California wealth tax will shift the tax possibilities in the party. If it passes, you can be sure there will be a major push to make a wealth tax part of the party's 2028 national platform.

Mr. Newsom has endorsed a national wealth tax as a way to blunt progressive criticism for opposing the ballot initiative and get ahead of the party's stampede to the left. But in joining the herd, he may get trampled anyway.

Blanche Bends on the \$1.776 Billion Fund

Todd Blanche is closing in on Senate confirmation as Attorney General, after he signed a document Sunday formally nullifying his earlier order to set up a \$1.776 billion “anti-weaponization” fund. At the same time, the Justice Department clarified the limited scope of Mr. Trump's audit immunity. Credit to Sens. John Cornyn and Thom Tillis for extracting the concessions.

Mr. Blanche had previously testified that the \$1.776 billion fund wasn't “moving forward.” But the Republican Senators were right to want it in writing with Mr. Blanche's signature, since President Trump insists the MAGA payouts are a brilliant idea. “I think people were horribly treated,” Mr. Trump said Friday. “I'd like to see them compensated for the pain.”

On Saturday Mr. Trump threatened to keep Mr. Blanche as acting AG and “push hard” for the fund. Mr. Tillis appears to have taken this as vindication of his worries. “President Trump clearly intends to resurrect the payout pot for punks,” he wrote in response. “It's unfortunate that Todd Blanche, who I consider qualified for the job, will not be confirmed because of this reversal.”

In the end Mr. Blanche came around. Or was it that Mr. Trump finally consented to let him come around? “I think as far as Blanche and the Department of Justice, we were pretty much on the same page,” Mr. Cornyn remarked Thursday. “But then when the president got wind of it, he wasn't willing to go along with it.” The rescinding is good news in any case.

The same goes for the audit immunity deal. Mr. Trump was wronged when a federal contractor leaked his private tax details in 2019. But he waited until January 2026, after becoming President again, to sue his own IRS, seeking

Tillis and Cornyn get useful concessions from Trump's AG nominee.

\$10 billion. When that case was withdrawn in May, Mr. Blanche signed a broadly worded letter that said the U.S. would waive liability

against Mr. Trump, “related or affiliated individuals,” and “trusts, parent, sister, or related companies.” That protection would purportedly extend to cover “any matters” pending at the IRS, as well as “other agencies or departments.”

Now the Justice Department says in writing that the release applies “only retroactively” and includes only “the named parties in the lawsuit.” On one side of *Trump v. IRS* were Mr. Trump, his two elder sons, and the Trump Organization. On the other side were the IRS and Treasury. The point is apparently to ensure the Trump family can't cite the letter in some unrelated dispute with the government.

Sens. Cornyn and Tillis said the Justice Department's clarification, “in a binding written order,” addresses “concerns that multiple of our Republican colleagues share.” Nice to hear. The immunity memo is no emblem of good government, even under a narrow interpretation, and even if one result is that states and the IRS in 2029 squint at Mr. Trump's taxes twice as hard. Despite the efforts of Messrs. Tillis and Cornyn, the GOP could pay a price for voter anger at Mr. Trump's personal dealings.

The two Senators say they're ready to confirm Mr. Blanche. Democrats will complain they should block him anyway, but since Mr. Trump can keep his man as acting AG, the question is realistic alternatives. And as Mr. Trump put it in his threat on Saturday: “Todd Blanche was a voice of reason!”

Not implausible. Messrs. Cornyn and Tillis got the Justice Department to bend, and it's good to see Senators use their advise-and-consent power productively.

LETTERS TO THE EDITOR

When Kids Act Out, Schools Should Ask Why

Tony Woodlief's op-ed “Restorative Justice Brings Violent Schools” (July 30) is right that restorative justice has failed students and teachers. Schools and districts need a standard for judging any discipline policy—one that asks what the misbehavior is accomplishing for the child, and whether the school's response changes it.

As we have argued elsewhere, most misbehavior is a child's way of escaping work he can't do or winning an adult's attention—and both restorative circles and the suspensions they replaced can hand him exactly those rewards. A child escaping a math worksheet doesn't care whether he leaves on a suspension slip or in a restorative circle; either way, the worksheet is gone. That is why simply restoring suspensions will also fall short.

To be sure, some students must be removed to protect other students. But removal alone stops the behavior

only temporarily. A restorative circle, a counselor visit and a suspension all take a student out of instruction. It is disengagement—not the disciplinary label—that paves the road to the child eventually ending up in the justice system.

The fix is matching the disciplinary response to what's driving the behavior. For the student escaping his work, the assignment should wait for him; acting out no longer gets him out of it. For the student seeking attention, the adult's time needs to come on a schedule, before he acts out—and is never given as a payoff.

Schools and districts should ask two things: Does the response fit what's driving the behavior, and does the behavior change? Schools that can answer yes are keeping both order and their students.

JENNIFER WEBER and CAROLYN D. GORMAN
Manhattan Institute
New York

AI Companies Like Gas, So Drill, Baby, Drill

I support Mark Zuckerberg's advocacy for artificial intelligence (“The AI Future Is for Everyone,” op-ed, July 29). But there's a power conundrum: Though data centers appear to me to be the fastest growing consumers of natural gas for electricity generation, hyperscalers aren't doing anything I'm aware of to increase natural-gas supply.

The Energy Department estimates that power demand for data centers will increase by up to 580 terawatt-hours by 2028. This is equivalent to roughly 26 times as much power as the massive South Texas nuclear plant in Bay City generates in a year, or about 10 billion cubic feet of natural gas per day by my math.

Meta's behemoth Hyperion data center in Louisiana will have 10 company-funded natural-gas power plants, which will generate 7.5 gigawatts of electricity, and consume over a billion cubic feet of gas daily. Hyperion's “nameplate” solar power generation, by contrast, will only generate up to 2.5 GW, likely delivering 575 megawatts, according to the Energy Department's conversion factor for solar. It is a green virtue-signal project—not a meaningful power source for AI.

Meta's reliance on natural gas isn't unique. Hyperscalers are buying natural-gas-powered General Electric turbines and Caterpillar generators at a torrid rate. GE turbines are now sold out through 2029. Even jet engine makers are retooling to make gas-powered generators for AI, as the Journal has reported.

Putting electricity generation “behind the meter”—when AI companies generate their own electricity on site rather than buying off the power grid—won't protect consumers from data centers' increasing demand for natural gas. Even if they have a generator on their property, these companies will still compete with my local utility for the natural gas it runs on, driving up electricity and heating costs.

I politely ask Mr. Zuckerberg and the other hyperscalers to start drilling their own natural-gas wells. Drill, baby, drill.

WILLIAM D. DEMIS
Cypress, Texas

Mr. DeMIS was senior vice president and chief geologist at Goldman Sachs from 2016-17 and runs Rochelle Court, LLC.

Not Your Grandfather's ‘Middle-Class Life’

Regarding Jane Shaw Stroup's op-ed “The ‘Downward Mobility’ of Struggling Young Baby Boomers” (July 30): Younger Americans face real economic challenges, especially the high cost of housing, education and childcare. But part of today's financial pressure also comes from how much our expectations have changed.

I am 72. When I was growing up, we had one television and received four channels for free. We had one telephone in the house. For years, we had one car, even though my father was a successful attorney. He took the train to work, and the day he bought my mother her own car was a major family event.

Our big annual vacation was driving to Florida and staying in a modest motel. Children played sports, but families didn't spend thousands of dollars on year-round travel teams, private coaching, specialized equipment, hotels and airfare.

Today, many households pay for several cars, multiple cellphones, cable, streaming services, internet, frequent restaurant meals and regular air travel. None of these expenses seems excessive by themselves, but together they greatly increase the cost of what we now call a normal middle-class life.

We had less, but we didn't feel deprived. Perhaps younger Americans aren't only struggling to afford what their grandparents had, but a far more elaborate version.

MARK R. GLANNIN
Rochester, N.Y.

For Once, You Can't Really Say It's the Socialists' Fault

In his op-ed “Bernie Bros' Could Spoil Democrats' Midterms” (July 24), the people Rahm Emanuel should blame for ruining the Democrats' chances are the Democrats themselves. They were too timid to assess their 2024 loss honestly and so haven't embraced as a solution moderating their most extreme social and economic policy ideas—the obvious lesson of that cycle. That lack of candid reckoning left the door wide open for the Bernie bros to argue that moderation in 2016 and 2024 failed, and that even when it succeeded in 2020, it left the Democrats, as Mr. Emanuel says, “saddled with a poor party image from the Biden era.” The bros now reasonably insist that the Democrats try it their way, and the party has itself to blame.

STUART CREQUE
Moraga, Calif.

Mr. Emanuel touts the Affordable Care Act, Dodd-Frank financial reform, and the Inflation Reduction Act as examples of successful Democratic legislation. But the Affordable Care Act made healthcare less affordable, Dodd-Frank's high compliance costs hamstring small-bank lending, and the IRA dramatically increased inflation. Now he's apparently proposing to raise the minimum wage, despite the fact that it would cause the 27% unemployment rate among black teenagers to soar higher. To adapt Democratic political consultant James Carville, it's the policy, stupid.

SCOTT KAUFMAN
Kansas City, Kan.

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Goldilocks's Guide to Tahoe

Regarding “Lock the Doors, Hide the Biscotti: Lake Tahoe Is Overrun by Bears” (Page One, July 24), here's what we've learned. Bears mostly are looking for food, and they find it in trash left outside, bird feeders and similar things. They are strong, have great memories and a wonderful sense of smell, and they can climb nearly anything. They are very quick and can run faster than you can.

If you store dog food in your garage, keep it locked. Don't ever leave food in your vehicle that's parked outside. Take bird feeders down at dusk; don't leave them out overnight; the bear will remember where they were. At every door and vulnerable window, keep an aerosol-powered dog horn. Bears hate them and will leave. If you have pets, keep them inside when a bear is patrolling. And never get between a parent and her cub.

ROBERT PARKER
Reno, Nev.

Pepper ... And Salt

THE WALL STREET JOURNAL



“So much for the relationship stuff. How's your social-media image?”

OPINION

The Horsemen Among the High-Rises

By Moira Gleason

When Conor McHugh started driving a horse-drawn cab in New York City, he was 22 and “off the boat from Ireland.” At 62, he operates and co-owns one of the last remaining stables that house the iconic Central Park carriage horses.

Mr. McHugh and his colleagues have held out against a decadeslong animal-rights campaign to end the carriage business. But after Romanah Mahajan, an 18-year-old tourist from India, was killed falling or jumping from a runaway horse and carriage in Central Park on June 17, a renewed push began in the City Council. The tragedy, caught in a viral video, has fueled the progress of a bill, nicknamed “Romanah’s Law,” that would phase out the carriages by 2028, burying small businesses and an estimated \$30 million of annual tourism revenue in the process.

