● WEB EXCLUSIVE
'US capture of Maduro echoes its operations in Iran, Iraq and Libya.'
— *By Kuldip Singh*
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● WORDLY WISE
Freedom is both the primary end and the principal means of development.
— *Amartya Sen*

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IN 1932
BECAUSE THE TRUTH INVOLVES US ALL

SC reproach should be wake-up call for CAQM

THE SOURCES of Delhi's air pollution are well-known. Studies have shown that vehicular exhaust, industrial emissions, and dust from construction sites combine with the fumes from seasonal farm fires to create the national capital's chronic public health hazard. Consensus has, however, been elusive on pinpointing which pollutant contributes how much, and at what time of the year, to the crisis. This lack of clarity has often come in the way of targeted interventions. The Commission for Air Quality Monitoring (CAQM), set up in 2020, was tasked to plug this breach. The persistence of the poor air problem is a testament to the failure of the agency of the Union environment ministry to deliver on its mandate. On Tuesday, the Supreme Court pulled up the Commission for "failing" to identify "the definite causes of the worsening AQI or their long-term solution".

AQI data show that Delhi's poor air burden is not a seasonal aberration but a round-the-year challenge that varies in intensity across months, weeks, days, and even hours. Addressing the high base pollution level requires a decisive regulator with unwavering attention towards the capital's emission hotspots — industrial sites, areas with congested traffic, construction sites, and unpaved roads. Such monitoring is not only necessary for swift policy response, it's also a precursor to generating real-time, granular data that can identify emerging trends before they escalate into an emergency. Continuous data streams can help align responses across agencies, including traffic police, transport authorities, municipal bodies and pollution control boards. But the lack of a coordinated approach has often been the Achilles' heel of pollution control in the country. In the five years since its inception, the CAQM hasn't stepped up adequately to this imperative. The agency has largely followed the tired, reactive approach of its predecessor, the Supreme Court-appointed Environment Pollution (Prevention and Control) Authority, in imposing bans and punitive measures. Even here, the CAQM has been found wanting at times, largely because the execution of its directives rests with state pollution boards, municipal bodies and law-enforcing authorities. Accountability has been the biggest casualty of this fragmented approach, which is also lacking in urgency. In September last year, for instance, the SC called out the CAQM because its subcommittees had met only once in three months.

On Tuesday, the SC's two-judge bench asked the CAQM to quantify emissions by each polluting source and then plan long-term solutions. The Court's reproach should be a wake-up call to the pollution watchdog. It should also be a message to the Centre to address the agency's structural infirmities.

Economy grows faster, but there are concerns

THE INDIAN economy is expected to grow at a healthy 7.4 per cent in 2025-26, as per the first advance estimates released by the National Statistics Office. Growth this year is considerably higher than what many analysts, including the RBI, had expected at the beginning of the year. As the economy grew at 8 per cent in the first half of the year, the first advance estimates suggest that the momentum is likely to slow down in the second half, with growth expected at around 6.8 per cent. This could be, in part, due to a likely slowing down of government spending and the impact of US President Donald Trump's tariffs on merchandise exports.

The disaggregated data shows that the sharpest acceleration is in the services sector. The sector is pegged to grow at 9.1 per cent in 2025-26, up from 7.2 per cent in 2024-25, with all segments — trade, hotels, transport and communication, financial, real estate and professional services and public administration — growing at a faster clip. Within the industrial segment, while manufacturing fares better, construction and utilities are growing at a slower rate. On the other hand, both consumption and investment activity are expected to grow at a healthy pace. But, even as growth this year has accelerated, there are points of concern. Nominal GDP is pegged to grow at just 8 per cent. This is considerably lower than the 10.1 per cent assumed in the Union budget. It would also be the second consecutive year that nominal growth has been less than 10 per cent. Slower nominal growth over time could have implications for the government's debt/deficit dynamics.

This GDP estimate is, however, based only on data that is available till November. At the end of next month, the government will release a new series of GDP estimates with 2022-23 as the base year. This revised series will not only involve changes in methodology, but will also incorporate new and updated data sources. A new CPI series with base year 2024 will be released in February, followed by a new series of the index of industrial production. These revised series should address some of the criticism that has been voiced over the estimates.

The slow and ambitious cinema of Bela Tarr

Hungarian filmmaker Bela Tarr, who died this week at the age of 70, was a master of cinema as mesmerism. The glacial pace of his films, with an average shot of two and a half minutes, demand more than the audience's attention; those used to films composed of two-and-half-second shots have to prepare for total surrender. For, Tarr was a man of both enormous talent and towering ambition, committed to putting life itself on the screen, with all its beauty, banality and tawdriness — an endeavour hardly conducive to the neat patterns that mainstream cinema has trained viewers to expect.

Consider the punishing seven-and-a-half hour runtime of his 1994 adaptation of Laszlo Krasznahorkai's *Satantango*, about a village that abandons its life to follow a charlatan — the opening shot, which follows a herd of cows over a muddy field, is over six minutes long. Look at the lingering attention paid to the daily, unremarkable actions of a coach-driver and his daughter in *The Turin Horse* (2011), which takes off from the story about Nietzsche breaking down at the sight of a horse being flogged. Or marvel at how he turned Georges Simenon's novel *The Man from London* into a meditation on guilt (2007). These films, with slow tracking shots and richly textured frames, don't offer jolts of adrenaline, but a more enduring reward: An experience of immersion.

Yet, haunting as their images are — a girl with a dead cat (*Satantango*), dogs sniffing around a wasteland of a town (*Damnation*, 1988) — Tarr's films are also shot through with the kind of levity found in his frequent collaborator Krasznahorkai's work. Eliciting wry chuckles over human foibles and the dark comic timing of fate, his films will last not only because of their artistry, but also the generosity of the vision that animates them.

Let players play, let diplomats do the work of diplomacy

THAROOR THINK
BY SHASHI THAROOR

THE INTERSECTION of sports and diplomacy has always been a fraught one, particularly in our corner of the world. Yet, the recent reports of a BCCI directive to exclude Bangladeshi cricketer Mustafizur Rahman from the Indian Premier League (where he had been recruited by Kolkata Knight Readers) represent a troubling departure from both sporting meritocracy and strategic common sense. To conflate the complex internal dynamics of Bangladesh with something like the state-sponsored hostility of Pakistan is not merely a visceral overreaction; it is a diplomatic blunder that reveals a profound failure of imagination.

The decision to target an individual sportsman like Rahman as a response to political instability or reports of violence across the border is, frankly, appalling. It is an unnecessary politicisation of a sporting event that undermines the very essence of the IPL, a tournament built on a global congregation of talent. When a player is vetted, cleared, and placed in the auction pool by the BCCI, he becomes part of a professional ecosystem. To retroactively punish a franchise for selecting a player found eligible by the BCCI, or to force that player's exit based on his passport, is to diminish the league's integrity.

We must address the elephant in the room: The backdrop of strained ties and the deeply concerning reports of violence against minorities in Bangladesh. As the Chairperson of the Parliamentary Standing Committee on External Affairs, I am well aware of the delicate diplomatic tightrope the Indian government must walk. Our approach must be one of firm but sensitive diplomatic and political management. Yes, passions are high. Yes, there are groups in Bangladesh whose actions are reprehensible and should be curbed. Yes, India should urge the government to restore order and protect minorities. But to respond with a blanket boycott of their cricketers is to play into the hands of the extremists.

Our goal should be to promote normalcy and protect the voices of moderation. This is no doubt why External Affairs Minister S Jaishankar was in Dhaka last week to meet Tarique Rahman, the leader of the Bangladesh Nationalist Party and therefore the likely future prime minister. We have also, no doubt, communicated to the government in Dhaka that bullying and the intimidation of minorities in Bangladesh do not create an environment conducive to free and fair elections or long-term stability. However, sending a black-and-white message that "every Bangladeshi player is unwelcome" is the wrong signal. It punishes the innocent for the sins of a few and alienates a population with whom we share deep cultural and economic ties.

Consider the logical inconsistency of this stance. If we decide that Indian public outrage against Bangladesh determines eligibility, what happens to Bangladeshi Hindu cricketers like Litton Das or Soumya Sarkar? If they had been picked this year, as they were in past IPLs, would they too have been victimised by this reflexive rage? If not, who are we punishing — a country, an individual, or his religion? By signalling that we are an intolerant country that discriminates against Muslim Bangladeshis, we are not protecting Hindu minorities; we are abandoning the high ground.

Bangladesh is not Pakistan. Unlike our neighbour to the west, Bangladesh has not made the export of terror a pillar of state policy. While we have serious concerns and areas of sharp disagreement, our relationship is fundamentally different. It is a relationship of culture, of constructive negotiation, of shared history, and of a common future in the Bay of Bengal. To impose a "Pakistan-like" isolation on Bangladesh is to ignore the nuances of geopolitics. You cannot make a simple equation between the two.

Furthermore, there is a moral question at stake. Why must sports and cricket alone bear the burden of social media outrage? We continue to interact with Bangladesh through trade, transit, electricity supply and high-level diplomacy. Yet, we pick on a lone sportsman who has never condoned hate speech, never spoken against India, and never acted as anything other than a professional athlete. Who, exactly, are we victimising here?

> If we decide that Indian public outrage against Bangladesh determines eligibility, what happens to Bangladeshi Hindu cricketers like Litton Das or Soumya Sarkar?

To my mind, this entire episode reeks of a decision taken in haste to appease the loudest voices of social media outrage. It demeans us as a nation by suggesting that our diplomacy is so fragile that it can be upended by the presence of a left-arm pacer in a purple jersey. It demeans our civilisational ethos of Vasudhaiva Kutumbakam: We are not behaving like a nation with a mind broad enough and a heart big enough.

As we look towards the future — including the upcoming T20 World Cup, where Bangladesh has officially requested that its scheduled matches in India be relocated to Sri Lanka — we must ask ourselves: Is this the precedent we want to set? Are we prepared to put the entire international cricketing calendar and India's stature as a cricketing host nation at the mercy of the latest trending hashtag?

The Ministry of External Affairs often chooses a path of strategic silence or measured statements, and that is its prerogative. But as citizens and sports lovers, we must stand up for the principle that the playing field should remain a sanctuary for merit, not a theatre for performative nationalism. Let us engage with Bangladesh with the firmness that our national interest requires, but let us not sacrifice the spirit of the game on the altar of political convenience. It is time to let the players play and let the diplomats do the work of diplomacy. To do otherwise is not just appalling, it is a self-inflicted wound on India's global image. As a cricket fan, I look forward to watching the World Cup. BCCI, don't tarnish the trophy!

The writer is MP, Thiruvananthapuram, Lok Sabha, and chairman, Parliamentary Standing Committee on External Affairs, and co-author of 'Shadows Across the Playing Field: The History of India-Pakistan Cricket'

Why the image of a donkey in Gaza broke me

SHELLEY WALIA

FROM CHILDHOOD, I carry a memory both tender and vivid of the gentle clip-clop of tongas outside railway stations, their worn wooden wheels turning patiently, drawn by horses whose names we never knew. We would climb aboard as a family, and those slow rides offered a sense of rhythm, simplicity, and wonder.

Recently, that memory came rushing back to me as I saw a photograph from Gaza. A donkey-drawn cart creaked forward under the weight of a fleeing family: Three children clinging to their parents, bags of belongings teetering in the back, and the donkey pulling on, battered and thin.

That image broke me. Not just for what it shows of human suffering, but for the silent resilience of the donkey, an animal often mocked and neglected, yet carrying the unbearable burdens of war and its aftermath.

And then, another image came to mind of Joseph and Mary fleeing on a donkey into Egypt with the infant Christ. There is an old carol that speaks gently to a tired animal, 'Little donkey, little donkey', urging it onward along a cold and difficult road, promising rest at the end of the journey.

In Gaza, there is no such promise. There is no Christmas or the joy of singing for a new year. The good donkey moves not toward Bethlehem but through rubble and smoke.

The donkey does not speak, does not choose, does not understand the abstractions in whose name wars are waged. Yet in its mute endurance, it exposes the obscenity of a politics that blesses destruction while speaking the language of security and destiny.

Anonymous and indispensable, the donkey becomes the last symbol of unconditional care and the innocent voiceless victims in a place where modern systems have collapsed, a silent labourer of war for whom there is no manger waiting at the end.

The donkey's laborious journey through devastation serves as a scathing indictment of our technological hubris and the vacuous rhetoric of international intervention. This image would not be out of place in the works of Franz Kafka or Samuel Beckett, where the fragmentation of reason reveals the mute yet resilient persistence of the powerless as the sole bastion of hope. The contrast between the donkey's steadfast companionship and the abandonment of humanity by the machines of war lays bare the bankruptcy of our claims to civilisation.

In Gaza, the donkey indeed emerges as a silent comrade in the struggle for survival. What devastates me most is the helplessness of it all.

The image of children sitting in the cart, innocent and wide-eyed, on their way to nowhere. The father walking alongside, powerless to protect them. The donkey limping on, trying to do what it was never asked to do.

And yet, the cart still carries a strange cosiness. The children huddle together, as if pretending this were just a journey to a picnic, not exile.

The donkey walks, tired but unyielding, as if it, too, is hoping for a warm stable to welcome him on the other side of misery.

In this cold, calculated, and unfeeling world, it is the cart in Gaza that underscores what dignity looks like in ruins, in movement, in endurance.

In an age obsessed with speed, where gleaming machines like Maseratis, Porsches, Ferraris and drones are celebrated as emblems of success and desire, the donkey cart appears almost incongruous.

Though a relic in a world that worships acceleration, the cart resists the tyranny of haste, moving not with urgency, but symbolically suggesting the "politics of slowness".

I see a quiet, almost unbearable dignity in the image of the donkey. In a time when human conscience lies buried beneath propaganda and spectacle, it is this humble companion that bears the weight of their survival and the cold, calculated silence of a world that refuses to care.

The writer is former Professor of Cultural and Literary Theory and UGC Professor Emeritus at Panjab University, Chandigarh

IN GOOD faith

> A donkey-drawn cart creaked forward under the weight of a fleeing family: Three children clinging to their parents, bags of belongings teetering in the back, and the donkey pulling on, battered and thin

Jaipal Munda's vision was larger than his time

KUNAL SHAHDEO

EVERY JANUARY, Jharkhand's winter carries an old question. What does it mean to remember a leader whose imagination exceeded his time? Born on January 3, 1903, Jaipal Singh Munda is remembered as Marang Gomke, the great leader. Yet public remembrance in India follows a curious economy. Some figures are ritualised into safe icons, while others are quietly archived. Munda belongs uneasily to the latter category.

Munda's life defies tidy classification. Moving across worlds, from mission schools and Oxford to international hockey fields, princely administrations, and the Constituent Assembly, his trajectory was less one of social mobility than a sustained challenge to hierarchies of race, caste, and civilisation. An Adivasi intellectual who moved with ease through global modernity, elite sport, and constitutional politics, he used the authority these fields conferred to speak back to power. As the first Indian to earn an Oxford Blue in hockey, and later captain of India's gold medal-winning team at the 1928 Amsterdam Olympics, he never mistook personal distinction for collective emancipation. Sporting achievement and administrative authority were, for him, instruments rather than ends. The decisive turn came with Munda's return to India, where Adivasi dispossession in Chotanagpur and Santhal Parganas confronted him as lived reality rather than abstraction. As president of the Adivasi Mahasabha, he transformed dispersed grievances into a coherent political vocabulary. Rejecting assimilation into a nationalist mainstream, he demanded that the nation reshape itself to accommodate its first inhabitants.

This insistence found its clearest expression in the Constituent Assembly. When Munda declared himself *jungli*, he was not romanticising primitivism but exposing the civilisational arrogance of nationalist discourse. Democracy, he argued, was not to be taught to Adivasis, but learned from them. His advocacy shaped protective discrimination for Scheduled Tribes and infused constitutional debates with an ethic of cultural plurality. Yet Munda warned against symbolic inclusion without material justice. His critique of prohibition demonstrated how abstract policy, when detached from social life, can produce everyday violence.

The Jharkhand movement was the political extension of this vision. The demand for a separate state was rooted in claims to dignity, autonomy, and control over land and resources. That Jharkhand emerged three decades after Munda's death attests to the persistence of this imagination. Yet its eventual form exposed a stark limit: The extractive, outsider-dominated political economy Munda warned against hardened over time, leaving Adivasis no longer even a demographic majority in the state.

Munda's legacy survives in everyday idioms of resistance, on the hockey fields of Jharkhand, and in assertions around the Sarna religion, land rights, and cultural recognition. Remembering him is a call to interrogation. Who speaks for the Adivasis? What does development mean when it displaces those who bear its costs? Munda offers no easy answers, but a method. Speak from where you stand. Refuse erasure. Insist that the nation listen.

> Munda's legacy survives in everyday idioms of resistance, on the hockey fields of Jharkhand, and in assertions around the Sarna religion, land rights, and cultural recognition

The writer is an academic fellow and visiting faculty at NLSIU, Bengaluru

40 YEARS AGO
January 8, 1986


INDIAN EXPRESS
PM for management concepts in science
'Surge ahead of others'
Twin murder in S. Delhi
Punjab steps against terrorists

PM for management in science

THE PRIME Minister, Rajiv Gandhi, called upon Indian scientists in New Delhi to inculcate management concepts in science and technology and not to accept mediocrity at any level. Addressing the concluding session of the 73rd Indian Science Congress, he said that what Indian science and technology lacked was management awareness.

Punjab's steps to curb terror

THE PUNJAB Government ordered drastic steps to curb terrorist activity which claimed seven lives during the last 24 hours and prepared to meet any situation arising out of the proposed "*rasta roko*" stir of the All India Sikh Students Federation (AISSF) on January 10. The Chief Minister of Punjab, Surjit Singh Barnala, told a meeting of senior police officials that he wanted "result-oriented" action to curb terrorist violence.

AISSF not backing down

HARINDER SINGH Kahlon, convener of the All India Sikh Students Federation (AISSF), accepted the challenge of the Punjab Chief Minister, Surjit Singh Barnala, and declared that federation activists "will hold up road traffic without fail in a peaceful manner on January 10 in Punjab." Addressing a press conference, Kahlon said commando squads of 20 members each had been constituted and sent to the 300 circle headquarters of the AISSF. He had directed the squad members to get underground immediately to avoid arrest.

Libya expecting Israeli attack

MOST OF Tripoli was blacked out and an aide to Libyan leader Muammar Gaddafi predicted a US-aided Israeli strike against Libya could come at any time. Libya summoned East bloc diplomats to the Foreign Ministry to brief them on the situation. Libyan officials, in similar meetings with envoys from Western Europe, Africa and Asia, said they expected Libya to be attacked.

The Ideas Page

A 2026 wish for criticism that improves policy, protects reform

HARDEEP S PURI

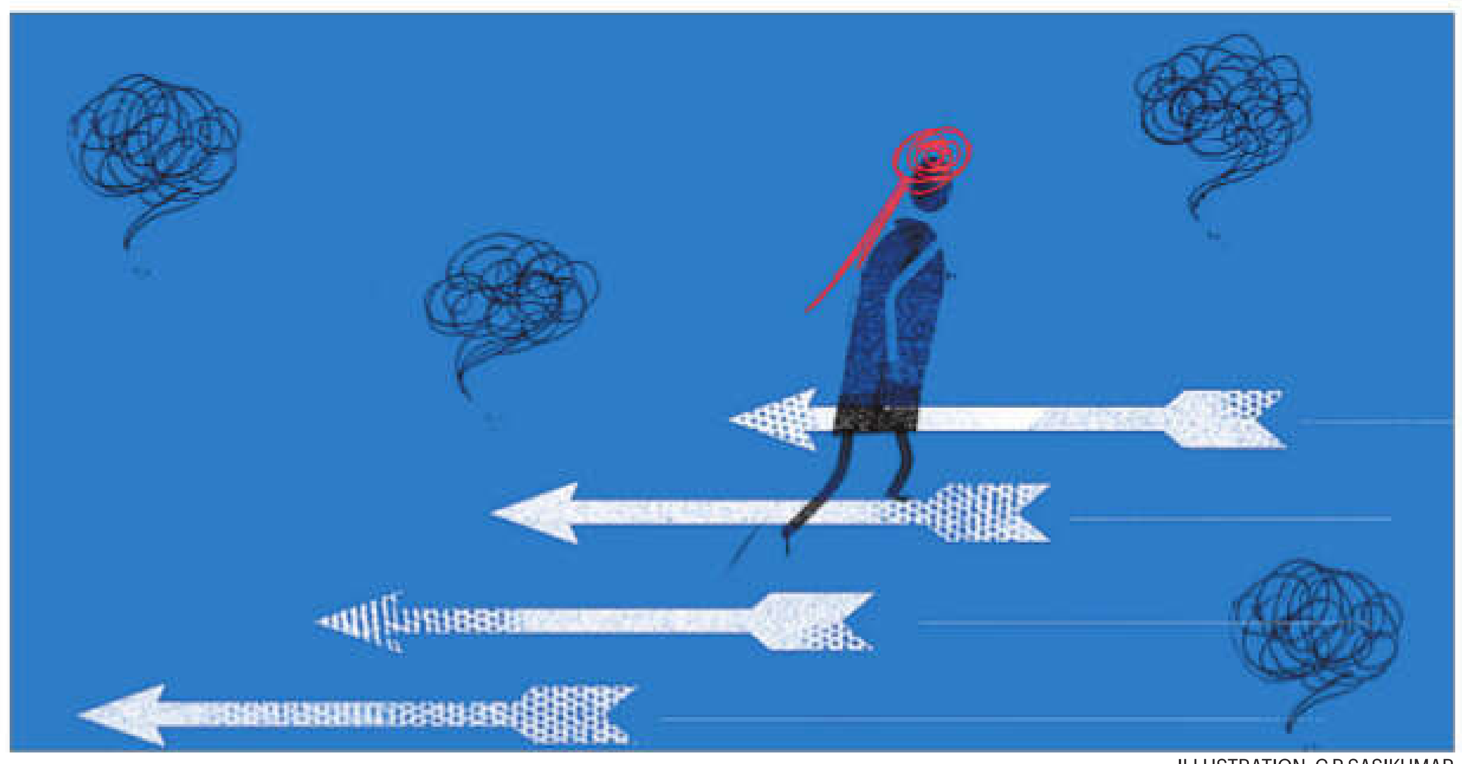


ILLUSTRATION: C R SASIKUMAR

AS WE step into 2026, public debate in India should begin with a little New Year discipline. We should welcome scrutiny, even sharp criticism, but we should also insist that the argument carries responsibility. A republic of over 1.4 billion people cannot be reformed by cynicism. Jobs, productivity, exports, and inclusion are not easy at the best of times, and progress comes through the unglamorous grind of design, implementation, correction, and scale. A New Year is also a moment to separate scepticism from pessimism.

In Beyond Good and Evil, Friedrich Nietzsche wrote, in substance: "The philosopher must be a creator of values, not a mere critic or spectator. He must philosophise from the standpoint of life, not against it." Public policy needs the same temper. Critique is welcome, but it must be tethered to evidence and the constraints of governing a complex, diverse democracy.

In recent years, a genre of commentary has emerged that markets doubt as sophistication. It reduces the work of reform to caricature, treats every imperfect transition as proof of permanent failure, and offers a familiar consolation: India is supposedly doomed by its own policymakers. That posture weakens trust in statistics and markets, encourages fatalism among entrepreneurs and investors, and hands outside actors a ready-made script for pressuring India in negotiations. Expertise must remain answerable to facts.

It is worrying to note that a few commentators, who boast of a strong professional and academic background, have resorted to such posturing. Some, whom I have known personally and who have anchored their identity and credibility in India, are now trying to make a career out of badmouthing the country.