New York’s City Council and Mayor Mamdani target another business: the Central Park carriages.

The Mahajan family has joined with animal-rights activists advocating the ban and on July 27 announced plans to sue the city. Investigations into the cause of the accident are under way. Utility company Consolidated Edison has detected stray voltage at the site weeks after the death, a possible cause for the horse’s sudden flight.

For City Council members, the perception is politically damning: If

you oppose the ban, you must be a nostalgic know-nothing who hates horses and wants tourists to die. But the carriage business has long been a point of contention in New York City politics. Over the past two decades, local politicians have faced lobbying by politically connected animal-rights activists on one side and labor unions representing the carriage drivers on the other. Opportunistic activists have taken hold of this tragedy to renew their stalled effort.

Beneath all the allegations and political theater is a well-regulated industry of small businesses, healthy horses, and blue-collar workers trying to make a living.

The three stables that house the carriage horses sit on prime real estate in the Hell’s Kitchen neighborhood of Manhattan. A vacant lot between the stables on West 37th and 38th streets recently sold for \$94 million.

“We could sell the stables and have a nice comfortable life,” West Side Livery stables manager Tony Salerno said. “But this is the house of the horses.” The horses get five weeks of furlough every year, 24/7 attention at the stables, regular veterinary care and a day off whenever temperatures exceed 90 degrees. If anything, they’re underworked, said Cornelius “Neil” Byrne, who has worked in the industry for 60 years and owns the stables on West 37th Street.

Claims of abuse and neglect have consistently broken down under investigation. Pamela Corey, a veterinarian from the American Society for the Prevention of Cruelty to Animals, was suspended from her job in 2011 after she walked back a statement that a carriage horse that died had been forced to work with painful malades. When the final necropsy report found no signs of cruelty or



A horse-drawn carriage crosses 11th Avenue in Manhattan.

neglect, she cited pressure from the ASPCA as the cause for her false statement.

In 2013, opponents of a ban argued that Mayor Bill de Blasio’s promise to abolish carriages on “day one” was motivated by an alliance with real-estate developers who had their eye on the stables property. New Yorkers for Clean, Livable and Safe Streets, or NYClass, the leading animal-rights organization behind the push for a ban at the time, was founded by New Jersey real-estate tycoon Stephen Nislick in 2008. While NYClass was lobbying Mr. de Blasio’s administration without having registered as a lobbying organization, Mr. Nislick and NYClass cofounder Wendy Neu gave a combined \$125,000 to a nonprofit supporting Mr. de Blasio’s agenda. After it emerged that the mayor had personally solicited the donations, NYClass, Mr. Nislick and Ms. Neu paid a combined \$10,000 to settle charges from New York’s ethics commission for illegal lobbying and

improper gifts to a public official.

NYClass still leads the carriage crusade, with Mr. Nislick listed as president on the organization’s website and tax documents. Its accusations of animal abuse have lacked credible evidence in multiple hearings and legal proceedings, and a lawsuit filed last fall by the Transport Workers Union on behalf of the carriage workers seeks \$1 million in damages for interference with business relations.

Animal-abuse allegations persist but have shifted to public-safety concerns. “Horses have a hard-wired instinct to run when frightened,” NYClass executive director Edita Birnkrant said in an email. “Forcing them into increasingly crowded Central Park and chaotic midtown traffic guarantees violent spooking incidents, crashes, injuries and worse.” Never mind that this is the first horse-carriage-related fatality in the city on record (e-bikes and motorized scooters caused a combined total of 21 deaths in the city in 2025).

No date has been scheduled for a full council vote, but the bill has 29 sponsors, more than the majority needed to pass if it clears the Health Committee. Mayor Zohran Mamdani has confirmed his interest in finishing the job, promising to support a version of the bill with added provisions for laid-off workers to satisfy the transportation union.

The stable owners and carriage drivers are confident they know what’s best for horses and workers—and for good reason. Messrs. Byrne, McHugh and Salerno have given their lives to the horse business. Mr. Byrne followed his father into the industry and started driving a carriage in the 1960s, when he was 18. He bought the West 37th Street stables in 1979. Mr. Salerno grew up in Sicily, where his family kept horses. “I was born in a stable,” he says, laughing, “like Jesus.” He got a job as a cabinet maker and then a driver when he came to New York.

In the office at Clinton Park Stables on West 52nd Street, Mr. McHugh sits at his desk under a poster of Lady Liberty and her inscription, “The New Colossus”: “Give me your tired, your poor, / Your huddled masses yearning to breathe free . . .” In his brogue, Mr. McHugh says: “It’s like she’s saying to the other countries: Give us even the people that you don’t want, and we’ll build the best country in the world.” He smiles. “And we did.”

The council’s vote and the mayor’s signature will determine the future of the business and life he built. In the meantime, he and the other men at the heart of the industry are still there with their horses among the high-rises—and that’s where they want to stay.

Ms. Gleason is a Robert L. Bartley Fellow at the Journal.

The Way Out of Trump’s Iran Trap? We’ll Find Out in 2029

EDITOR AT LARGE
By Gerard Baker

To the pain of the debacle itself you must add the humiliation of self-admission, even if it is only implicit. That thing you insisted would be a great success not only has caused great harm, it’s been an indictment of your own judgment and a vindication of everyone who told you not to do it.

Few of us have the humility to make that kind of mea culpa, so the temptation is always to double down. If we just keep going we’ll be proved right in the end. Occasionally, it works. More often it’s how mistakes turn into fiascos.

Most Americans thought from the start that the Iran war was a mistake. Now, five months later, they can see it is a fiasco. It has not only failed to achieve any of its principal objec-

tives; it has weakened America’s strategic position, enhanced Iran’s regional and economic power, drastically depleted our weapons stocks, weakened our economy, and dealt a heavy blow to our prestige and global leadership.

The initial temptation is to say that how it ends is less important than that it ends, that when you’re in the middle of an unfolding calamity, getting out is your only priority. But just as you can blunder into a war, you can blunder out of one. Ask Joe Biden, for whom the overriding objective of getting out of Afghanistan led to a disastrous withdrawal five years ago this month and continuing damage since then.

But we know too that to double down is to fall prey to the timeworn seduction of the sunk-cost fallacy. We’ve invested so much in this effort that to abandon it now would be worse. In war this fallacy is especially, tragically persuasive. The “sunk costs” in this case are the lives of men and women. Who wants to tell their families they died for a mistake?

So since he won’t withdraw and can’t advance, President Trump

seems to have locked himself into a particularly fruitless paralysis of inertia.

In his “Devil’s Dictionary,” Ambrose Bierce defined peace as “a period of cheating between two periods of fighting.” This roughly describes what has happened during the “peace” since the original cease-fire

He isn’t the first president to get bogged down in Asia. The others left it to their successors.

with Tehran four months ago: Iran has been deceiving us by cheating, and we keep cheating ourselves through self-deception.

This weekend Mr. Trump announced (again) that he was calling off a planned escalation because Iran had agreed (again) to a deal that would open the Strait of Hormuz. Estimates vary, but it seems the president has backed off escalatory strikes half a dozen times now and claimed the war was over more than 30 times.

That is only a fraction of the heap of self-deception we’ve been amassing these past five months. Among other things, we have been told the new leaders in Iran are “reasonable” and “desperately want a deal,” but that they are “scum” and can’t be trusted. We’ve been told the U.S. would charge a toll for shipping in the strait, and then told we wouldn’t. Allies have been told they weren’t needed and then attacked for failing to help out.

Some see this endless back and forth as the enigmatic work of a pure genius: the cunning of Mr. Trump’s calculated unpredictability, bamboozling his enemies, keeping them off balance and forcing them into mistakes, all the while enabling the U.S. to regroup and reararm.

Others see it as the derangements of a trapped and helpless man, one with a longstanding reputation for impatience and inconstancy, a leader incapable of making up his mind whether to move forward or back.

I’m an Occam’s razor man myself. The dizzying twists and turns of the past four months remind me most of all of a line from the movie “The Death of Stalin,” Armando Iannucci’s

darkly brilliant farce about the chaos and infighting that erupted in Moscow in the days after the Soviet ruler’s sudden demise in 1953. At one point, amid the bewildering turmoil, one of the Politburo members simply shakes his head and says: “I’ve had nightmares that made more sense than this.”

To be fair to Mr. Trump, he isn’t the first to find himself trapped in a nightmare like this. He is only the latest U.S. president to be mired in a war in Asia from which he can’t find a way out. Unlike in Vietnam, Afghanistan and Iraq, at least he has had the wisdom so far to resist a greater mobilization and commitment.

In each of those cases the war was ended only by a new president. It seems increasingly likely that this is how this one ends too—sometime after Jan. 20, 2029. Despite the grand claims made for Mr. Trump’s decision to go to war, the struggle we find ourselves in with Iran—over its nuclear program, its strangulation of the world’s shipping, its ambitions for regional hegemony—won’t be resolved by this president.

How do you end a fiasco? You leave it to the next guy.

To Regulate AI, Follow the Cfius Model

By Michael Faulkender
And Robert Wilkie

Imagine if the internet had been developed in Beijing 30 years ago, and the world’s information flowed through digital architecture built by the Chinese Communist Party. Losing the artificial-intelligence race to China would be worse. No technology in our lifetime matters more to a nation’s economy and security. If the U.S. fails to lead, China will step up.

To understand AI’s national-security implications, look at Ukraine. A country without a strategic air force can lay waste to its larger adversary’s industrial base and reportedly destroy more than a third of its bomber forces. How? The Ukrainians have learned that clever use of technology, especially AI, can decide the winner of a conflict.

President Trump’s general approach to AI policy is correct. The

U.S. is leading the AI race because his administration removed red tape that was strangling the industry. But Mr. Trump also recognizes the need to prevent AI from being weaponized against the homeland. Advanced models are already conducting cyberattacks. Biological, chemical and explosive weapons development could be next. Beijing’s engineers are working to steal those capabilities.

The administration has begun building safeguards, including a process for testing sensitive model capabilities. Some propose a separate industry-run standards body to carry this work forward. Google DeepMind CEO Demis Hassabis recently suggested that AI oversight be modeled on the Financial Industry Regulatory Authority: privately funded, industry-staffed and authorized to review models in a 30-day window before release. The idea is reportedly gaining traction in Silicon Valley and at the White House.

Such a body could do real good, but it leaves a national-security gap only the government can close. Judging whether a model has dangerous capabilities requires intelligence about adversary programs, testing on classified information, and findings too sensitive to publish. National-security determinations are inherently governmental. No administration will hand sources and methods to a board funded by the companies under review.

To bridge the gap, the government should look to an oversight body it is already familiar with: the Committee on Foreign Investment in the United States.