Their charge that India's datasets are uniquely unreliable sits uneasily with the direction of travel. The GST created a national invoice trail and a compliance culture that simply did not exist a decade ago. Digital payments created another audit footprint. In November 2025, UPI recorded 20 billion transactions worth over Rs 26 lakh crore. These are large, verifiable systems, and they expand the space for measurement, cross-checks, and course correction.

Measured outcomes in welfare and inclusion further puncture this fatalism. NITI Aayog's National Multidimensional Poverty Index shows almost 24 crore Indians moved out of multidimensional poverty between 2013-14 and 2022-23, with the incidence falling from nearly 30 per cent to about 11 per cent. Direct Benefit Transfer tightened delivery, with cumulative transfers crossing Rs 45 lakh crore in 2025 and savings of more than Rs 3.5 lakh crore through leakage reduction over the DBT period. Financial inclusion is now a mass infrastructure, with over 56 crore Jan Dhan accounts.

Reforms to financial discipline have had visible effects. The gross nonperforming asset ratio of scheduled commercial banks fell to 2.1 per cent in 2025, down from about 11.2 per cent in 2018. This did not happen by wishful thinking. When critics say the state cannot reform, this quiet turnaround is the first answer.

In recent years, a genre of commentary has emerged that markets doubt as sophistication. It reduces the work of reform to caricature, treats every imperfect transition as proof of permanent failure

The jibe that India cannot build at scale ignores what has changed in manufacturing ecosystems. Under the Production Linked Incentive programmes, realised investment crossed Rs 2 lakh crore across 14 sectors and employment generation of over 12 lakh jobs. Electronics is the sharpest illustration: Production crossed Rs 11 lakh crore in 2024-25, mobile phone production Rs 5.5 lakh crore, and mobile exports about Rs 2 lakh crore.

Trade leverage is built by performance and consistency, not by performative despair. Total exports of goods and services hit an all-time high of over $825 billion in 2024-25. In a world of tariffs and protectionist reflexes, partners respond to capability. India's posture strengthens when it is seen as a market that produces, trades, and absorbs at scale, and when it can credibly offer diversified supply in sectors that matter.

Competitiveness is not secured by a single scheme or ministry. It is the cumulative effect of infrastructure, logistics, and administrative reform. The gains are visible in the spread of industrial corridors, improved freight connectivity, better port linkages, and integrated planning platforms that reduce the cost of time. The point is not that every bottleneck has vanished. It is that the state has demonstrated the capability to build systems, shorten processes, and scale delivery.

On agriculture and rural resilience, it is easy to list distortions and conclude that nothing can be fixed. The policy direction has moved toward targeted support and asset creation. Jal Jeevan Mission has provided tap water connections to more than 12.5 crore rural households, improving public health and reducing the time burden on families.

The story of inclusion is also visible in health, housing, and energy access. Ayushman Bharat has issued more than 42 crore cards under PM-JAY. Under PM Awas, almost three crore houses have been completed. Under the PM Ujjwala Yojana, more than 10 crore LPG connections have brought cleaner cooking energy to households that were once trapped in smoke and drudgery. These outcomes are the practical foundation on which aspiration and productivity can rest.

The most sweeping pessimism is often reserved for states, as if a billion people must be governed through a single template. India's federalism is noisy, but it is also adaptive. Several states, especially Uttar Pradesh, Bihar, Madhya Pradesh and Rajasthan, have shown that better law and order, faster clearances, and sustained infrastructure delivery can draw investment and formal jobs. The Centre has reinforced this competitive federalism by building national platforms that states can plug into, and by making reform data transparent enough for citizens to judge performance.

India's story is far from finished, and it will always invite argument. The question is the quality of the argument we choose. When eminent professionals treat insinuation as analysis, they weaken the very institutions that make reform possible. Nietzsche's reminder is useful here. A serious thinker creates values that help societies live and improve. India has chosen the harder path of execution, and it is the results, audited in numbers and felt in households, that will outlast any brief for despair. In 2026, India should demand criticism that improves policy, not commentary that undermines confidence for applause. That standard protects reform, investment, and democratic choice at home.

The author is the Union Minister for Petroleum & Natural Gas, Government of India

In Iran, a new protester is speaking from the old Bazaar

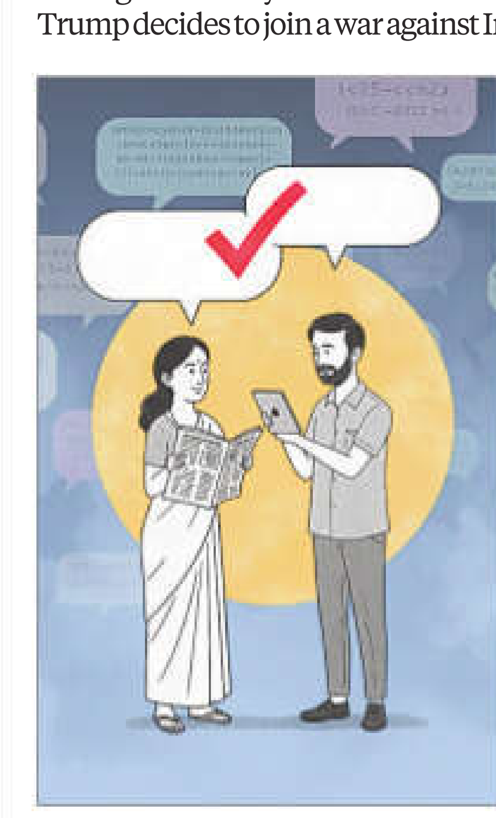
RAMIN JAHANBEGLOO

THE ISLAMIC regime in Iran is experiencing its most significant nationwide protests since the 2022 "Woman, Life, Freedom" movement. The current unrest, which began in late December, was triggered by a severe economic crisis, but has rapidly expanded into a broader challenge to the clerical establishment. The protests were ignited by merchants in Tehran's Grand Bazaar after the Iranian rial hit a record low of approximately 1.45 million to the US dollar. Inflation has climbed above 40 per cent, leaving many Iranians unable to afford basic goods. Bazaar traders who are unable to compete with rivals benefiting from state resources face significant challenges.

Since 1979, the Bazaar's ability to absorb economic shocks and find survival mechanisms has helped the Iranian regime remain alive. But now, due to unprecedented economic failure, the Bazaar has abandoned its quietist stance in favour of active resistance.

What started as gatherings by shopkeepers has now turned into open protests and nighttime confrontations with the security forces beyond the Bazaar. Historically, the Bazaar has played an important role in regime changes, from the Constitutional Revolution of 1906 to the overthrow of the Shah in 1979. It is too early to tell if these protests will lead to major change, but this time even the merchants, who are not frequent protesters, are calling for regime change. The Iranian regime is facing a severe economic crisis, international isolation, and an inability to manage domestic challenges.

Strangely, though the Iranian regime maintains a coercive grip on power, the ruling establishment is more fragile than ever. While a major diplomatic impasse persists over its nuclear programme, Iran continues to struggle with the reinstatement of UN and stringent US sanctions. This pressure is coupled with the Iranian people anticipating new Israeli military actions, following the 12-day war of June 2025. If US President Donald Trump decides to join a war against Iran, it will likely have higher casualties and cause greater destruction. This could trigger a severe response from Tehran: It maintains an arsenal of roughly 2,000 heavy ballistic missiles and has previously targeted US airbases in the Middle East. Yet, according to the Canadian newspaper, National Post, "the Israel Defence Forces are expediting preparations for a multi-front war with Iran in light of the internal unrest in the Islamic Republic."



Iran is going through a period of profound "distortions" influenced directly by the fall of the Bashar al-Assad regime in Syria and the weakening of the key proxies of the Iranian regime, like Hezbollah and Hamas. As a result, the current regime's ambitions for regional hegemony are inhibited by socio-economic, political, and generational crises. A crisis of legitimacy of the Iranian regime in the eyes of the youth has weakened its ability to project a consistent hegemonic influence. The women-led protest within Iran has also shaped a serious threat to the hegemony of the rigid Islamic orthodoxy.

A new generation of Iranians, influenced by social media and global connectivity, is demanding personal freedom, secularisation, and the ability to dream of a different future. This generation, born between 1997 and 2012, known in Persian as "Dahe Hashtadi", (those from the Eighties), have no direct memory of the Iranian Revolution or of the Pahlavi monarchy. Yet, they view the Pahlavi era as a "golden era" of modernisation and significant economic and social advancements, when Iran was open to the outside world.

These young Iranians blame their parents for replacing the Shah's regime with a clerical one that is corrupt and incompetent. The Islamic regime, nearly five decades in power, is the main cause of this paradigm shift. As a result, Iranian protests, including the recent ones from the Bazaar, frequently feature calls for the return of the Pahlavi dynasty. Nowadays, the protests are more frequently accompanied by slogans like "Javid Shah" (Long live the Shah). While no one can precisely forecast the immediate future of the regime, one can describe Iran as being in a state of revolt. Whether the revolt will escalate into a full-scale revolution is the million-dollar question.

The writer is director, Mahatma Gandhi Centre for Nonviolence and Peace Studies, OP Jindal Global University

Letters To The Editor

Think long term

EVERYTHING IN nature is interconnected and interdependent; to view the Aravalli ranges as separate from this system is antithetical to the very tenets of nature itself. As the writer observes ('To save Aravallis, think like a Mountain', *IE*, January 7), the Aravallis have played a unique and indispensable role in preserving India's ecological balance. To prioritise short-term objectives over long-term environmental stability is not merely shortsighted but diabolical, and such an approach must be firmly condemned.

Abhay Negi, Dehradun

Carbon tax

It seems unlikely that the EU will relent on CBAM. The US has already set a precedent by imposing unfair tariffs, and the WTO remains largely dysfunctional. Apart from immediate negotiations, India must focus on decarbonisation ('After CBAM, exporters need a helping hand', *IE*, January 7). Operationalising the domestic carbon market will allow exporters to claim reductions in the carbon tax and shifting to green hydrogen as a primary energy source will reduce emissions at the source.

Anany Mishra, Bhilai

US hypocrisy

The US detaining a sitting Venezuelan president sets a perilous precedent for international diplomacy. While Western powers were quick to condemn violations of sovereignty in Ukraine, their silence on this operation is deafening ('The Donroe Doctrine and a dangerous new world', *IE*, January 7). This selective application of the "rules-based order" exposes a deep-seated hypocrisy, effectively signalling to China that military strength matters more than international law. Moreover, subjecting a foreign leader to domestic US courts undermines the UN Charter and the principle of sovereign immunity. The concept of a global order is effectively dead.

Abhishek V S, Kayamkulam

To clean Delhi's air, change the way it moves

RASHMI SADANA

EACH WINTER, Delhi's dismal air quality is framed as an emergency requiring short-term fixes: Odd-even schemes, school closures, construction bans. But the air we breathe is shaped less by these stop-gap measures and more by our year-round, everyday habits of movement, and the infrastructures that support them. How we get around is not a personal choice so much as a structural imposition. For this reason, the Delhi government's recently announced plan to add more buses, revamp routes, and increase the budget for regional rail and metro lines deserves serious attention.

Transport is one of the main causes of Delhi's air pollution, and it is also one of the few areas where policy can create real change. The current government proposals, which include electric buses and improved coordination with the Metro, are not just technical fixes. They are social interventions that shape who moves easily through the city, who bears the burden of pollution, and whose lives are constrained by distance and time.

Over 12 years of riding and researching the Delhi Metro, documented in my book *Metronama: Scenes from the Delhi Metro*, I came to see public transport not only as infrastructure but as a transformative social space that led to a new culture of commuting. The Metro also reorganised the urban landscape, compressing distance and creating a standard experience of travel from centres to peripheries. It allowed a student from Badarpur to imagine a future beyond her neighbourhood, a barber from East Delhi to get to work in a dignified manner, and countless women to claim mobility.