For 50 years, Cfius has made classified judgments about strategic assets without strangling private markets. The interagency body, chaired by the Treasury secretary, screens foreign acquisitions of American assets for national-security threats. It has reviewed thousands of transac-

tions, but presidents have needed to block fewer than a dozen. The overwhelming majority of concerns end in negotiated fines; a divested subsidiary, a security agreement, more information-sharing. Cfius addresses security concerns while keeping America the world’s premier destination for capital.

The oversight committee adjudicates national-security concerns without strangling private markets.

Frontier AI deserves the same treatment. Under a “Cfius for AI” model, deployment would remain open unless the government affirmatively acts to block it. There would be no licensing regime and no new agency, and open-source

models and startups would sit outside the process.

If the government believes that a proposed AI deployment could pose crucial national-security risks, there would be a clear avenue for assessment and mitigation. A committee of senior national-security officials would review such deployments on hard deadlines. Nearly every review would end quickly and concerns would be resolved as Cfius resolves them: through negotiated problem-solving. Only the president would have the power to extend a hold.

Government review would be limited to critical national-security risks and have a narrow action window. And the surest way for AI companies to expedite the process would be to develop safe models in the first place.

None of this would make a private standards body obsolete. Mr. Hassabis’s instinct is right: There is real work to be done in building benchmarks, spreading best practices and producing unclassified security evaluations. But when AI models have significant national-security implications, the government, not only industry, must make determinations.

The fastest way to derail American AI progress would be a catastrophe that frightens Washington into a heavy-handed regulatory regime. Nothing would please Beijing more. A Cfius for AI is valuable insurance against that.

Mr. Faulkender is a co-chairman of the America First Policy Institute’s Center for American Prosperity. He served as deputy Treasury secretary (2025). Mr. Wilkie is a co-chairman of AFPI’s Center for American Security. He served as secretary of veterans affairs (2018-21).

THE WALL STREET JOURNAL.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

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Opinion

The spiritual trap of our own image

Staring at ourselves on screens, on video and on social media is taking us to a dark place.

Catherine Shannon

Everything is strange. We work from home. We socialize online. Our private lives are increasingly public. People pretend to be brands; brands pretend to be people. We optimize our bodies until they break. And the more we know, the less secure we feel.

In this inverted world, we seek to understand what is real and what is true. To know the truth of ourselves, we begin at what feels like a natural place: the mirror. We wish to see ourselves as others do, and modern life gives us countless opportunities.

We are constantly confronted with our own image, whether we like it or not: on our phones, front-facing videos, selfies, public spaces (the communal mirrors in Aritzia's dressing rooms come painfully to mind), our social media profiles, Zoom calls, FaceTime, Ring doorbells. But we can forget that mirrors both duplicate reality and reverse it. None show you exactly as you are. Everything is strange.

The historian Christopher Lasch wrote that "for the narcissist, the world is a mirror." Almost 50 years later, this remains a tidy diagnosis, but it doesn't quite capture the extent of the spiritual crisis that we're now facing. I believe the room of mirrors that constantly surrounds us conjures something unsettling, something dark. It is a spiritual trap in which the imagined displaces the real: We choose a fantasy of ourselves over the reality of others. And that trap is baited and facilitated by technology.

TO SEE WHAT I MEAN, we need only to imagine our online behavior in real life, without the platforms that blur the boundaries of what's acceptable.

Picture yourself at a cocktail party — one you're dreading, one for work. A colleague approaches you. Beside him, there is a large mirror, and as you converse with him and answer his invasive

The historian Christopher Lasch wrote that "for the narcissist, the world is a mirror." Almost 50 years later, this remains a tidy diagnosis, but it doesn't quite capture the extent of the spiritual crisis that we're now facing.

personal questions, you do not look at his face. Instead, you look at yourself, at your own reflection. You watch yourself talk and laugh, you see the face you pull when he asks if you're going to have another kid soon. You monitor your reflection, correct your posture, exaggerate your "I'm listening" face. In person, this would be utterly bizarre. People would probably ask if you need to sit down. But this is what we do, all day long, on Zoom.

Or imagine a so-called skinfluencer taking us through a haul of her summer favorites — but without her phone. For six minutes straight, she stares into her own eager eyes, in the bathroom mirror, speaking to her reflection. She taps the products, murmuring about — I don't know — the benefits of snail mucin. You would call the police. Or at least whoever is casting the new Ari Aster movie.

There is something eerie about being both the speaker and the watcher, performing one's own identity for oneself, rather than simply living it. When we take on the roles of actor, audience and critic all at once, it's going to cause some psychic strain.

Historically, we humans have had very little access to our own image, as much as we've always wanted it. The copper and bronze mirrors of ancient Egypt, Greece and Rome — cultures obsessed with beauty — were luxury objects produced for the wealthy. During the Renaissance, commissioned oil portraits were for the aristocracy and were notoriously unreliable. Any fan of Tudor history has heard the tale of Anne of Cleves catfishing King Henry VIII with a portrait so inaccurate that he claimed he could not bring himself to consummate the marriage.

Mirrors were not common household objects until the mid-1800s, and then came still images of ourselves, moving images of ourselves and the pervasive smartphone camera that combines all three, while also making these images accessible anywhere, by anyone. For most of our ancestors and almost all of human history, we were not gazing into our own eyes, and we certainly weren't watching ourselves on a loop on Instagram Stories, boomeranging Bellinis at a bachelorette brunch.

LET'S BE HONEST: I shouldn't know what I look like taking out the trash. But I do, because my Google Home security camera recently alerted me that there was a "Person Seen — Back Camera." "Person" is a generous term for what I saw, which was a beleaguered, ghostly figure, greasy hair pulled back, hunched over a bag of trash like an old witch.

We are recorded constantly: in public, by the government, by private companies trying to sell us things, even by strangers. I shudder when I think about all the incidental pictures of myself that live on strangers' phones. In my own personal horror film, there I am, eating a



PHOTOGRAPH BY LUTON BARKER FOR THE NEW YORK TIMES

bagel, and some 17-year-old tourist zooms in on my pixelated face, screen-shots it, and sends it to the family group chat — "this woman's face lol" — and I become the inside joke that defines that New York City holiday for years to come.

It's curious, especially given how little we looked at ourselves in the past, and how rare and imperfect mirrors were for thousands of years, that traditional wisdom teaches us to be wary of the act of regarding the self. The three major American faiths — the Abrahamic religions of Judaism, Christianity and Islam — all warn against the dangers of mirrors, vanity, pride and excessive concern with the self.

Mirrors are covered during shiva, the

Jewish seven-day mourning period, both to encourage contemplation of the relationship between God and man and to discourage vanity and self-concern. The Book of Proverbs teaches that pride is spiritually deleterious: "Pride goes before ruin, / Arrogance, before failure."

Many Christians believe pride is not only a sin, but the original one, and the worst of them. It is demonic, "the complete anti-God state of mind," as C.S. Lewis wrote in "Mere Christianity." Pride is a turning away from God, and an exaltation of oneself. The mirror is a symbol of pride and vanity, but it also symbolizes our incomplete, earthly knowledge. As the Apostle Paul wrote about God in his first letter to the Corin-

thians: "For now we see through a glass, darkly; but then face to face."

Islamic prophetic tradition (hadith) discourages the depiction of living beings in religious contexts. In Islamic mysticism, however, a smudged mirror is a metaphor for the human soul. It is only when the ego is annihilated, and the surface is polished clean, that the divine becomes visible. The Quran is also explicit about pride and social vanity: "Do not turn your nose up to people, nor walk proudly upon the earth."

The message is clear: Self-obsession is spiritually dangerous, and we need to keep our guard up. In all three faiths, the mirror is a poor, incomplete way of seeing. It is covered, dark and smudged. It does not reveal God, truth or even ourselves as we are. It is only through private contemplation, face-to-face encounters and an inner spiritual transformation that we come to know truth.

IF ONLY IT WERE THAT EASY. Like Narcissus, we are easily seduced by our own reflections, by our imagined, idealized selves. Every day, we are encouraged in this self-seduction. But seducing oneself is frankly not how seduction should work.

Mainstream psychology, and nearly every feature of modern life, puts a strong emphasis on the healthy ego. It's a comforting, whole-wheat kind of idea, an essential part of any balanced personality. We all know we can have too little self-love, too little self-care. By all means, put yourself first, set the boundaries, don't moisturizing face mask. The opposite message, that there is such a thing as too much self-love or self-concern, is not widely circulated on TikTok. But obviously everything has its limits.

What happens when the limits are off? Bad things, I'm sorry to say. Frightful things. The reflected self is rarely reassuring for long. Across cultures, mirrors have been used by soothsayers, sorcerers and witches for scrying, divination and attempts to peer beyond the visible world. In folklore and occult

practice, the mirror is not merely reflective but permeable — a portal where something might appear, or someone may return.

Even the postmodernists have their own warnings. In 1967, Michel Foucault darkly described the mirror as a kind of threshold, a mix between a fantasy world, a utopia and some weird other place on the margins — which he called a "heterotopia." The mirror is one such strange place because we discover our presence and our absence at the same time. "I see myself there where I am not," he wrote, "in an unreal, virtual space that opens up behind the surface."

Some other heterotopias, according to Foucault, include the honeymoon trip, psychiatric hospitals, vacation villages, prisons, the theater, the cinema, museums, libraries, brothels and the cemetery. In these settings, the normal order of things breaks down and certain truths are exposed. Each of these places could serve as an apt metaphor for the screens, monitors and social media applications that relentlessly reflect us back to ourselves. This technology is a mirror, but it is also a museum, a theater, a prison.

Inhabiting this mirrored, dual realm, this doubled existence, doesn't feel natural. It doesn't even feel neutral. Something is off, and when something is off, Freud has probably attempted to explain it. He called this "the uncanny," a concept that by its very nature resists a clean definition, though if you've seen a David Lynch movie, you've experienced it firsthand.

Castration complexes and womb fantasies aside, Freud does a pretty good job: The uncanny, according to his 1919 essay by the same title, "is that class of the terrifying which leads back to something long known to us, once very familiar." It is easy for something new or unknown to frighten us, but the feeling of uncanniness relies on its being known to us in some way.

The uncanny is a dark twist on the familiar. It emerges when the boundary between imagination and reality begins SHANNON, PAGE 11

OPINION

The New York Times

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I told my patient she'd never go home. I was mistaken.

Daniela Lamas
Contributing Writer

I perched at the side of my patient's bed to give her the devastating news: Her lungs were so scarred that she required the highest level of oxygen we could give without a breathing tube — a level only available in the hospital. And I did not believe that she would ever improve.

My patient, Linda LeBlanc, had three plastic ducks on her bedside table, and she played with one as we talked. She asked if there was any way she could go home. I told her I didn't think so. We had reviewed the images of her lungs. She had not responded to weeks of steroids; she likely never would.

She would die in one of two ways: Her lungs would worsen such that the high-flow oxygen was no longer enough, or she would decide that a life tethered to oxygen, short of breath and profoundly anxious, was no longer a life she wanted to live. In that case, we would take her off the oxygen and provide measures to keep her comfortable. No one would

When doctors rush to provide certainty about how a patient's disease will progress, we risk foreclosing possibilities.

I felt certain, based on my experience with similar patients, that the prognostic information I gave her was correct. But I was wrong. Her lungs did improve, and she went home a month later.

This should be a purely happy story. And I was truly glad that my patient went home, as she had so desperately wanted to. But part of me was left unsettled.

Because I realized I was functioning within a medical culture in which delivering a dire prognosis with certainty is seen as a positive and any softening feels like a failure. That thinking failed me and my patient that day.

A generation ago, doctors didn't tell patients they were dying. Patients ended up on ventilators they would have opted against. The architecture of modern palliative care was built to fix that and to teach doctors to have the tough conversations they'd once avoided. The fix worked. But this correction comes with its own potential for harm. Doctors today are so afraid of protracting unnecessary suffering that we run the risk of being too certain, too soon.

In the intensive care unit, our most important procedures are conversations — the family meetings in which doctors discuss a patient's prognosis. There is a rhythm to these meetings. Early on, we describe a range of possible outcomes, often offering best- and worst-case scenarios.

Later, we return with what we believe is a clearer sense of what is to come. But there is enormous variability in how we do this. Some of us doctors are more dire. Others will hold out hope until a patient is actively dying, or until the care that we deliver looks more like harm.

I sometimes tell my trainees who accompany me in these meetings: We must be as certain as possible in what we tell patients and families, because what we say becomes what is true. If we tell family members that there is no chance that their loved one will live, then they will make decisions based on those words.

I carried that sense of responsibility into my conversations with Ms. LeBlanc and her family. I would not have told you at the time that I was overly dire. But perhaps a part of me wanted to offer Ms. LeBlanc a degree of certainty after weeks of limbo. I had been trained, like everyone of my generation, to fear false hope above all else.

Ms. LeBlanc was intermittently short of breath, calm only with an intravenous drip of anti-anxiety medication as she waited for the inevitable. She gifted me another duck and then the third one, and I wondered if they were goodbyes. She did not speak in terms of hope; in fact, when she used the word once with me, she hastily walked it back. She was not hopeful that she would improve, she told me — simply that she would breathe more easily.

She accepted the constraints of her life in the hospital and tried to live within them. Her daughter brought her pizza and slushies. She asked to be taken outside. On an overcast day, the nurses brought her out, and she tilted her face up to the rain. Days passed. Patients left. Others died.

And then, her oxygen requirements began to improve. Plans were underway for her discharge to a rehab with the goal of getting home. She told me she had started to believe that she might see her cats again. I told her I thought that was possible, after all — that we had been wrong.

When I learned, recently, that Ms. LeBlanc had died after returning home, I wondered whether we had only prolonged the inevitable. But the time at home was meaningful, her daughter told me. Her mother saw her cats. She spent time in her place, with her things. That in itself was a way miraculous.

It would be easy to treat her case as an outlier, a lucky exception that should not change how I practice. It would be just as easy, and arguably more damaging, to draw the opposite conclusion — that every patient should wait for improvement, however unlikely. Neither is right.

Her story asks me to tolerate uncertainty longer than is comfortable. The structures of the hospital resist this. So does the culture of medicine, with its pressure for answers, for plans, for clarity. But when we rush to provide certainty, we risk foreclosing possibilities we cannot yet see. If we are unwilling to wait, we deny our patients the chance to surprise us — and maybe to end up home again.

DANIELA LAMAS is a pulmonary and critical care physician at Brigham and Women's Hospital in Boston.

'The Odyssey' remade for our culture wars



Ross Douhat

Christopher Nolan's "The Odyssey" is the blockbuster that launched a million takes. The interpretations crowd my social media feed like Agamemnon's assembled ships at Aulis. They keen in my ears like the Sirens' seductive voices. They . . . OK, look, I'm just saying people have a lot of opinions about the biggest movie of the year.

And for good reason, because Nolan's film is perfectly calibrated for the contemporary culture war. First, because its source material is a story that everybody wants to claim: woke and anti-woke, masculinists and feminists, film bros and classicists, professional defenders of Western civilization and its would-be revisers and subverters. Other classics are similarly claimed and counterclaimed, but not everyone wants ownership of "The Iliad" (too male), Jane Austen (too female), the Greek tragedies (too depressing), the New Testament (too Christian) or the plays of Shakespeare (too hard to follow the dialogue). But in life as in Homer's epic, everyone wants a piece of Odysseus.

Then, having plucked the ripest fruit, Nolan proceeded to serve it in the blandest form. Gone is the sex and sensuality, the warring deities, the hero's outsize ego and charisma. In their place is a story that's very American, with tropes familiar from war movies and westerns, dialogue that belongs in a contemporary YA novel and a moralism that's at once extremely didactic and extremely general. "Civilization collapses when you violate Zeus' law" is the teaching of Nolan's story, and while you could imagine that Zeus' law is some arcane instruction requiring the castration of a black heifer on the highest peak on the darkest night, it turns out to be just the golden rule applied to houseguests, dogs and Trojans.

This is a critique, but it's also a key to the film's cultural cachet. If you just want to like "The Odyssey" if you just want to have a good time at the movie, the bland version still has all the good stuff — the Trojan horse! the Cyclops! a bloody homecoming! — stitched together by a director with a gift for propulsion and spectacle. If you have a great enough story, you can reduce the spice level and still satisfy millions of customers with the meal.



ANTHONY DOLAN/NACHNIPRO

Then if you want to claim "The Odyssey" for your own worldview, to insist that the dominant movie of the summer is speaking directly to your concerns, the banal didacticism of Nolan's script is unusually amenable to personalized interpretations.

It is banal, bland, thin and didactic. We can't stop talking about it.

I can give you a plausible reading of the movie in which its portrayal of the Bronze Age collapse is an allegory for the crisis of the liberal international order (Nolan the multicultural liberal, lamenting the cruelty of Trumpism). Or a reading in which Odysseus' guilt over the sack of Troy is fundamentally Christian and the monsters belong to a world that awaits us if Christianity fails (Nolan the lapsed Catholic, unable

to shake his religious upbringing). Or, for that matter, a populist reading in which Odysseus returns home from a hubristic Middle Eastern war to find guests abusing his hospitality who need to be cleared out (Nolan the British Burkan offering an allegory of a Europe unable to cope with immigration).

I assume the first reading is closest to the directorial intentions. But the material is thin and therefore supple, ready to be shaped by ideological desire.

Finally, if you want to critique and hate the movie (and under algorithmically driven conditions, haters are hype artists, too), the same rule applies: The banality can be interpreted for maximal dislike. Part of the fun of the "Odyssey" was seeing that happen in all kinds of different ways, with an original anti-woke critique of the movie, fixated on colorblind casting, giving way to left-tilting academic takeaways and then bespoke right-wing critiques riding in their wake. (Four thousand-plus words from the best-selling translator Emily Wilson in The London Review of Books on a

movie she dismisses as "an entertaining way to hide from the high temperatures for a few hours," then the pseudonymous online reactionary Bronze Age Pervert responding with 6,000-odd words on a movie he calls "underserving of a serious intellectual, ideological or aesthetic review.")

And here I am doing much the same thing, accusing Nolan of banality and then devoting all my column inches to his cultural achievement. So let's give the man his due: He grasped that what this moment demanded was an adaptation of one of Western civilization's foundational texts, reworked around the widely shared assumption that Western civilization might be finished or foredoomed, in a style that allowed everyone, fans and haters alike, to blame whatever crime or curse or group of malefactors (including Hollywood directors!) they held responsible for the doom already.

His reward will be a billion dollars in box office, a blank check for next time and the absolute power to determine what we'll all be arguing about in the summer of 2029.

FROM READERS

Which 'Odyssey' will you experience?

Re "Christopher Nolan's zero-eros 'Odyssey,'" by Maureen Dowd (column, July 28): Without disregarding the obvious cinematic values of Christopher Nolan's "Odyssey," Ms. Dowd faults the film for setting aside historical and cultural values that lie at the heart of the Homeric saga. Homer's Odysseus, however, is less focused on quickly returning home than he is on deeply experiencing the world.

Over the centuries, Odysseus' journey was not always viewed approvingly. In the 14th-century Italian Renaissance, for instance, his boundless curiosity — unchecked by spiritual constraints — ultimately consigns him to a place in Dante's Inferno.

Alfred Lord Tennyson's poem "Ulysses" (the Latin version of Odysseus' name, also used by Dante) offers an approving reappraisal of Odysseus. In it, the returned though continuously restless Greek hero relinquishes the throne of Ithaca to his son Telemachus in order to set out again into the world. Odysseus confesses that he "cannot rest from travel," for his life is one long pursuit of knowledge, experience and the endless possibilities of the world.

The classic "Odyssey" is not merely the recounting of an adventure. It is a narrative pointing toward a new and deeper understanding of the profoundest human experiences — the pursuit of wisdom, knowledge and forgiveness. In other words, it's about the journey, not the destination.

LARRY RUBIN, NEW YORK

Homer's publicist, whose name has been lost to history, would be ecstatic over the coverage that his client's "Odyssey" is receiving as a result of Christopher Nolan's film. Most of the critical commentary comparing the film's representation of Homer's story with that rendered in the text (in various translations) has, however, ignored the basic and immutable difference between the two versions.

Viewers of the film passively experience the story; they might as well check their own imaginations at the door before they sit down to absorb Mr. Nolan's version. But readers of the text (as well as those who listen to the poem being recited, whether by a live bard or an audiobook) are and always have been active participants; they must harness their own imaginations to visualize the people, places and events that Homer describes. As it already has for over two millennia, "The Odyssey" will continue to be experienced in the minds of countless people long after Mr. Nolan's film has faded to black.

M.C. LANG, CHEVYCHASE, MD.

Prioritizing peace talks for Ukraine

GRAHAM, FROM PAGE 1 While European capitals argue that their actions are a necessary response to Russia's aggression and threats to European security.

The situation is not directly analogous to the summer of 1914, but Barbara Tuchman's "The Guns of August" stands as a cautionary tale of descent into an avoidable but ultimately catastrophic global conflict.

Second, and perhaps counterintuitively, the war is ripe for resolution. Both sides need to end the conflict as soon as possible. Kyiv is running out of fighters and is finding it increasingly difficult to mobilize men for the front lines. The longer the war continues, the less likely the millions of Ukrainians who have fled abroad will return. Continued conflict will only further raise the costs of reconstruction, which already run to the hundreds of billions of dollars.