If Delhi is serious about addressing air pollution, it must treat public transport not as a supplementary option but as the backbone of urban life. This means sustained funding, not pilot projects

Yet the Metro alone cannot bear the weight of urban mobility needs or pollution burdens. Buses still move far more people across shorter and more irregular routes. And when buses fail, due to overcrowding, lack of a predictable schedule, or by their absence, people are pushed toward two-wheelers, autos, and ride-hailing cabs, intensifying congestion and emissions.

Besides carbon reduction, electric buses running frequently and on predictable schedules make public transport desirable rather than a chore. A state-of-the-art bus system signals that public transit is not a residual service for those who cannot afford private vehicles, but a civic good worthy of investment. The key is to create a new structure where transport options work in concert. Metro stations often sit amid chaotic streetscapes, disconnected from bus stops, pedestrian infrastructure, and last-mile services. This interface or "seam" between systems is where many commuters give up and turn to private vehicles or cabs.

There is also a larger political question. Road infrastructures benefit a minority while spewing pollution onto the majority. The air pollution crisis highlights how social and health outcomes are intertwined across class, caste, and locality. Where cars emit and take up space, public transport redistributes urban benefits by sharing space. It makes the city accessible by translating transport mobility into social mobility.

If Delhi is serious about addressing air pollution, it must treat public transport not as a supplementary option but as the backbone of urban life. This means sustained funding, not pilot projects; fare policies that prioritise affordability; and a cultural shift away from equating mobility with private ownership. It also means resisting the temptation to see electrification as a silver bullet. Electric buses running in traffic-choked corridors still waste time and energy.

The pollution crisis demands multi-pronged structural thinking. Cleaner air will not come from asking people to stay home for a week, but from making it easier and more desirable for millions to move together every day. Delhi has the beginning of such a system. The task is to make it seamless, equitable, and central to how we imagine and enact the city's future.

Sadana is a professor of anthropology at George Mason University and author of Hindi Heartland: The Political Life of Literature in India

Russia, China and the Trump template

SAPTARSHI BASAK

WHEN US President Donald Trump announced an "extraordinary military operation" in Venezuela, did it sound eerily similar to the phrase "special military operation" used by Russia's President Vladimir Putin in February 2022 to launch the invasion of Ukraine? What about the fact that the US forces moved swiftly to seize Venezuela's President Nicolas Maduro and fly him to the US to face trial? Russia, too, in the opening months of the war, mounted a rapid thrust towards Kyiv, hoping to decapitate Ukraine's leadership, but was pushed back. Consider also that both targeted countries are rich in strategic resources: Trump has already said that American oil companies will assume control of Venezuela's oil infrastructure, while Putin has said that Russia is ready to work with partners — including the US — to develop (exploit) critical minerals in Russian-occupied eastern Ukraine. If these points of comparison feel too close, it is because they are — unilateral acts of aggression in brazen defiance of international law.

Moscow and Beijing have both expressed "shock" at Washington's brazenness. Russia called the US strike "deeply concerning and condemnable," even as, just a day earlier, a woman and a three-year-old child were killed in a Russian missile strike on Kharkiv. China condemned "the use of force by the US against a sovereign country" in the same week it fired dozens of rockets towards Taiwan and deployed a large fleet of warships and aircraft near the island. And get this: At the post-operation press conference, Trump said he was "not thrilled with Putin" because he is "killing too many people". The hypocrisy is baffling. With its illegal military operation in Venezuela, the US has handed Russia, China, and any willing country a blueprint for removing unfriendly leaders by force. Trump has also done Putin and Xi Jinping a huge favour: Both can now project themselves as defenders of sovereignty while justifying illegal acts of aggression and feign shock when others do the same.

With its illegal military operation in Venezuela, the US has handed Russia, China, and any willing country a blueprint for removing unfriendly leaders by force

China claims democratically governed Taiwan as its own and nearly all of the South China Sea. Should it launch a strike against Taipei, replicating Washington's "shock-and-awe" operation — targeting the central leadership using special forces and installing a friendly regime — Trump has already surrendered any moral and legal ground the US could use to rally the world in Taiwan's defence. Beijing may also employ such tactics against "unfriendly" leaders of other countries in the region to consolidate its sphere of influence.

Trump, who has revived the Monroe Doctrine which argued for dominance in the Western Hemisphere and suggested that the US should respect other spheres of influence, seems fine with the great powers carving out their own territories. The US National Security Strategy released just weeks ago, elevated the Western Hemisphere as a dominant priority and called for a military posture to pursue it. If Xi decides to view a Taiwanese president as dangerous to Chinese interests, could he not then cite this doctrine to escalate military action in what he sees as his own backyard? Trump openly threatens Greenland, Colombia, and Cuba. Any realistic peace plan for Ukraine in the near future is likely to concede the Donbas to Russia. The degeneration from a rules-based order to one defined by competing spheres of influence backed by the use of force is picking up pace.

The writer is deputy copy editor, The Indian Express. *saptarishi.basak@expressindia.com*

• HISTORY

Turkman Gate: Mughal gateway to site of a dark chapter during the Emergency

Adrija Roychowdhury
New Delhi, January 7

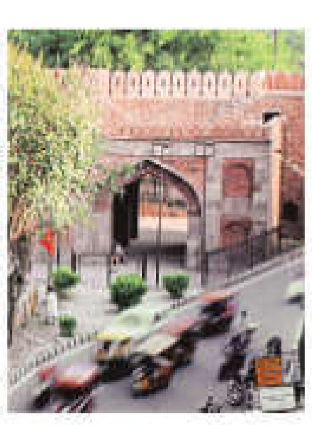
A SQUAT Mughal-era gateway of battered stone and plaster, Turkman Gate stands plain and austere amid the dense lanes of old Delhi. The nearby area has been roiled by protests over a demolition drive, reviving memories of a similar drive at the same site nearly five decades ago — one that became a tragic flashpoint of the Emergency imposed by Prime Minister Indira Gandhi. The gate, however, has occupied a distinctive place in the city's history for centuries.

Turkman Gate in Delhi's history

Turkman Gate was constructed in the 17th century during the reign of Mughal emperor Shah Jahan, when he founded his new capital at Shahjahanabad. The site's historical significance predates him and is rooted in a period when Delhi was a centre of Sufism.

Historian Swapna Liddle told *The Indian Express* that the road from Fatepuri Masjid to Turkman Gate was an important pre-existing thoroughfare. "It was beside this road that a Sufi saint called Shah Turkman Bayabani lived and was buried," Liddle said.

When Shahjahanabad's city walls were laid out, these older areas were enclosed within them. The gate built nearest to Shah Turkman's shrine came to be known as Turkman *Darwaza*, or Turkman Gate. Adjacent to the shrine is the grave traditionally identified as that of the 13th-century ruler Razia Sultan, the only woman ruler of the Delhi Sultanate.



Turkman Gate was built in the 17th century in Delhi. FILE

Little is known about Shah Turkman. But Liddle says the burial of Razia Sultan beside his shrine and the naming of a Mughal gateway after him indicate the reverence he commanded.

After the uprising of 1857, British authorities demolished sections of the city walls on either side of the gate. In the early 20th century, further portions were removed to facilitate commercial expansion. The gate remained standing.

Turkman Gate during the Emergency

In April 1976, the old walled city — home to a predominantly Muslim population — became a major target of Sanjay Gandhi's controversial "beautification" drive. In his memoir of the Emergency, economist Ashok Chakravarti wrote that Sanjay Gandhi visited Turkman Gate earlier that year and was angered by the hostile reception.

The first bulldozer arrived on April 13, 1976. Initial demolitions of outlying hutments met with little resistance. Soon after, a family-planning clinic was opened less than 2 km away at Dujana House near Jama Masjid.

"People of the area watched in horror as beggars were rounded up in the streets and bundled into a basement clinic, from which some never emerged," anthropologist Emma Tarlo wrote in *Unsettling Memories: Narratives of the Emergency in Delhi* (2003).

At the same time, workers from a nearby lace factory resolved to mobilise residents. On April 19, when bulldozers advanced deeper into the neighbourhood, protesters attacked the family-planning centre. Police responded with tear gas, lathi charges — and firing. That night, bulldozers were sent in to complete the demolitions. According to Chakravarti's account, the rubble was cleared — along with the bodies of the dead and injured — and disposed of. "The screams of those who were injured or trapped in the rubble could not be heard over the roaring and clanking of the machines. There was no pity, no respite," he wrote.

Demolitions continued for nearly ten more days. Research and survivor accounts have estimated the death toll at around 400, with over 1,000 injured. No one was ever punished.

• ECONOMY

Why silver prices surfed a 160% wave in 2025

Unlike gold, silver is a key component in manufacturing of items like batteries, which are crucial for humanity's future

Siddharth Upasani

AFTER A 160%-plus rise in 2025, the price of silver has continued to surge this year, with the first week of 2026 seeing an increase of more than 7%.

The year 2025 also witnessed record highs for gold prices. This was largely driven by dented investor confidence due to global trade tensions and continued easing of interest rates by the US Federal Reserve. The reasons behind silver's rise are similar, but also different.

Unlike gold, which is primarily purchased by households and central banks as a store of value and investment, silver actually has inherent physical properties that make it a key component in the manufacture of items, such as batteries and solar panels. These sectors are not only in vogue now but will be crucial to the future of humanity.

The "bedrock of demand" for silver also includes artificial intelligence.

"Artificial intelligence remains a powerful demand source for silver. Investment in AI-related industries is increasing silver demand over a wide scale of applications, including smart grid infrastructure and data transmission. Investment levels lead us to view AI-related silver demand as a growth source for the next several years," James Steel, Chief Precious Metals Analyst at investment bank HSBC, said on Wednesday.

Silver is also used to make jewellery and coins. That is why buyers and their reasons to purchase silver are more varied than those of gold.

US and China

The supply of silver is also different from gold. Primarily a byproduct when other minerals are mined, silver's supply has not moved to match the increase in demand from various quarters, including industry, for several years.

More proximate supply-side reasons for the jump in price of silver include the metal's inclusion in certain 'lists'. In November, the United States added silver to its list of critical minerals. Revised every three years by the US Geological Survey (USGS), the list is key to deciding government financing for projects and the minerals that may become a part of the President Donald Trump administration's Section 232 tariff review. In addition to silver, nine others were added to the list in November, taking the total number to 60.

"New data and the updated methodology have provided a more refined analysis of criticality. The updated methodology incorporates potential economic impacts of supply chain disruptions and examines over 1,200 potential disruption scenarios. Those refinements led to the USGS recommending the addition of ten minerals to the List," the USGS said in early November.

Even before the addition of silver to the critical minerals list, stockpiles of the metal in the US were spiralling to unprecedented levels due to tariff fears. According to the CME Group's Commodity Exchange, the inventory of silver had risen to 531 million ounces in late September, up 74% from a year ago. Currently, the stockpile is at 449 million ounces, triple the usual levels. (One ounce is equal to 28 grams).

Then there are China's new rare metals export restrictions, covering the next two years, that came into force on January 1. Silver being part of the list has caused concern among its users.

Fear of missing out

The stockpiling in the US also created supply mismatches in key markets such as London, where the global price of the metal is decided. Shortage of actual, physical silver in London by October last year — around Diwali — led to prices skyrocketing.

In the case of gold, India is usually the reason for big price movements. However, in 2025, silver was dragged into the craze too. Switzerland-based Bank for International Settlements, an organisation of central banks from around the world, in December said that "trend-chasing investors – notably retail – might have sought to capitalise on gold's momentum by engaging in speculative behaviour".

Indians' investments in gold and silver exchange traded funds (ETFs) — mutual funds that invest in these commodities — have been on the rise. Data from the Association of Mutual Funds in India (AMFI) shows that inflows into just silver ETFs in September 2025 stood at Rs 5,342 crore. In 2024, the inflows were likely much smaller, considering AMFI did not even disclose the number back then. But to put the rise in perspective, inflows into gold ETFs — a far more popular category — in September 2024 were just Rs 1,233 crore.

"Gold and Silver ETFs together constitute 71.9 per cent of the total passive fund flow, highlighting investors' growing preference for precious metals as a portfolio diversifier amid global market volatility," AMFI had said in its monthly note for September 2025.