Russia is facing its own demographic crisis and mounting difficulties in manning the front lines. The economic costs are rapidly rising and becoming more apparent as the economy stalls. The failure to invest in cutting-edge technologies such as artificial intelligence means Russia is falling farther behind the United States and China, the two countries against which it measures its worth as a great power.

Each day the war continues, the future looks grimmer. If it stopped today, however, each side could claim victory. Mr. Zelensky could rightly claim to have preserved what is most precious to Ukrainians: their independence, sovereignty, and European ambitions. Mr. Putin could extol Russia's success in thwarting the West's effort to inflict a strategic defeat on Russia and in "liberating" millions of Russians in Eastern Ukraine from what he portrays as a neo-Nazi regime in Kyiv.

Both sides may believe that continued fighting can improve their bargaining position. But the costs of war are steadily narrowing the political space for pursuing maximal objectives and increasing the value of a negotiated outcome.

In these circumstances, intensive negotiations are urgently needed to seize the moment and end the conflict. Only Washington has the combination of access, leverage and political weight to lead a comprehensive diplomatic effort. It alone can talk to both Moscow and Kyiv, as well as key European capitals, as appropriate. Ukraine and Russia cannot do this on their own — that is why they want Washington to re-engage. Russia will not accept any European nation as a serious interlocutor, given what it sees as Europe's

deep-seated anti-Russian animosity. To be sure, close coordination with European governments will be essential — their military support, economic resources, sanctions policies and long-term commitment to Ukrainian independence are critical to achieving a durable settlement. But Washington should lead the diplomatic effort.

Mr. Trump should send his two envoys, Steve Witkoff and Jared Kushner, to Kyiv immediately to visibly re-engage the Ukrainians and then to Moscow for discussions with Mr. Putin. No one should expect a breakthrough; the task is to lay the groundwork for an intense period of shuttle diplomacy to bridge the yawning gaps between the two sides. Given Mr. Witkoff and Mr. Kushner's other responsibilities, Mr. Trump should bolster their efforts with additional experts to spur negotiations.

Success is not certain, and it will not come as quickly as Mr. Trump would like. But the opportunity is real, and it may not last. If Washington is to test whether this war can be brought to an end, it should act now, before escalation closes the diplomatic opening that exhaustion has begun to create.

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SIDNEY ELLSON

The attack on U.S. history is an attack on the country's future



M. Gessen

"We live in a country with an unpredictable past." This was a saying among the intelligentsia in the Soviet Union when I was growing up. We never knew which part of our history would be obliterated next.

Now Americans, too, live in a country with an unpredictable past. Two months into his second term, President Trump issued an executive order titled Restoring Truth and Sanity to American History, in which he directed officials to "remove improper ideology" from the Smithsonian and its museums, to cut funding to "programs that degrade shared American values" and to reinstate some monuments removed following the 2020 Black Lives Matter protests. A very incomplete list of things that have happened since that order was issued: The National Park Service has been removing signs about slavery; the statue of a Confederate general has been reinstalled in Washington; a scathing report by the White House Domestic Policy Council accused the Smithsonian of using history "as a political instrument to divide, dispirit and discourage our citizens"; and on July 24, Trump issued a new executive order mandating that signs be installed outside the Smithsonian "warning visitors about the ideological capture at the National Museum of American History."

Re-evaluating history has the potential to change a people's future by changing its self-understanding. It can unite people in a genuinely new project. And then there is the rewriting of history, which is crazy-making. The Soviet Union repeatedly forced the whole country to unlearn what was already widely known. In the 1950s, after Joseph Stalin died, the Communist Party denounced his "cult of personality" and some of the extent of his terror. A decade later, it reversed itself, exiling or imprisoning authors who wrote about the crimes of Stalinism. The same process was repeated when the Soviet Union

collapsed. Vast amounts of information about Soviet terror emerged; under Vladimir Putin that knowledge has been forced back into oblivion.

Trump wants Americans to unlearn what they have come to know about the history and legacy of enslavement. What his executive orders really promise to restore is a sense of comfort contained in the most reductive and sanitized stories about the United States — the bliss of ignorance. Trump appears to believe that the job of museums and memorials is to instill "pride in the hearts of all Americans," as one of the executive orders put it. The report from Trump's Domestic Policy Council faulted the National Museum of American History for failing in this precise mission.

A COUPLE OF MONTHS AGO, I visited Montgomery, Ala., where an organization called the Equal Justice Initiative is undertaking a very different project. It is telling the story of Black Americans.

The E.J.I. has so far built a lynching memorial, a Legacy Museum, a vast sculpture garden and a public square with a permanent exhibit on the civil rights movement. Each

element of the complex, which is still growing, is as powerful as any museum or memorial I have visited.

Bryan Stevenson, who leads the E.J.I., is a litigator whose clients have included Black men on death row and children tried as adults and sentenced to life in prison. He came to feel, however, that the change he could achieve in the courts was not enough. "The real evil," he told me — the enduring evil — "was the narrative we created to justify enslavement." It's a striking statement. Can stories really do as much harm as a vast infrastructure of violence and cages? His point is that the stories underlie the violence. Stories that systematically rendered Black people as less than human enabled enslavement and segregation. Stories that rendered Black people as dangerous and predatory fueled lynching and mass incarceration. Unless we create new stories, the abuse will never stop.

Stevenson, too, talks about pride. "States like Alabama have very little to be proud about," he told me. Montgomery's days of wealth and glory are in the past. It's a city with dozens of



DUSTIN CHEN

monuments to the Confederacy, a city where one in five people lives in poverty, in a state with one of the highest incarceration rates in the country.

But the E.J.I.'s museums and memorials have made Montgomery a tourist destination, and that has direct economic benefits for the city. Most important, these institutions have helped to make Montgomery a center for engagement with American history. Stevenson believes that the conversations they foster can and should make

people proud. He cites as one of his inspirations the German Holocaust memorials and museums that make the promise of "Never again," a profoundly hopeful message.

My traveling companions couldn't help noticing that when Stevenson described actions the United States had taken to oppress Black people, he said "we" instead of "the government" or "racist lawmakers." We asked him why. "I refuse to give America to anyone else," Stevenson explained. That is

one way to interpret the word "inclusion" in D.E.I.: a story in which your ancestors aren't elided.

Stevenson has not received any federal or state funding for his sites. The Trump administration, therefore, cannot target them for defunding. But Montgomery exemplifies the conflict at the root of Trumpian memory politics.

I WENT TO MONTGOMERY with my wife, Lynne, and four of my former colleagues from Russia who now live in exile. After a few days there, we drove to Charlottesville, Va., the site of the 2017 Unite the Right rally, during which white supremacists flooded into town, ostensibly to defend a monument to the Confederate general Robert E. Lee, and counterprotesters showed up in droves to oppose their message. Trump — then in the first year of his first term — remarked that there had been "very fine people on both sides." Today, a bald rectangular patch in an otherwise green lawn downtown is all that remains of the statue, which was removed four years after the rally. The city plans to install a sculpture of a hooah tree there, created from the melted bronze of Lee's statue. But when I was there, I didn't see any marker indicating what had happened. The result is a sort of memorial visible only to those who know what to look for, a perfect symbol of both what was and was not accomplished in the nation's last attempt at a racial reckoning.

Another such symbol is Monticello, Thomas Jefferson's residence and plantation just outside Charlottesville. All visitors of the house are required to sign up for a tour, a tightly scripted affair that, if you listen closely, bears the signs of numerous edits made over the years. The original narrative is one of progress — precisely the narrative that the Trump executive orders demand. Jefferson was a man of science and a lover of art; he brought progressive political ideas and maps and clocks and advanced engineering and neoclassical architecture and French food to Monticello. But this story is now interrupted repeatedly by inconvenient facts that used to be elided. Jefferson was a slave owner who fathered at least six children of Sally Hemings, an enslaved woman with whom he had a sexual relationship when she was a teenager and he was a middle-aged widower. There's a separate tour about slavery at Monticello, but the main tour did not acknowledge

the tension between the core story and these additional facts. Here is a juxtaposition that stayed with me: Jefferson's daughter by his late wife lived in the house with him, as did her 11 children, whom she educated in keeping with Enlightenment ideals. The children Jefferson had with Hemings lived in the slave quarters and were put to work on the estate from a young age.

WHILE MY FELLOW EXILES and I were traveling in the American South, the campaign against memory continued back in our homeland. Putin's government had long since shuttered Memorial, an organization devoted to preserving the memory of Stalinist terror; in April of this year, the Russian Supreme Court declared Memorial an "extremist" organization. Two years ago, the government closed the Gulag Museum in Moscow. In June, it was reopened as the Memory Museum, telling the story of Nazi crimes against the Soviet people. The memory of Stalinist terror has once again been ordered obliterated.

Ilya Venyavkin, one of my traveling companions, is a historian of Stalinism. He observed that Stevenson's project is, in a way, more ambitious than anything Russian memory activists had tried to do: It draws a direct narrative line from the past to the present. It makes the argument that the way we live now is shaped by the way our forebears organized society. This is exactly what can make the project of revisiting the past so vital: It's not about the past. It's about choosing our future. Do we want a future that challenges us to reckon with the truth and find ways — genuinely new and inventive ways — to deliver on the American promise, or a future that forecloses the possibility of conversation and change? I suppose there is a third option, too: a future of unease and confusion, of muddled stories like the one I heard at Monticello, of facts half known and truths half said.

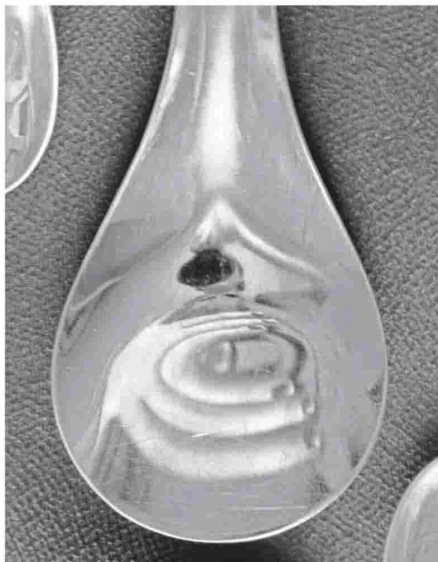
I remember a line from a satirical underground novel I read as a teenager. A boy asks his father, "Did the year 1937 ever happen? I don't know whom to believe?" That year was the height of Stalin's Great Terror. "It hasn't happened yet," the father responds. "It hasn't," my son. But it will. It's still the funniest and most haunting way I've encountered of saying that those who do not face history are doomed to repeat it.

The spiritual trap of our own image

SHANNON, FROM PAGE 9

to blur, when hidden mechanisms seem to be at work beneath the surface and when something appears alive that should not be. (Or vice versa, in the case of influencers, who can have that dead, sharklike look in their eyes.) It is marked by repetition, by a sense of something fateful and inescapable. Freud noted that the uncanny is often and easily produced when a symbol begins to take on the full force of the thing it represents. It is difficult to imagine a more precise description of life online.

The psychological effects of prolonged self-viewing are uncanny, indeed. A 2010 study from the University of Urbino in Italy found that when healthy young adults gazed at their own faces in a mirror under low light, the results were immediate and disturbing. Participants reported seeing huge deformations of their own faces, an unknown person, even fantastical and monstrous beings. Some saw an animal face, such as that of a cat, pig or lion. Some saw their parents. All experienced a form of dissociation. Some subjects felt that the other face in the mirror was the one watching them.



DUSTIN CHEN FOR THE NEW YORK TIMES

CLOSELY TIED TO MIRRORS and the uncanny is the idea of the double, or doppelgänger, a theme long explored in literature and film, from Dostoevsky's novel "The Double" to Jordan Peele's horror movie "Us." In German and Eastern European folklore, the doppelgänger is an omen, a usurper, the shadow self, and a sign that identity is unstable. The self is split, haunted, mimicked and stalked by its own likeness.

Today, we treat our own image — both in the mirror and online — as something psychologically protective: a way of stabilizing our identity, managing our reputations and securing a coherent sense of self.

But all of this suggests the opposite possibility: The more we try to stabilize ourselves through repetition, doubling, self-observation and — I'll say it — posting to the grid, the more uncanny and fragile we become. A preoccupation with the stable self produces instability. These days, we don't approach our doubles with caution; we invite them, and go so far as to curate them.

It's like an inverted version of "The Picture of Dorian Gray." In the novel by Oscar Wilde, Dorian keeps his beautiful public image, while his portrait bears

his inner corruption and ugliness. Under modern image culture, we attempt the reverse operation: We present a perfect digital double at the cost to our real selves, who are left to absorb the discomfort and tension between the two. If you post the good picture, it hardly matters that you feel sad inside.

The situation is worse than vanity, darker than narcissism. The mirrors all around us, especially the technological ones, divide us against ourselves — and this is destabilizing, even dangerous. As more and more of our lives take place in a virtual realm, and we increasingly identify with the fantasies of our digital doppelgängers, we begin to dehumanize ourselves, and when we do this, it is undoubtedly easier to dehumanize others.

One small way this happens every day: the general disappearance of manners. In New York City, I often encounter someone walking on the sidewalk toward me, head down in their phone, until they sense the presence of another thing coming upon them, which in this case is me, a human being. This unbearable game of chicken might have something to do with how we've been conditioned to view one another: as things, not people. We see other people as obstacles to what we want, on sidewalks and elsewhere. Or as things we can use to get us the things we want. So much of technology treats us as things to be manipulated, "users" to be used. We grow accustomed to this, internalize it and return that treatment to those around us.

When we look at ourselves, we are seeking something. We want to be known, seen and understood. But we are looking in the wrong place. The mirror shows us our own self-critical and self-exalting gaze — the gaze of pride, pleasure and ego. This fantasy is powerful, even mesmerizing, but unreliable. When we look solely at ourselves, we fail to encounter anything that resists us; there are no contradictions, no interruptions. We need the honest gaze: the gaze of others and the gaze toward others. To see ourselves clearly, we don't use mirrors. We use relationships.

Before I had a child, I was under the impression that I was a very patient person. I thought I would wipe scrambled egg off the floor without any frustration, read "Owl Babies" for the umpteenth time without growing exhausted of Sarah, Percy, Bill and their unnamed Owl Mother. But my beautiful son has exposed my inadequacies with alarming clarity. (I'm working on it.) In our loving relationships with others, we are drawn out of ourselves and into the world.

Mirrors encourage us to choose the fantasies of ourselves over the realities of others. It's best we look away.

CATHERINE SHANNON is a writer of essays, fiction and a newsletter on Substack.

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Time for Burnham to smile on UK science

Waning support for basic research threatens Britain's technology ambitions

Andy Burnham has not bestowed his famous smile on science since taking office two weeks ago. While his messages of hope have mentioned technology and AI, the new UK prime minister has not talked of the need to nourish the basic research that underlies innovation and wealth creation.

Nor have his actions reassured scientists. Many are upset that the Department for Science, Innovation and Technology, set up in 2023 by the previous Conservative government and just getting into its stride, is being merged into the business and trade department. The reorganisation inevitably presages more disruption. The new business secretary Jonathan Reynolds must make sure science and technology are not swamped within the larger department.

Then came last week's announcement of cuts in government support for physics and astronomy. Casualties included scientific funding for the renowned Lovell radio telescope at Jodrell Bank near Manchester, reduced UK participation in overseas astronomy projects and an end to British participation in the upgrade of a key particle detector at Cern near Geneva. All lessen UK clout in global science.

While these cuts were a legacy from the Starmer administration, the timing is unfortunate for his successor – particularly the threatened end to active observation at Jodrell Bank, which since the 1950s has played a key role in some of radio astronomy's biggest breakthroughs.

A public campaign for money to maintain operations at the Lovell telescope deserves to succeed, along with efforts to reverse some of the other cuts. But the fundamental imbalance between researchers' expectations and available funding will remain.

Last year's public spending review awarded UK Research and Innovation, the country's main science agency, a slight increase over four years from £9.2bn in 2026-27 to £10bn in 2029-30. But all the extra money will go to “strategic government and societal priorities” including AI, supporting innovative companies and strengthening infrastructure such as computing. UKRI's core commitment to curiosity-driven research will remain flat in cash terms and fall significantly in real terms.

The part of UKRI hit hardest is the Science and Technology Facilities Council, which operates international projects and national labs in physics and astronomy. These energy-intensive fields are particularly vulnerable to rising costs and currency fluctuations. STFC said the cuts announced last week were worked out in consultation with researchers, but they still shocked some of those affected.

Facilities that serve commercial users as well as academics will have to make

It is hard to see companies funding telescopes whose raison d'être is to investigate outer space

more effort to raise money from external sources. But it is harder to see companies funding telescopes whose raison d'être is to investigate outer space.

Britain is far more dependent on universities for its scientific activities than other European countries, which have larger state-funded networks such as Germany's Max Planck and Fraunhofer centres. Yet many UK universities are struggling to survive financially without making harmful cuts that would hit the pipeline of future scientific talent as well as current research.

Until now, Whitehall has largely seen universities as independent institutions that should be left to sort out their own problems. It may go against Burnham's devolutionary grain but the government needs to take a more strategic overview of the academic sector's struggles before they inflict serious harm on the country's scientific enterprise. Curiosity-driven research remains the well-spring from which wealth-creating technologies will emerge.

Opinion Politics

How to end the cycle of Treasury mistrust



Diane Coyle

Scarcely a fortnight after Andy Burnham stepped into Downing Street, the commentary about his economic policies has settled into a familiar groove: how will he pay for things? Scrapping digital ID cards allows for removing VAT from energy bills – but how was the ID scheme to be paid for in any case? What cuts will pay for bus fares to be capped at £2?

This is an absurd way to think about fiscal discipline. Items like these are fractions of a per cent of government expenditure and will not determine whether the fiscal rules are met. And the obsessive focus on small changes makes it almost impossible to form a sensible view of fiscal strategy.

Unfortunately, the whole framework for managing government tax and spend in the UK is broken. The way the Treasury and Office for

how ill-founded its collective mood. But the underlying principle for spending government money should be whether it delivers the right outcomes. This is the return we want on public investment. Our research made it clear that the current system is fundamentally unable to deliver it.

The Treasury can count cash out of the departmental doors, but it then disperses through fragmented institutions – national and local, private and public, arm's-length agencies and charities – with little co-ordination or accountability, no ability to invest for the long term and scant evaluation.

This lack of control over actual spending and outcomes leads to Treasury control-freakery at the point of deciding on policy. I have a list of 10 books of financial rules that a spending department must observe in submitting plans to the Treasury, including the notorious Green Book. This manic scrutiny reflects the siloed structure of government departments, which prompts a blame game when things go wrong, embedding a cycle of mistrust between the centre and the frontline.

Hence in the areas we studied – prisons, homelessness and special education needs – outcomes are getting worse, leading to an inevitable demand for more spending, then more interference by the Treasury, on repeat. The brightest and most dedicated of Whitehall civil servants – often in the Treasury – cannot possibly know whether a given prison governor should refurbish the showers or instead prioritise staff overtime.

The system needs a reset, or the mythical fiscal “headroom” will only ever shrink. Public spending needs to become more effective by devolving decision-making powers and accountability for outcomes. Decentralised decisions benefit from detailed information and easier co-ordination than is possible in Whitehall. Local people know who is responsible if services are not up to scratch.

The Treasury and the OBR need to agree a strategic fiscal framework instead of short-termist game-playing. It should include public investment, which takes years to affect growth and so is never “scored” highly in the OBR's forecasts; if it does not go ahead, we will never get the growth.

One lesson from Manchester is that it takes time for education, employment and health policies to show up in GDP statistics. But meanwhile, people have better skills, jobs and health; almost 20 years on from the first devolution deal, the city region has the growth. My reading of Burnham's announcements so far is that he has taken this to heart.

The writer is research director of the Bennett School of Public Policy at the University of Cambridge

Letters

Stark warning from the environment committee chair

In May, the Environment and Climate Change Committee, which I chair, published our report “Surviving Drought: Reclaim the Rain”. We warned that England's water supply is under mounting strain – driven by climate change, population growth, leaking infrastructure and water-intensive industries – and that, without decisive action, drought risk threatens the very systems on which

people and nature depend.

Now, with half of England and all of Wales in drought, wildfires raging, crops failing, reservoirs falling and hosepipe bans in force, our fears are being realised before our eyes (“Britain's climate divide widens amid fires and heat deaths”, Report, July 31; and “Europe's long hot summer”, FT View, August 1). As the country faces heat-related deaths and widening

climate divisions, mainstream parties must set aside partisan games and work together to confront the impacts of climate change.

The term “net zero” has too often become a political football. Kemi Badenoch, the Conservative leader, should know better. This week has shown, more clearly than ever, that such playground politics must end. The needs of our communities, farmers

and ecosystems must come first.

We must act urgently to tackle climate change and secure water for today and tomorrow. The committee's recommendations offer a blueprint for the action required.

Otherwise the devastation will continue – and, as our report warns, the taps could run dry.

Baroness Sheehan
House of Lords, London SW1, UK

Three ideas for America to consider on open-weight AI

Your editorial on the threat of China's open AI models correctly points out that America's best response is “to encourage more alternative open-weight models of its own” (“The US should stay open to open-weight AI”, The FT View, July 29).