When new ETF units are created by mutual fund houses, they must buy physical silver. What ensues is a self-fulfilling prophecy of sorts: a shortage of silver — in London and India — led prices to rise, which made people want to buy more of the metal as they feared missing out on the opportunity, which made prices rise further. Some mutual funds decided the price risk was not worth it and stopped accepting fresh investments.

Varun Gupta, chief executive officer at Groww Mutual Fund, wrote on LinkedIn in mid-October, "Due to an acute shortage of physical silver, domestic prices are now trading at a 5-12 per cent premium to international benchmarks. In effect, Indian investors are currently paying significantly more than global fair value because of supply constraints in the local market... Continuing to accept new lump-sum investments at this stage would mean deploying fresh inflows at temporarily elevated prices, which could correct once the premium normalises". He added that Groww had decided to temporarily pause new lump-sum investments in its silver ETF Fund of Fund.

Money flowing into silver ETFs declined in October (Rs 3,412 crore) and November (Rs 2,154 crore), according to AMFI.

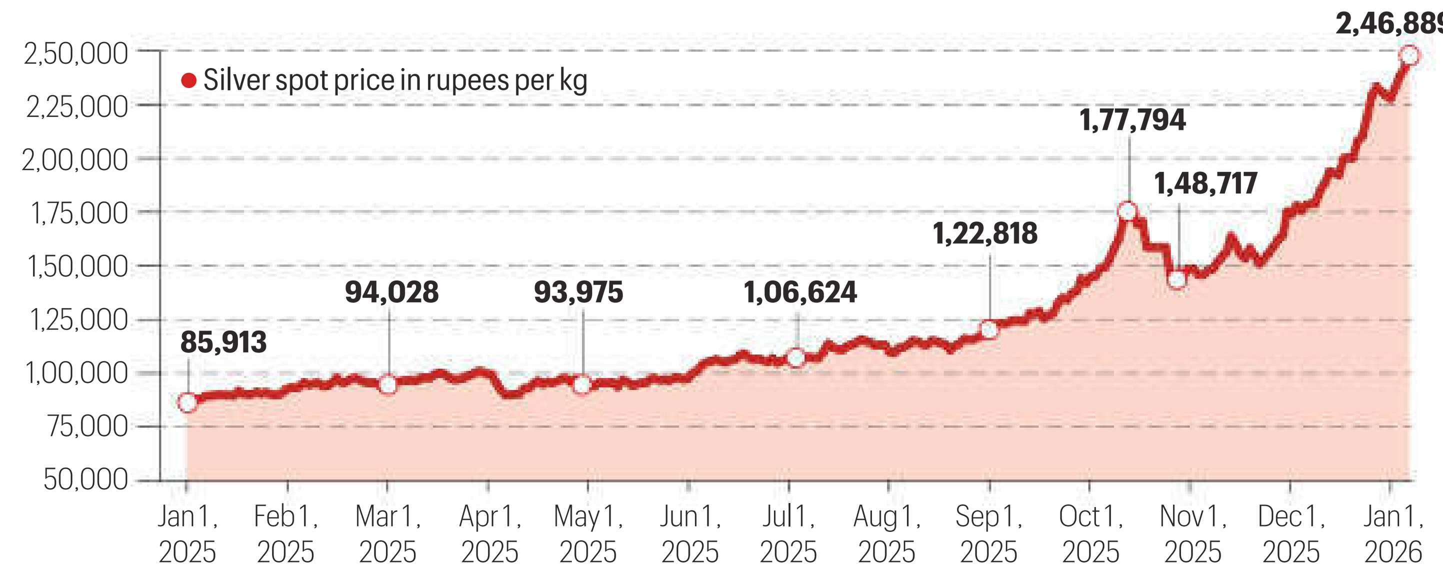
Commodities on the rise

Gold and silver are not the only metals to have risen in 2025. Copper prices also surged and crossed the $12,000-a-tonne mark for the first time in December due to the same concerns as those faced by silver: US tariffs and shortages. The weakening of the US dollar has also led to the adoption of the so-called 'debasement trade', which involves buying assets such as gold, silver, bitcoin, and industrial metals in the expectation that they will become dearer and provide insulation from falling currencies.

According to ANZ, "the bullish case remains intact for gold and silver" in the first half of 2026.

"Easing monetary policy, fiscal concerns, geopolitical risk and waning trust in US assets continue to support investment in real assets," commodity strategists Soni Kumari and Daniel Hynes wrote in a December 15 note, although they warned that "volatility is expected to remain high following this year's price surge".

• Silver's steady rise



SOURCE: MULTI COMMODITY EXCHANGE OF INDIA LIMITED

Supply shortage

The shortage of physical silver in London by October 2025 led to prices skyrocketing.

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Last year, the price of copper also increased and crossed the $12,000-a-tonne mark for the first time in December.

• LAW

Contested history of TN hill where HC allowed lamp ceremony

Amaal Sheikh
New Delhi, January 7

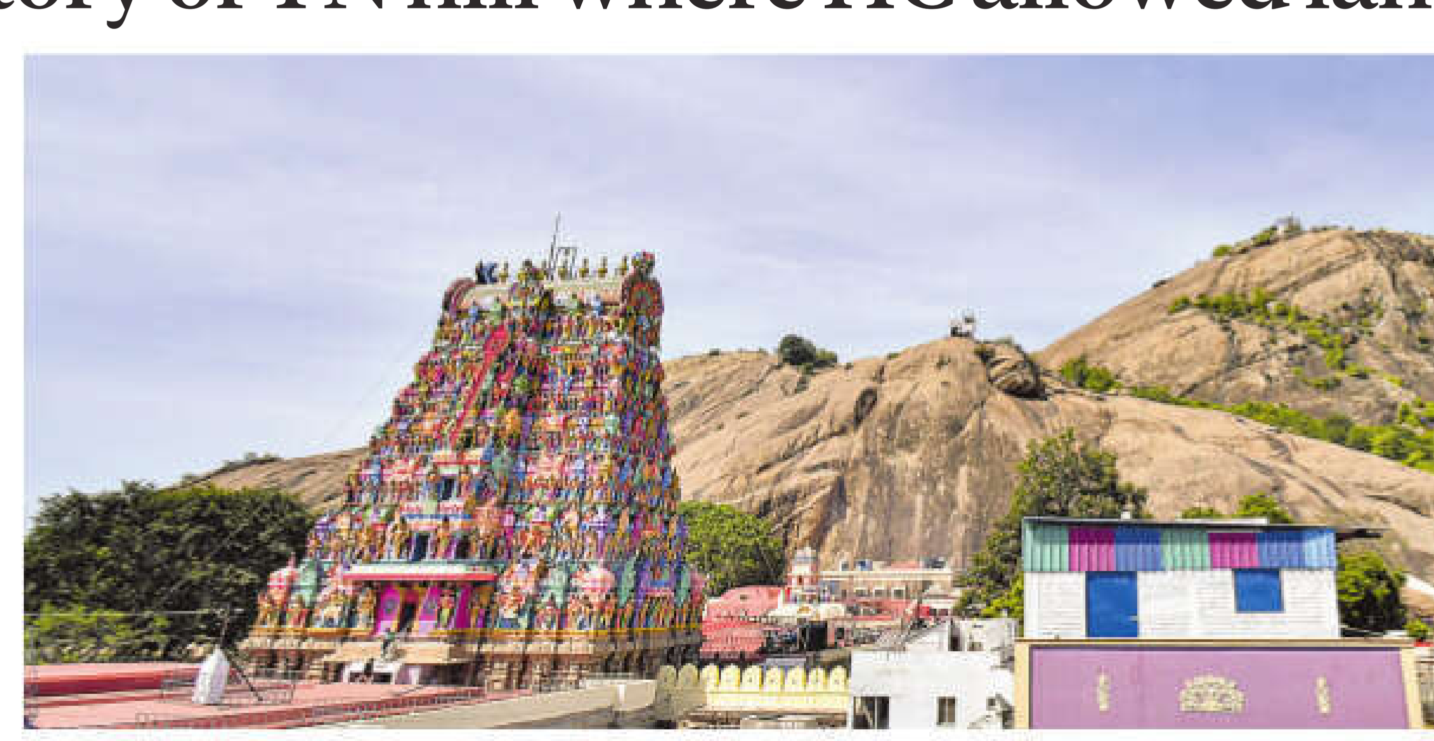
A DIVISION Bench of the Madras High Court on Tuesday settled the dispute over the lighting of the ceremonial lamp for Karthigai Deepam at a stone pillar on Thiruparankundram hill near Madurai.

One hill, multiple identities

Situated on the outskirts of Madurai, Thiruparankundram hill is 1,050 ft high, and houses at its base the Arulmigu Subramanian Swamy Cave Temple, a site of Hindu worship for centuries. Over time, the hill also became home to Jain rock beds and caves carved over many centuries. At the summit lies the burial site of the Sufi saint Sikkandar Badhusha, where a dargah later developed.

Thus, the hill became known as "Samanar Hill" for its Jain associations and "Sikkandar Hill" after the Sufi saint. It has also been a site that regularly requires police deployment during festivals, when questions of access and movement tend to surface.

Following a dispute over the title of the hill, the trial court in 1923 ruled that most of the unoccupied hill and the pilgrim path were temple property, while the topmost peak, the area around the mosque, Nellithope, and the steps leading to the mosque were Muslim property. This arrangement became the basis for later disputes.



A view of the Thirupparankundram hill in Madurai. PTI

Lighting of the deepam

Attempts to light a ceremonial lamp near the summit were stopped by authorities in the 19th and early 20th centuries, citing the absence of established custom and public order concerns. In 1996, the High Court directed that the Karthigai Deepam be lit at the Uchipillaiyar Temple mandapam, while allowing the Devasthanam to consider alternate locations, provided the "suitable place [is] at least 15 metres away from the Dargah, the flight of steps and the Nellithope area."

Against this backdrop, a group of worshippers approached the court in late November 2025 seeking permission to light the Karthigai Deepam on December 3 at a stone pillar on the hill known locally as the "Deepathoon."

A single judge allowed the petitions on December 1, viewing the act as a restoration of religious practice and directing the temple management to light the lamp with police assistance.

When the temple's executive officer expressed difficulty in implementing the order, citing law-and-order concerns, the judge initiated contempt proceedings and permitted a small team to climb the hill under security cover.

Following a challenge by the state and the Hindu Religious and Charitable Endowments Department, the Division Bench on Tuesday ruled that the structure was a Deepathoon, noting that it had a carved cavity capable of holding oil and wicks, and rejected the state's claim that it was merely a survey marker.

On law and order, the court said the administration's apprehensions were "nothing but an imaginary ghost," adding that allowing a small team of temple officials to go up the hill once a year could not be considered unmanageable. The court also modified the Single Judge's order, directing that the Devasthanam may light the lamp at the Deepathoon only through a limited team, with no public access. The District Collector was asked to coordinate the exercise, subject to conditions imposed by the Archaeological Survey of India to protect the monument.

• POLICY

In relaxing Gujarat liquor law, tightrope of foreign investment, local sentiment

Leena Misra

"AFTER A hard day's work, what does one wish for? A good drink, and maybe to watch a game of football," a diplomat from a western country told this newspaper in 2023, while on a visit to Gujarat. His country has made huge investments in the Gujarat International Finance Tec-City (GIFT City), envisioned as a global financial hub near Ahmedabad, and partnered with the state government for the flagship Vibrant Gujarat summits.

The diplomat was not alone in his views — in 2022, the Singapore High Commissioner to India, Simon Wong, described GIFT City as a "ghost town after working hours" in an interview with *The Indian Express*.

Gujarat has been a dry state ever since its formation on May 1, 1960. In December 2023, the government made a landmark change to its decades-old policy by selectively lifting the prohibition law. It allowed serving liquor at 'wine and dine' areas in GIFT City via permits.

Last month, the state home department further relaxed the law ahead of Christmas to allow the sale of liquor in any 'Food & Beverage' area, including hotel rooms and terraces, in GIFT City. The move marks the latest chapter in the tussle between Gujarat's prohibition law and the removal of what is seen as a deterrent to investors.

The law

When Gujarat was carved out of the erstwhile Bombay State, it inherited a 1949 prohibition law. Attempts to relax the law often invited protests from Gandhian activists and women's rights groups.

Thus, even as the state made certain changes under then Chief Minister Narendra Modi (2001-14), largely to attract foreign investments, it also tightened surveillance on smuggling of liquor and introduced stringent punishments.

In 2005, non-residents of Gujarat were allowed three-year drinking permits in its 20 Special Economic Zones (SEZs) if they were above the age of 21. Before this, people could apply for a health permit to drink if they were above the age of 40 years.

Four years later, after a hooch tragedy left 156 people dead, the law was amended to introduce the death penalty in cases where casualties were caused by toxic alcohol.

The Director of Prohibition and Excise issued over 45,500 health permits in 2025, sources said. In comparison, IMFL worth around Rs 250 crore is seized every year, usually smuggled from Haryana, Rajasthan, Goa, and Maharashtra.

In 2016, a punishment of a minimum of two years in jail that could go up to 10 years for drinking and possession of alcohol was brought in. Drinking in public places can attract a minimum imprisonment of up to six months.

Role of Vibrant Gujarat

All moves to relax the prohibition law thus far have been made in the months preceding the biennial Vibrant Gujarat investor summits.

In December 2006, ahead of the third Vibrant Gujarat summit, the government allowed group permits to foreign delegates, authorising 29 hotels with licensed wine shops to issue liquor permits to guests, with certain limitations.

In 2015, as the state prepared to host the Pravasi Bharatiya Divas and the Vibrant Gujarat summit, the government dropped the minimum annual salary requirement of Rs 3 lakh per year as a qualifier for the health permit.

Alcohol still a taboo

The relaxations notwithstanding, consuming alcohol in Gujarat remains a taboo. Recently, the CEO and Managing Director of GIFT City, Sanjay Kaul, said the prohibition law was an "excuse" for those who anyway did not want to do business in Gujarat.

Also, despite the longstanding concept of health permits, which allows individuals to drink privately with another permit holder, such people would be termed darudiyo (drunkard) in the application forms. This descriptor was officially changed in 2014.

In GIFT City, which has around 700 companies employing almost 25,000 people, only around 700 permits were issued in the first year of the relaxation. Employees found the process "too cumbersome", pushing the government to reduce one bureaucratic level for the permit application.

A source at GIFT City said, "The cost of liquor here is higher than in other states. Earlier, the Liquor Access Permit holder could only drink in the wine and dine area and take one guest, which was raised to five later. Now, one can get temporary permits for 25 guests at a time."

No debate in Assembly so far

None of the amendments to the prohibition law has undergone debates in the state Assembly, dominated by the BJP for almost three decades. Given the social attitudes around alcohol, political leaders have largely praised the dry laws.

A top BJP functionary said on condition of anonymity, "Sometimes when there are issues that could impact a particular class, or law and order, discussion on them is avoided (in the Assembly). However, in a democracy, there is always a possibility for debate."

LONGER VERSION
INDIANEXPRESS.COM/EXPLAINED

MULTIPLE HURDLES IN THE PLANS TO EXPAND VENEZUELA'S VAST BUT STRUGGLING OIL SECTOR

As Trump eyes US investments, Venezuelan oil may be a hardsell

Anil Sasi
New Delhi, January 7

VENEZUELA MAY not be the great prize for foreign oil companies it is being made out to be. And even American petroleum majors are not exactly salivating at the prospect.

To crowd in investor interest after the capture of Venezuelan President Nicolas Maduro, US Energy Secretary Chris Wright is set to meet US oil-industry executives on Wednesday to discuss the American administration's plans to revive Venezuela's energy sector at the Goldman Sachs Energy Conference in Miami. A follow-up meeting is likely in the White House on Friday, where executives from American oil companies such as Exxon, Chevron and ConocoPhillips are likely to be briefed on the Venezuela opportunity.

US President Donald Trump said Tuesday that Venezuela would supply between "30 million and 50 million barrels of oil to the US".

While Venezuela holds the world's largest oil reserves, it accounts for less than 1 per cent of global production. The potential on paper aside, there are multiple hurdles in the Trump administration's plans to expand the country's vast but struggling oil sector.

Multiple interests

Venezuelan oil is currently going to primarily one buyer — China. From the middle of 2024 to December 2025, Beijing has substantially jacked up its purchases of Venezuelan oil, alongside its stockpiling of Iranian crude. The big challenge for those who plan to enter the upstream business is to find a buyer in the oil market now, amid a significant oversupply and sluggish forward price trends.

US President Donald Trump dances as he walks off stage after speaking to House Republican lawmakers during their annual policy retreat in Washington on Tuesday. AP

Petroleos de Venezuela, S.A. or PDVSA, the state-owned oil and gas company of Venezuela, is now partly run by that country's still powerful military. This entity controls most of the production and much of what happens with that oil amid continued American sanctions. Then there are substantial Russian and Chinese interlinkages in the Venezuelan oil value chain. Russian oil major Rosneft is said to own several floors in PDVSA's Piso 8 Torre Oeste headquarters in downtown Caracas.

Chevron is the exception of sorts, having been operating in Venezuela under a sanctions waiver and producing about 20 per cent of the country's oil. PDVSA accounts for much of the rest. Other companies such as Exxon and ConocoPhillips, had to, in the past, book losses and flee Venezuela after their assets were appropriated.

Investment guarantees

There will be many questions before any of them head back, such as who is really running Venezuela? Who will provide the security guarantees for investments? What happens to Chinese interest and the $19 billion or so debt owed by the Venezuelans to them? And if a US re-entry into Venezuela's oil sector is underway, what happens to the other major players, given that there are some European interests there as well?

"The operation by Trump (in Venezuela) seems to have taken everybody by surprise, including some of the big oil companies. The upstream sector is particularly sensitive to taxation terms and the industry would want long-term investment guarantees if they are to invest in Venezuela," a senior executive with a Japanese shipping major, who has worked previously with a European oil company, told *The Indian Express*.

The reality of greenfield investments is going to be way more complicated than a lot of people realise, another industry player said, citing the state of infrastructure in Venezuela as a matter of particular concern.

"Because you're going to have to repair and restore a lot of infrastructure that has taken a lot of damage over the years, especially the last couple of decades. So whether it's pipelines, infrastructure, even talent — engineers and people who really need to extract the oil out of the ground — they're all in short supply. Also, the West Texas Intermediate (an oil price benchmark) is at $58 a barrel while Brent crude is in the $60 a barrel range. These are not exactly high prices that incentivise companies to make big capex investments," the person quoted above said.

Muted impact

According to S&P Global Energy, its broader forecast "remains unchanged by Venezuela developments". "Also unchanged is the crude price outlook, which calls for Dated Brent to average $60/b. However, there could be a more discernible impact on the heavy sour crude oil market. Venezuela accounts for 1 per cent of global crude oil production but roughly 9 per cent of the world's 9 million b/d of heavy crude oil production," S&P Global Energy said in a note.

Venezuelan crude is heavy, perhaps twice as heavy as the normal Middle Eastern barrels, and has high sulphur content. This is distinctly different from the kind of grade of oil/shale that American refineries are typically used to. So, only certain kinds of refineries around the world can handle this type of crude. The big test will be of how the riches below the ground translate into material gains above the ground, especially as oil companies weigh the long-term implications amid a realisation that Trump could be gone in three years.

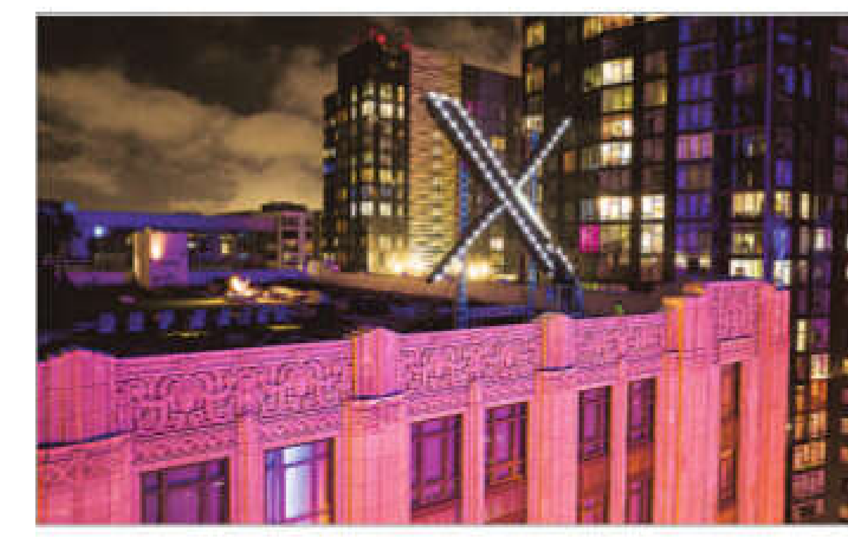
The US and China are the world's largest markets for heavy crude oil. "Global heavy crude/heavy residual feedstock markets are currently narrowly balanced. Higher supply would be bearish for heavy sour crude differentials and high-sulfur fuel oil (HSFO) cracks. Lower supply would be modestly bullish," S&P noted.

If sanctions were removed, Venezuelan oil production could grow, S&P said, but it would require at least several billion dollars or more of fresh investment to boost marketed production to 1.5 million b/d (barrels per day) in the next 12-24 months — an increase of roughly 500,000 b/d from recent levels (including blended diluent). "To expand output even more — to 3 million b/d, for example — would require much greater spending on infrastructure in addition to upstream development costs, and it would take many years. Investment terms — including confidence they will endure — and the oil price environment need to be conducive to such investments," it said.

Add to that the fact that America's track record, when it comes to regime change and nation building in oil producing countries, is not exactly outstanding.

Govt 'not satisfied' with X response on Grok AI, considering next steps

Soumyarendra Barik
New Delhi, January 7



Workers install lighting on an "X" sign atop the company headquarters in downtown San Francisco. AP FILE

IN ITS response to the government's stern notice over Grok AI generating objectionable images of women without consent, Elon Musk-owned social media platform X has told the IT Ministry that it was open to permanently disabling accounts which engaged in such activity on the platform. The government, though, is unconvinced by the company's response, owing to a lack of any technical explanation behind the issue, and any steps to prevent Grok from generating such images in the first place, *The Indian Express* has learnt.

In its formal response, sent on Wednesday, X is understood to have acknowledged the severity of the issue and committed to taking action against accounts creating such inappropriate prompts on its artificial intelligence platform, *The Indian Express* has learnt. The company has assured the government that it will strictly comply with India's Information Technology Act, 2000 and associated rules governing digital content.

"X has basically reiterated their stance that they will take action on users who prompt Grok AI to generate such images and videos. But there is very little assurance of any concrete changes to Grok's responses itself. We are not satisfied by the company's response and are considering our next course of action. We cannot be lenient when the dignity of women is in question," a senior government official said, requesting anonymity.

X has also indicated its willingness to take stringent measures against violators, including permanently disabling accounts that engage in generating non-consensual objectionable content. The platform has already blocked pieces of such content that were flagged by the government.

As part of its response, X has offered to provide the Indian government with a comprehensive demonstration of how Grok functions, including detailed explanations of its content moderation mechanisms and enforcement protocols. This proposal appears aimed at building transparency and trust with regulatory authorities.

Queries sent to X and the IT Ministry did not elicit a response until publication.

On January 2, the IT Ministry had taken note of Grok being abused to generate objectionable pictures and videos of women, without their consent, while increasing the risk of exposure and harm, and had sent a missive to the company saying that it was not adhering to the country's laws, raising red flags over "serious failure" of safeguards enforcement.

The issue became a global concern, with regulators in the European Union, United Kingdom and Malaysia also scrutinising the social media company.