Here are three ideas on how to do that. First, the US government should offer an advance market commitment – say of around \$10bn – to pay American laboratories that successfully develop open-weight models that meet or exceed the leading Chinese models' performance.

As with the development of certain vaccines, current market dynamics do not provide strong enough incentives for open-model development given the urgency of the challenge.

Second, the US needs a carefully and narrowly crafted legal “safe harbour” that limits the potential liability imposed on open-weight labs that take serious steps to make their models safer.

This would serve the dual purpose of both removing some of the legal uncertainty that stifles innovation and further incentivising labs to develop guardrails that cannot easily be



removed and to conduct extensive pre-release testing.

Third, American labs that primarily develop closed frontier models should sell distillation rights to US open-weight labs, so that the latter can train on the world's most advanced models and more quickly catch up with their Chinese counterparts.

Simon Hedlin
AI policy researcher, Washington, DC, US

The dangerous trend around peptide drug use

Re Carson Griffith's piece on the trend in peptides (Style, Life & Arts, July 25), the approved use of insulin, the first peptide hormone to be discovered and then chemically synthesised, and of weight loss GLP-1 receptor agonists rest on a wealth of evidence from randomised trials evaluating well-defined products, dose, and outcomes. That evidence does not extend to the other peptide drugs mentioned.

The early-stage, pre-clinical findings invoked in their favour cannot establish benefit; in some cases, they also raise potential safety concerns.

Carson does state that the benefits are not medically proven – and the dangerous position consumers put themselves in when injecting unregulated substances from unknown sources.

Nonetheless, as regulatory safeguards weaken, the FT should be careful not to let unsupported practices borrow credibility from the affluence of their users.

Tin Orešković
Nuffield Department of Population Health, University of Oxford and Department of Public Health and Primary Care, University of Cambridge

US Democrats must be judged on their own merits

US progressives cringe at the presence of the Democratic Socialists of America in the same way the vast majority of Democrats cringe at the presence of the progressives within the Democratic Party.

A better solution (Letters, July 29) than that suggested by Professor Albion M Urdan (that the DSA form their own party) is for both the progressives and the DSA to separate from the Democratic Party and form their own parties. This way, both groups can stand before voters on their own merits.

William Heck
Newton, MA, US

HMRC's non-dom data may have one big flaw

The article on non-doms data (“HMRC data suggests fears of non-dom exodus overlaid”, Report, July 31) fails to separate the high wealth, high earners from the temporary visiting workers. Were I a gambler, I could bet the revenue effects are the reverse of the implication of the article.

Peter Bottomley
London SW1, UK

OUTLOOK UK

Inside the grey market for online accounts



by Madeleine Wright

In March, an Instagram account with over 390,000 followers sold for \$6,000. MonkeyLogic published simple cartoons that explained the news with the help of an animated monkey. “Monkey pulls up to gas station. Same tank as last month. But price is 40% higher. Monkey confused. What happened?” was the account's take on the global energy crisis.

A few weeks after the sale, the cartoons began to change. Instead of news they were used to advertise digital products. The new owner, Lithuanian-born entrepreneur Armas Gintalas, claims the account earned about \$2,000 via sponsorship and sales in the first two weeks.

Why spend months building a monetisable online audience when you can buy one ready-made? The rise of second-hand social media accounts has spawned a new industry of suppliers (who create the accounts), flippers (who sell them) and editors (who keep the content churning).

Rehan Ahmad says he started buying and selling YouTube channels while studying for a civil engineering degree in Pakistan. Three years later he is now a full-time reseller. While some buyers stick with the original content (and might pay extra for a how-to-content guide), others want to transform it into something new.

On the DealBaron marketplace nearly 6,300 social media account trades worth a combined \$144mn were recorded between June and December last year, according to research by

Alejandro Cuevas, a fellow at Princeton's Center for Information Technology Policy. Instagram, YouTube, TikTok, X, Facebook and Telegram accounts are all advertised for sale. Prices can be as low as \$5 and as high as \$19,000.

DealBaron is “only the tip of the iceberg”, says Cuevas. Many deals are conducted via private forums and messages and are not made public. He estimates that about 40 per cent of all YouTube channels listed for sale on Fameswap, another online marketplace, had already changed their identity and content at least once before.

It is not just social media accounts that are up for grabs. On marketplace Z2U, sellers claim to have McDonald's discounts, Airbnb “superhost” status and accounts on Uber, Amazon, Fiverr, Reddit and LinkedIn. Gaming accounts are particularly popular with buyers who want to access upgraded equipment or higher game levels.

Louis, a UK-based gamer, has bought eight gaming accounts since 2023, including one on War Thunder for £175. He has, he says, been scammed only once. Skipping hundreds of hours of playtime and securing limited edition items makes the risk worthwhile.

experience worse for other users. A 2024 paper by Mario Beluri from Saarland University found that trades “foster fraudulent activities such as bot farming, harvesting accounts for future fraud, and fraudulent engagement”. Cuevas's research also indicates many repurposed accounts are used to promote “problematic content”, including political campaigns and financial scams.

Gintalas says Meta has become more strict on changing account-linked passwords and emails from new locations, making accounts more difficult to sell. Ahmad points to an update to YouTube's content policy last year that he says stopped him from fulfilling a bulk order from a Korean buyer. “A simple change in YouTube policy can make you suffer a lot”, he says. A YouTube spokesperson said that inauthentic and repetitive content has always been ineligible for monetisation.

Some of his sales themselves are also scams. YouTube Kevin Scanlan, who has 72,000 subscribers, found that his channel had been listed for sale when a few confused viewers got in touch. “I think they [the scammers] listed it for a couple of hundred dollars too. I'm not sure why they did that, especially because monthly it makes multiples of that so it wouldn't make any financial sense”, he says. “Buying and selling YouTube accounts is like the Wild West,” he adds. “There's really no rules.”

madeleine.wright@ft.com

A strategic framework should include public investment, which takes years to affect growth

Budget Responsibility between them negotiate spending choices leads to terrible decision-making. In a recently concluded five-year Nuffield Foundation research project, involving scores of interviews with people involved in service delivery, we consistently heard that the first – and last – question about any policy proposal was, “How will the OBR score that?”

Burnham was one of those interviewees, as mayor of Greater Manchester. Like the majority of those with frontline experience, he had a negative view of central decision-making. As he told us, “Treasury orthodoxy and the Green Book have created quite an unequal country. The north-south divide is no accident. It's policy. The Treasury needs to reflect on that quite deeply.”

No doubt it is now indeed reflecting. Having contributed for nearly 20 years to Manchester's economic strategy, I find it uplifting to hear a serious intent to devolve fiscal powers – almost as joyous as a prime minister with a northern accent.

What does this have to do with the fiscal rules? Certainly fiscal discipline is important, and the UK's debt ratio is uncomfortably high given that overseas investors hold about a third of gilts. The bond market does represent a constraint on policy, no matter

Opinion

Tax consumption, not income or AI

ECONOMICS

Michael Strain



In the US, prominent politicians and economists are calling for increases in capital and corporate income taxes to support expansions of social insurance, safety net and training programmes to help workers and households that might experience AI-related disruption. Others want to apply special taxes to AI companies or to the use of AI tools. These ideas are all misguided and would reduce the prosperity of the American people. If additional tax revenue is needed, it should come from taxing consumption.

The goal of the tax system should be to raise the revenue needed to finance government spending. It ought to place a relatively heavier tax burden on the affluent while not unduly affecting the choices households

and businesses make in markets. But taxes do distort behaviour. If you tax something, you get less of it. Taxing capital gains, dividends and corporate income reduces incentives to save and invest. This in turn reduces productivity growth, wage growth and living standards. Although moving to a broad-based consumption tax would reduce consumption, it would, in contrast, increase living standards.

The US could adopt a European-style value added tax that exempted, say, the bottom half of households. Even better would be to cut existing taxes on capital and corporate income and to replace the lost revenue using this new VAT. But if concern about AI disruption creates political space for real tax reform, it would be better still to throw out the US income tax system entirely.

The system is economically broken and structurally flawed. Its base has been narrowed with myriad exclusions and deductions, requiring higher marginal rates. It discourages risk-taking and penalises households that defer consumption (by saving) relative to households that don't save.

It is also politically broken. Despite the US's massive budget deficits – totaling 5.8 per cent of GDP last year, and forecast to increase – the leaders of both political parties seem to agree that the bottom 98 per cent of households should not face income tax increases.

Rather than a VAT, the US could implement a broad-based consumption tax in a way that looks similar to the cur-

The US could adopt a European-style VAT that exempted the bottom half of households

rent income tax system by taxing household labour earnings (but not capital income) using a progressive rate structure and by taxing business cash flow – revenue minus expenses, including investment – at the highest rate facing households. For corporations, the 2025 tax law took important steps in this direction by allowing the costs of qualifying equipment and of domestic

research and experimentation to be deducted in the year incurred rather than over several years. But much investment spending cannot be immediately deducted under current law.

A properly designed consumption tax can raise as much as or more than the current system, and can be just as, or even more, progressive. To support employment at a time of AI disruption, a consumption tax could include a generous wage subsidy similar to the current earned-income tax credit.

But if your goal is to slow down AI-related dynamism by increasing the tax burden on business investment, on the financial returns to households from equity investment, or on AI use, then a consumption tax isn't for you.

This is a feature, not a bug. AI will quickly make most people better off, and over time the productivity increases it enables will raise wages and living standards throughout the economy. It will also lead to new and better medical treatments, higher-quality education, and new consumer goods and services. Policymakers should not erect ill-advised obstacles – AI-specific

taxes, or higher capital and corporate taxes – to its development, adoption, and use. A rising tide does not lift all boats immediately or at the same pace – but it does eventually lift all boats.

The carts of those advocating for tax increases are careening rapidly ahead of their horses. While the adoption of generative AI tools might require large increases in federal spending, there is little compelling evidence of this to date. But swapping the income tax for a consumption tax makes sense even in the absence of AI concerns, and addressing the US's worrying fiscal imbalance will require additional revenue.

The tax code should not target the sources of long-term growth. Addressing AI-related disruption should occur on the spending side of the budget, not the revenue side. And economic policy should be directed towards advancing long-term prosperity. It should not be burdened by excessive anxiety about dynamism – or the future.

The writer is an FT contributing editor and director of economic policy studies at the American Enterprise Institute

Why Burnham is wrong about education and opportunity

Tim Leunig

The greatest sin in a politician is to believe something is true when it is not. Erroneous understanding leads to policies that are ineffective, and can do real harm.