The notice said that due to Grok's actions, X was not adequately adhering to provisions of the Information Technology (IT) Rules, 2021, and the Bharatiya Nagarik Suraksha Sanhita, 2023, particularly in relation to obscene, indecent, vulgar, pornographic, paedophilic, or otherwise unlawful or harmful content which are potentially violative of current laws.

Users on X were increasingly tagging Musk's AI chatbot Grok to generate sexualised and objectionable images of women without their consent, raising fresh concerns over AI misuse and platform safeguards. In several instances, users replied to photos of women, often taken from public posts, and prompted Grok to alter their appearance by adding revealing clothing or creating suggestive visuals, which the AI-bot promptly did. The AI-generated images appear publicly in the same threads, exposing the women to harassment without their approval or knowledge.

The government had also directed the company to undertake a comprehensive technical, procedural and governance-level review of Grok AI, including its prompt-processing, output generation, and image handling and safety guardrails, "to ensure that the application does not generate, promote or facilitate content which contains nudity, sexualisation, sexually explicit or otherwise unlawful content".

IndiGo starts receiving A321 XLR; to replace Turkish Boeing 777 on Istanbul flights

New Delhi: IndiGo will replace its damp-leased wide-body Boeing 777 aircraft on the Delhi-Istanbul and Mumbai-Istanbul routes with its new Airbus A321 XLR long-range narrow-body planes that the airline began inducting on Wednesday. The lease on two Boeing 777 aircraft that are among the planes IndiGo has on lease from Turkish carriers is valid only till the end of February, and will not be extended, regulator Directorate General of Civil Aviation (DGCA) had said last month.

IndiGo's first A321 XLR, which is also India's first aircraft of the type, landed in Delhi on Wednesday.

The airline will launch its flights to Athens from Mumbai and Delhi using this aircraft later this month. IndiGo said that it expects another eight planes from its order of 40 A321 XLRs to be delivered this year, which will first be deployed on existing routes such as those to Istanbul and Bali (Indonesia). As more A321 XLRs join its fleet, the airline will also launch flights on new long-haul routes to Europe and East Asia, it said. ENS

Banks report robust Q3 credit growth backed by RBI policy and GST rate cuts

Hitesh Vyas
Mumbai, January 7

Overall, loan growth among public and private sector lenders who have reported their provisional numbers was between 7.42 per cent and 20 per cent

FUELLED BY higher demand following a 125-basis point (bps) cut in the repo rate, reductions in the goods and services tax (GST) rates and the festive season spending, several banks reported robust credit growth in the quarter ended December, show provisional quarterly business figures filed by lenders for the October-December 2025 quarter.

Banks continue to post double-digit loan growth, according to the data. During Q3FY26, most of the lenders posted a higher deposit growth, though credit expansion continued to outpace it as shown by lenders' credit-deposit (CD) ratio that touched a record high of 81.6 per cent as of December 15, 2025, according to latest RBI data.

Overall, loan growth among public and private sector lenders who have reported their provisional numbers was between 7.42 per cent and 20 per cent.

Among public sector lenders, banks that saw strong growth in advances in Q3FY26, are the Bank of Maharashtra (19.61 per cent), Central Bank of India (19.57 per cent) and Bank of India (15.07 per cent), show provisional numbers filed by these lenders.

Bank of Baroda's advances were up 13.54 per cent, while Punjab National Bank reported a loan growth of 10.15 per cent. Union Bank of India's loan book expanded by 7.42 per cent.

HDFC Bank's advances jumped 11.9 per cent to Rs 28.44 lakh crore in the third quarter of the current fiscal, compared to Rs 25.42 lakh crore in the year-ago period. Kotak Mahindra Bank's net advances increased by 16 per cent.

"There has been a good pickup in loan growth. Note that this is the quarter where we have seen the full impact of GST cuts playing out. Our guess is growth could have been driven by auto loans, unsecured loans and overall pickup in retail credit," said Suresh Ganapathy, MD, Head of Financial Services Research, Macquarie Capital.

Between February-December, the Reserve Bank of India (RBI) has reduced the repo rate from 6.5 per cent to 5.25 per cent.

The government implemented the next-generation Goods and Services Tax (GST) reforms effective September 22, with a simplified two-slab structure of 5 per cent and 18 per cent. The move has helped in spurring domestic demand in the festive season. The GST cuts triggered a significant demand for auto loans during September and October — a period that coincided with the festive season.

"We expect liquidity revival to stimulate a concurrent downstream growth in credit and CASA (current account savings account), and we keep our above-consensus FY26E credit growth of 13 per cent unchanged. This view is reinforced by GST rationalisation benefits and a high balance sheet dry powder for most leading banks," said Santanu Chakrabarti, analyst — Banking and Finance, BNP Paribas India. Deposit growth during the quarter among banks who reported their provisional numbers stood at 3.35 per cent-15.3 per cent.

During Q3FY26, Bank of Maharashtra deposits grew by 15.3 per cent, while Central Bank of India posted a growth of 13.2 per cent in deposits. Punjab National Bank and Union Bank of India reported a slower growth in deposits at 8.32 per cent and 3.35 per cent, respectively. Axis saw strong deposit growth (15 per cent) that outpaced its loan growth (14.1 per cent).

"The more critical variable to watch is deposit growth, which continues to trail credit expansion. This reflects lower savings rates, tighter overseas inflows, and greater diversification of household savings," said Prakash Agarwal, Partner, Gefion Capital Advisors, a capital and strategy advisory firm.

During the October-December quarter, banks' CD or loan-to-deposit ratio — indicating what share of a bank's total deposits has been extended as loans — remained high. HDFC Bank's CD ratio stood at 99.45 per cent, while Axis Bank's stood at 92.84 per cent.

FULL REPORT ON WWW.INDIANEXPRESS.COM

Indian Gas Exchange's Rs 600-700-cr IPO by December

New Delhi: Indian Gas Exchange, the country's first online delivery-based trading platform for natural gas, is likely to launch an initial public offering (IPO) by December this year, its Managing Director and CEO Rajesh Kumar Mediratta said on Wednesday.

Indian Energy Exchange (IEX) holds a 47 per cent stake in IGX, and as per regulations, it now has to bring it down to 25 per cent. "The IPO was supposed to happen in 2025, but we have sought a one-year extension. It is now likely before December 2026," Mediratta said.

The papers for the IPO are likely to be filed before the capital market regulator Sebi in the second quarter of 2026 calendar year. "As much as 22 per cent equity shares are likely to be offered in the share sale," he said, but refused to speculate on the valuations. Brokerages last valued IGX at Rs 2,200-3,000 crore. A slight premium over the valuation would mean that the 22 per cent stake sale could be worth Rs 600-700 crore. PTI

{ AGNIVESH AGARWAL • 1976-2026 }

Anil Agarwal's son passes away in US

Anil Agarwal with his son Agnivesh Agarwal. Source: @ANILAGARWAL_VED

Press Trust of India
New Delhi, January 7

AGNIVESH AGARWAL, the eldest son of mining billionaire Anil Agarwal, passed away in the US. He was 49.

Agnivesh, who was on the board of Vedanta group firm Talwandi Sabo Power Limited (TSPL), got injured in a skiing accident and was recovering when he died of a cardiac arrest.

Anil Agarwal has two children: his late son, Agnivesh, and a daughter, Priya, who is on the board of Vedanta and chairperson of Hindustan Zinc Limited.

• BRIEFLY

'MF distributors' added incentive deadline extended'

New Delhi: The Securities and Exchange Board of India on Wednesday extended the timeline till March 1 for the implementation of an additional incentives structure for mutual fund distributors for onboarding new individual investors from B-30 cities and new women investors from any city. PTI

Goyal seeks investment from Liechtenstein

New Delhi: Commerce and Industry Minister Piyush Goyal on Wednesday invited companies from Liechtenstein to invest in India and leverage the India-EFTA trade pact to expand their presence. India and the four-nation European bloc EFTA implemented a free trade agreement last year. PTI

• PHASED SALE COULD HELP WITH PENSION LIABILITY ISSUE, SOURCES SAY

'Thyssenkrupp may sell Europe unit TKSE to Jindal Steel in phases'

Reuters
Frankfurt/Duesseldorf/ New Delhi, January 7

GERMANY'S THYSSENKRUPP could sell its steel division to Jindal Steel International in several steps, four people familiar with the talks said, as the two sides try to strike a deal for the complex business.

Jindal Steel has been conducting due diligence on Thyssenkrupp Steel Europe (TKSE) since October after making an indicative bid for Europe's second-largest steelmaker. The deal is key for Thyssenkrupp as the submarines-to-car parts group seeks to become leaner and more focused.

One option under discussion would see Jindal take a majority stake in TKSE, likely 60 per cent, in a first step, with the remaining 40 per cent acquired later in two 20 per cent tranches or in one go, depending on progress in restructuring, the people said.

A phased transaction would give Thyssenkrupp more flexibility to address about 2.5 billion euros ($2.9 billion) in pension liabilities tied to TKSE — a major hurdle in previous sale attempts, one of the people said.

Details of how a gradual takeover could be structured and its impact on debt obligations have not previously been reported. Due diligence is ongoing and terms could still change, the people said.

A worker in front of a blast furnace at a ThyssenKrupp steel factory in Duisburg, Germany. REUTERS FILE

Shares in Thyssenkrupp rose as much as 4.9 per cent to the top of Frankfurt's midcap index following the report, with one trader saying a sale of TKSE was "getting more concrete after years of finding no buyer".

A sale of TKSE would end years of efforts to find a buyer for an asset that, while central to Germany's industrial heritage, has been volatile and costly to run amid tougher Asian competition.

For Jindal Steel International, the international steel arm of the Naveen Jindal Group, it would mark a major expansion into Europe after buying smaller Czech peer Vitkovice Steel in 2024.

Thyssenkrupp said in a statement that all aspects of the transaction — including valuation, obligations and future investments - would be discussed during due diligence and any contract talks.

"We cannot comment on individual statements, which at this stage can only represent an interim status," it said.

Jindal Steel International had no immediate comment. A second source said a Jindal delegation was scheduled to visit Germany in January for a technical review of TKSE's Duisburg plant, after a planned December trip was postponed.

A phased takeover would also keep Thyssenkrupp involved in TKSE's restructuring, a third source said.

• MARKETS

Sensex	NIFTY	Gold ▼	US Dollar ▲
84,961.14	26,140.75	₹1,41,400	₹89.87
-102.20	-37.95	Silver ▲	Oil ▼
-0.12%	-0.14%	₹2,56,000	$59.28

NOTE: GOLD, SILVER RATES AS PER ALL INDIA SARAFA ASSOCIATION DATA GOLD PER 10G, SILVER PER 1 KG; CRUDE OIL (INDIAN BASKET) AS OF JANUARY 5, 2026

A thought for today

Citizenship is a tough occupation which obliges the citizen to make his own informed opinion and stand by it

MARTHA GELLHORN

Mountainous Mistake

Why's U'khand govt, confronted with so many challenges, spending time on bad ideas that're also unconstitutional?

Uttarakhand seems to be on fire even before forest-fire season's begun. Protests over a 2022 murder have erupted again in multiple cities. Unease remains over the racist attack that killed Tripura student Anjel Chakma in Dehradun – a charming city with a sleepy colonial hangover, now the blingy bustling capital of a 25-year-old state. Sporadic stirs over the last year have come to a head with renewed agitation over the 2022 murder of 19-year-old hotel staff Ankita Bhandari by hotel manager Pulkit Arya, for refusing to render 'sexual favours' to a 'VIP' guest, allegedly a person linked to BJP. Pulkit was sentenced to life. But Uttarakhand residents, and political opposition, are agitating against state's "failure to nab the alleged 'VIP' guest". The protest narrative has included a lament for lack of jobs that results in trapping people, like Ankita, in unsafe workplaces. Uttarakhand has India's highest unemployment rate – 8.9% per PLFS data shared in Rajya Sabha last Dec.