In an interview last week, Andy Burnham talked about feeling like an imposter at Cambridge and struggling to find work after graduating, unlike well-connected friends. I am a year younger than Burnham, and we were both the first generation to go to university. My background is humbler than his: my dad left soon after I started school, never to be seen again; my mum worked as a cleaner, a shop worker and in a warehouse. I went to Oxford and of course felt like an imposter. I get where the prime minister is coming from.

Burnham's conclusion from his experience, that connections matter significantly in careers, is not, however, supported by the data. Children who grow up poor are much more likely to be poor as adults than other children. But this is not primarily about connections. Resolution Foundation analysis shows that a child who grew up in deep poverty will earn just 5 per cent less than someone from a more affluent background, with the same degree from the same university.

Perhaps connections account for that 5 per cent. Ed Miliband no doubt had a head start in politics over Andy Burnham or Ed Balls. But 5 per cent seems pretty small to me. If you had told me, aged 12, eating (and detesting) my free school meals, that I could expect to earn 95 per cent as much as better-off people

High-quality, properly funded nursery provision and good schools matter more than connections

in my cohort, I would have been delighted, and proud of Britain for offering me that level of opportunity.

Children who grow up poor are more often poor as adults in Britain overwhelmingly because they do worse at school. They are typically two years behind by age 16, and only half as likely to go to university. If they do, they typically go to less prestigious universities and are more likely to drop out. These results are bad news for poorer children whether they aspire, in the PM's soundbite, to a hard hat or a mortarboard.

Burnham and I were lucky – his father, like my mother, wanted us to do well in school. I am sure his parents read to him, tested his spelling and checked that he had done his homework. My mum did all of those things and set me up for life. Not all children have that advantage, and that is why properly funded, high-quality nursery provision matters so much. Creating that good start in every postcode is in Burnham's gift as prime minister. He should do it.

Good schools change lives. That was true of my school, and it is true of many schools that I saw when I worked for the Department for Education. But it is not true of all schools by any means – and there is still a huge job to be done to raise standards in many places, particularly for poorer children. The OECD's Pisa scores for educational attainment show that this is the case in England, and even more so in Wales and Scotland, where results for poor children are now awful.

Again, improving schools is in Burnham's gift, at least in England. He should ensure that schools in the poorest and toughest neighbourhoods have enough money to attract the country's best teachers. And he should take Professor Becky Francis's evidence-rich review of the curriculum very seriously. That it was commissioned under Sir Keir Starmer should not be held against it.

If those things happen, more kids from ordinary backgrounds will do better at school and have more choices in life. Employers should, of course, offer work experience, which can open up new vistas for young people – particularly for working-class children who may know no one who works in a higher-paying job. But what matters above all, and what is in government's control, is providing a high-quality education: nursery, school, college and university. Burnham should concentrate on that, because that is what the evidence says matters most to his – and my – goal.

The writer is an economist and former UK Department for Education chief analyst

Football gives Europe a rare geopolitical win

GLOBAL AFFAIRS

Gideon Rachman



When Belgium beat the US at the recent World Cup, the Belgian players celebrated by mockingly imitating Donald Trump's dad dancing. It was a pointed rebuke to the US president – who had boasted about persuading FIFA, the world football authority, to lift the suspension of America's star striker so that he could play against Belgium.

European football is now doing another victory dance. Uefa, the continent's football federation, has just forced FIFA's boss, Gianni Infantino, to withdraw a plan to sell a stake in world football to private investors.

On the surface, the dispute was simply about the governance of the world's most popular sport. But the geopolitical subtext is unmissable.

The lead investor in the proposed privatisation was a member of the extended Trump clan – Josh Kushner, the brother of presidential son-in-law Jared. Infantino has spent years sucking up to Trump. He invented a FIFA peace prize to give to the US president. FIFA opened an office in Trump Tower in New York and Infantino attended the launch of Trump's Board of Peace.

The recent World Cup, staged largely in the US, provoked much European grumbling about the Americanisation of the game – with the addition of "hydration breaks", allowing for the sale of TV ads, as well as an extended half-time show that made the World Cup final feel like the Super Bowl.

All this simmering resentment burst into the open when Infantino's sell-off scheme was leaked. The fact that it had been cooked up in private with Kushner – without an open bidding process – contributed to the backlash.

In 2015, the US had led the fight against corruption in football. Several FIFA officials were arrested after an investigation led by the US Department of Justice and the FBI. But now Trump's extended family was being accused of cooking up a shady deal that would undermine the game.

The second Trump administration has been a pretty humiliating experience for Europe. The European Commission signed a trade deal that meekly accepted US tariffs, without retaliation. Mark Rutte, the Nato secretary-general, grinned amiably as Trump belittled and threatened European members of the alliance.

But in the battle over the future of football, Europeans found an issue in which they could stand united, rally global support – and win. Uefa's announcement that its teams would boycott the next World Cup, unless the Infantino scheme was withdrawn, was backed up by the Asian football federation and the North and Central American federation.



Within a few days, Infantino withdrew his proposal. His future as president of FIFA is now in doubt.

Why were the Europeans so effective over football – when they were so ineffective over trade and security? Because football is one area of human activity where Europe is dominant. The richest clubs in the world are based there. Five of the last six World Cups were won by European teams.

As the author Edward Fishman has pointed out, international political power increasingly revolves around the control of economic "chokepoints". China fought back against Trump's tariffs by exploiting its dominance of rare earths and critical minerals. Europe's "rare earths" turned out to be footballers like Kylian Mbappé.

Players like Kylian Mbappé and Jude Bellingham turned out to be the continent's 'rare earths'

Jude Bellingham and Lamine Yamal. The fact that Trump was not directly involved in FIFA's plans made it much easier for European politicians to enter the fray, calling for Infantino's resignation in much easier than picking a direct fight with Trump.

The whole affair has also confirmed the reverse Midas touch of the Kushner clan in Europe. Charles Kushner, the father of Josh and Jared, is currently serving as Trump's ambassador to France. But his relations with the Macron government are so bad that he was banned from meeting French ministers earlier this year. Meanwhile Jared's efforts to develop a luxury resort on an island nature reserve in Albania have provoked mass protests.

Albania's "flamingo revolution" has shaken the government of Edi Rama. But the Albanian prime minister should have anticipated trouble. Jared Kushner has already had to shelve plans to build a Trump Tower on the site of the former Yugoslav defence ministry in Serbia. After organised crime prosecutors opened an investigation into aspects of

the Belgrade project, Kushner's investment firm pulled out, noting piously that – "meaningful projects should unite not divide".

Infantino has also justified the withdrawal of his plans on the grounds that it had unexpectedly "created divisions". But while the Infantino scheme did indeed divide the global "football family" – it united Europe.

Unfortunately for Europe, being a chokepoint for world football is rather less useful than controlling the world's supply of semiconductors or oil. Football, as Jürgen Klopp, the manager of the German football team, likes to observe, is just the "most important of the unimportant things". Dominating "unimportant things" is something of a European specialism. I would also back the Europeans to win a global chess war.

The old continent's victory over FIFA and the Americanisation of football will provide only fleeting satisfaction – unless the Europeans can develop power over a few important things.

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The EU's weak reaction to Spain's migrant crisis

POLITICS

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A picture is worth a thousand words. Or facts. The images of tens of thousands of migrants overwhelming border controls to enter the Spanish North African enclave of Ceuta from Morocco are shocking. So is the death toll of more than 70. The massive influx offered the perfect illustration for anti-immigration politicians of a Europe under threat of invasion. "Remember that picture," said Donald Trump.

Spain's socialist prime minister Pedro Sánchez has made point of defying Trump, so he could have expected the American president's antipathy. But not the hostility he has received from Spain's European partners. The Ceuta incident has opened up an

extraordinary rift within the EU. It has left Sánchez, one of few western leaders who espouses a liberal immigration policy on moral and pragmatic grounds, looking isolated.

The EU's Schengen internal borderless travel zone is only as secure as its weakest external frontier. Each of its member states has an interest in what the other one does. But the reactions of European capitals to the Ceuta influx were hasty, ill-informed and self-serving. Italy's rightwing prime minister Giorgia Meloni immediately demanded Spain's suspension from the Schengen zone. Denmark's centre-left premier Mette Frederiksen, an immigration hardliner, and several other EU leaders echoed Meloni's call to varying degrees. French President Emmanuel Macron ordered extra border patrols.

They seem to ignore that Ceuta is de facto outside the Schengen zone. Travelers from the enclave have to show passports and visas to enter the Spanish mainland. It is probably harder for an illegal migrant to make it to the mainland from Ceuta, a small and highly patrolled territory, than from Morocco

itself. The vast majority of the 60,000 people who swam or clambered their way into Ceuta last week had returned to Morocco within 24 hours.

Spain's European partners also appear to have ignored Morocco's part in this drama. Madrid has been careful not to blame Rabat. It needs its co-operation, in the short term to take back the Ceuta migrants and longer term on migration control and security. It is a

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reminder that the EU's immigration control depends on collaboration with its neighbours. But given the reports of a lack of usual personnel on the Moroccan side of the border, Madrid has good reason to believe Rabat allowed the influx as an act to pressure Spain. Why? Because Morocco has done it before.

In 2021, several thousand migrants

were able to overwhelm Spanish border controls in Ceuta during a diplomatic row between the two countries. Spain's offence this time could be a recent attempt by Sánchez to improve relations with Algeria, Morocco's arch-rival.

When Belarus weaponised irregular migrant flows into Poland in 2021 or before that Turkey into Greece, the EU pledged full solidarity. But not this time. Now Spain is being blamed by its EU friends.

Spain certainly has questions to answer about intelligence failures or insufficient border infrastructure. But it had half the number of irregular border crossings of Italy last year according to Frontex, the EU's border agency. As Gerald Knaus of the European Stability Initiative think-tank has pointed out, Spain is also much better than Italy at taking back from other EU member states irregular migrants who first entered the bloc via its territory – 1,366 versus a measly 60 in 2024 – a crucial part of EU immigration policy.

It is unusual for EU members to turn on each other in public in the way they have on Spain, one of the bloc's few

remaining leftwing governments. The real cause of tension? A proposed amnesty for irregular migrants who have lived in Spain for at least five months. It was supposed to cover 500,000 people but more than 1.2mn applied. In a letter on Saturday, Meloni, Frederiksen and 20 other leaders called on the EU to prioritise "strengthening our external borders and addressing all policies that can serve as pull factors, such as the regularisation of very large number of irregular migrants". There's not much research to back up the claim that amnesties encourage further illegal migration, but it is an easy one to make.

The Ceuta influx risks undermining public confidence in EU border policy. But a knee-jerk reaction by EU leaders will not help. Instead, the panic speaks volumes about the political moment the EU is in: the beginning of a coming cycle of elections in Germany, France, Spain, Poland and Italy, where incumbents are under threat from far-right anti-immigration insurgents. Ceuta offers a frightening spectacle. It is not the real story.

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