Uttarakhand does not report high rates of crimes against women, so the outrage isn't surprising. For 10 years now, its share of women aged 18-23 in higher education has been equal to or higher than the all-India average. Women self-help groups have evolved empowering women, but male outmigration, especially rural, remains high. Yet, the state's 'ghost villages' aren't a result of economic migration alone. Deforestation and expansion of tourism infra, the latter paying no attention to ecological balance, have pushed Uttarakhand into precarity, vulnerable to extreme weather impacts. Upshot: high distress migration from rural Uttarakhand, 64% of the state per Niti estimates for 2023. That's the reason finance commissions increased the state's share in disaster management funds from 1.9% (14th FC) to 4.2% (15th FC). Meanwhile, Uttarakhand HC is hearing the case of 7,375 missing forest boundary pillars, linked to alleged increase in forest officers' assets of Mussoorie division – prime real estate.

Given this, protests in Ankita's name aren't happening in a vacuum. They're an outpouring of a pile-up of several challenges the otherwise mild-mannered locals are facing. Yet, govt has other priorities – incrementally legislating for social control. One such was UCC that included at least one unimplementable clause – mandatory 'registration' of live-in couples. Its latest proposal to ban non-Hindus from 105 Haridwar ghats is patently unconstitutional – public spaces are for all. Public protests are not for Ankita alone. They are a desperate cry asking govt to prioritise what matters – law & order, employment, and sanctity of the Himalayas at the very least.

Greenbacks, Not Gunboats

Trump may get Greenland without firing a shot, if he really sweetens the deal for Greenlanders

Is Greenland next? That's the big geopolitical question, fanned daily by Trump & Co. He pulled out the national security imperative on Sunday. On Monday, his homeland security adviser Stephen Miller said, "Nobody's going to fight the US militarily over the future of Greenland." Fair point. Denmark, which has controlled Greenland for 300 years, isn't quite the military power it was when it harassed the Mughals in Bay of Bengal for 50 years in the 17th century. But just because Danes have only 16,000 soldiers now doesn't mean Trump should grab Greenland. Yes, its strategic location, access to Arctic Ocean, rare earths, and probably billions of barrels of oil, make it irresistible for him. But this is Europe.

There's no fig leaf of drugs and "invasion" by immigrants this time.

So, a grab – Danes themselves say it would take five choppers at most – would look awfully bad on Trump's dossier. Even if he doesn't care about Nato. Instead, as Trump said last year, "I think we're going to get it, one way or the other," he should try the "other" tack. His old pitch about investing "billions of dollars" to create new jobs, to make Greenlanders rich, is a good idea. But since they are almost as rich as Americans in PPP dollar terms, he must sweeten the deal. Considering that 85% of them earlier opposed absorption by US, Trump should offer all 58,000 of them $1mn per head, plus US citizenship as icing on the cake, payable after they consent in a referendum. It will cost US just $58bn – a mere 0.15% of $38tn US national debt. Btw, Trump's new ballroom and retrofitting his Qatari Boeing are likely to cost over $1bn.

This isn't an outrageous proposal. People change nationality for economic advantage all the time. Remember, 56% of Greenlanders are keen on independence from Denmark. And Denmark, which sold its Caribbean colonies to US in 1917, may be less reluctant than it seems. If this offer persuades Greenlanders, Trump gets Greenland, and there's no stain of invasion. Let the dollar talk.

Ring in the new

What to retain, request and revert to in 2026

Bachi Karkaria

A: Algo-rhythm; Art for Art's sake; Activism; Ageing gracefully; Animal spirits, Alia Bhatt.
B: Bhai-bhai; Buy-bye; Bali furniture; Bhangra rap; Bruschetta.
C: Clean cities/air/water/politics; Concrete solutions not skylines; Cure for Cancer – and Common Cold; Childhood.
D: Disability-friendly spaces; *Dal-chawal*; *Darjis* not designers.
E: Ego-ejection; Eco-consciousness; Etiquette; Ergonomic pillows; Electricians.
F: Fitness not faded; Festivals not festivised; Friendship; Forest-bathing.
G: Girls in Blue; Generational learning; Grey hair; Garlic.
H: Higher-power belief; Healing; House help; Handmade; Hazelnut coffee.
I: Idealism; Idea of India and Indians; Indie cinema; Ice-lollies.
J: Justice; Jawans' jobs; Jam sessions; *Jamuns*.
K: Kashmiriyat; Kids in school; *Kesar* not *Kesari*; *Khichdi*.
L: Leadership; Listening; Live-in relationships; Limited series but not seating; Lazy Sundays.
M: *Mamta*; Mamata; Mahua; Mediation; Meditation; Marigolds.
N: Non-material heritage; N-E concern; *Nolen gur*
O: Open spaces; OTT films; Originality; Online shopping; Orange sunsets.
P: Peace; Public conveniences; Punctuation; Plain Cake.
Q: Queer understanding; Quiet time; Quick deliveries.
R: Roads; Real people/food/jewellery; Resort getaways; *Roti-rozi/subzi*.
S: Sportsmanship; Sell-by-dated netas; Solar power; Schmaltzy songs.
T: Tamed Traffic/Tempers/Trump; TLC; Teen romances; Tandoori chicken/*gobi*
U: Unplugged music, Unboxed sales, Unadulterated food; Unticketed events.
V: Value-systems; Victory standees; Vidya Balan movies; Vindaloo.
W: Wisdom; Wi-fi/Women/Wildlife habitats uninterrupted; WFH; Winter delicacies.
X: XXXL; Xtra topping; X-ed-out Exes.
Y: Yoga; Youthfulness.
Z: Ziplock bags; Zafran; Zzzzz allowed undisturbed.

***

Alec (Belafonte) Smart sang: "Ma-du-ro, Ma-du-ro, he took me money and he ran Venezuela!"

erratica

Parliament, It's Time For A Bail Act

Judiciary's ad hoc interventions may give relief in individual cases but do little towards systemic reform. Only a special, comprehensive law can bring certainty to the right to bail across statutes

Naveed Mehmood Ahmad and Ayushi Sharma

"Bail is the rule, jail the exception" reflects the constitutional commitment towards protecting personal liberty. In recent years, the Supreme Court has appeared to give renewed force to this principle.

In *UOI vs KA Najeeb* (2021) and *Satender Kumar Antil vs CBI* (2022), it reinforced that the right to a speedy trial and personal liberty must prevail over statutory bail restrictions where proceedings are indefinitely delayed. These decisions marked important departures from the tendency to treat incarceration as a default pre-trial response, even in cases involving national security or economic offences.

That trajectory, however, was unsettled yet again by the SC bail rulings earlier this week in *Gulshifa Fatima vs State* (2026). While granting conditional bail to five accused, the court denied bail to Umar Khalid and Sharjeel Imam, despite their incarceration for over five years. Declining to treat prolonged detention as a decisive ground for release, the court concluded that a prima facie case is made out against the accused.

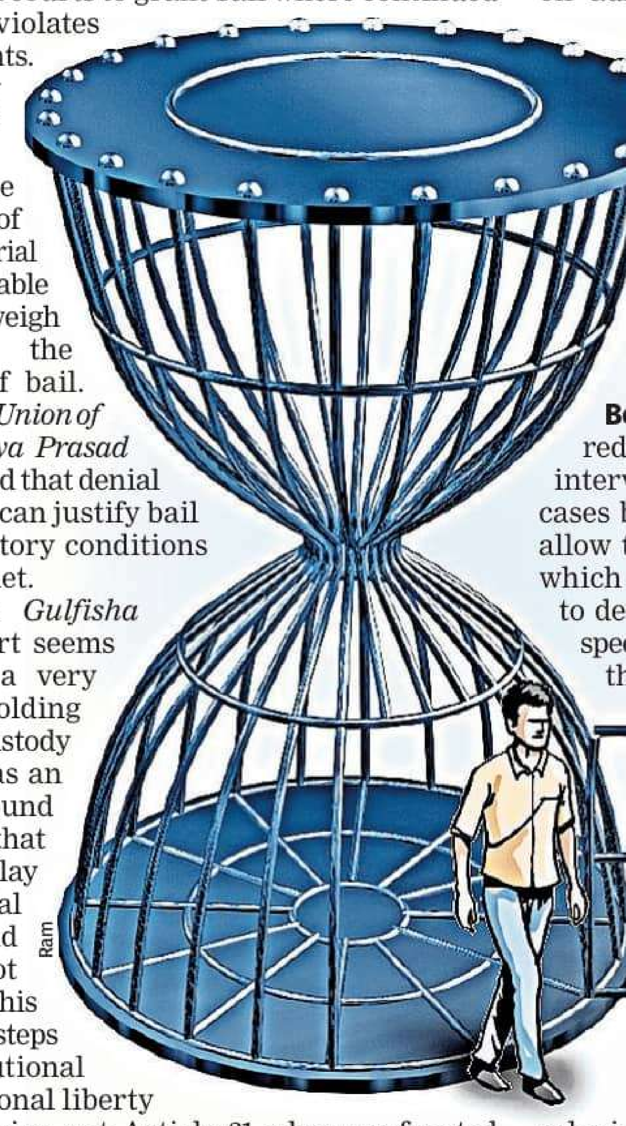
This outcome exposes a stark dissonance between the professed commitment to personal liberty and the continued normalisation of prolonged under-trial detention. It also reflects a deeper structural problem in India's criminal justice system, which is already marked by around 80L preventive arrests and detentions, over 10,000 persons languishing in jail for over five years without bail, and a pervasive culture in which the denial of bail has become routine rather than exceptional.

Guilt before trial | At the heart of this problem lies the twin bail condition itself. Unlike ordinary bail law, which requires courts to consider flight risk, interference with evidence, or the likelihood of influencing witnesses, the twin test requires courts to make a preliminary assessment of guilt even before trial.

Under Section 45 of the Prevention of Money Laundering Act, 2002, Section 37 of the Narcotic Drugs and Psychotropic Substances Act 1985, Section 43D of the Unlawful Activities (Prevention) Act, 1967 and similar clauses in other laws, bail may be granted only if the court finds "reasonable grounds" to believe that the accused is not guilty, or that the allegations are not prima facie true.

This effectively reverses the presumption of innocence and compels the accused to disprove the prosecution's case before the trial has even begun. These conditions create a regime where arrest is relatively easy, bail is rare, and trials are slow.

Balancing constitutional rights and statutory rigours | SC has recognised the harshness of these twin conditions and the need to harmonise them with fundamental rights. In *Najeeb*, it held that statutory restrictions such as Section 43D(5) of UAPA do not oust the jurisdiction of constitutional courts to grant bail where continued incarceration violates fundamental rights. It expressly recognised that prolonged detention and the unlikelihood of completion of the trial within a reasonable time must weigh heavily in the determination of bail. More recently, in *Union of India vs Kanhaiya Prasad* (2025), it reiterated that denial of a speedy trial can justify bail even when statutory conditions are not strictly met.



However, in *Gulfisha Fatima*, the court seems to have taken a very different view, holding that prolonged custody cannot operate as an automatic ground for bail and that the remedy for delay lies in judicial supervision and expedition, not automatic bail. This approach sidesteps the core constitutional question of personal liberty and risks hollowing out Article 21 when confronted with special statutes.

Process is the punishment | It also assumes that delay is an aberration capable of being judicially corrected, when in reality delay is structural and endemic. UAPA cases have a conviction rate of 46% with trials for 3,670 cases pending. Of these, one-third have been pending for at least three years.

The insistence that prolonged detention cannot influence bail decisions shifts the burden of systemic failure onto the accused, effectively requiring them to endure incarceration until the state is able or willing to conclude a trial. This treats prolonged detention as a regrettable byproduct of the system rather than a constitutional injury. The right to a speedy trial, life, and liberty is not aspirational or contingent on administrative efficiency; it is an enforceable guarantee whose breach must carry meaningful consequences.

SC itself has already pointed to a way forward. In *Antil*, it recommended the enactment of a comprehensive Bail Act to streamline the grant of bail and to codify the principle that "bail is the rule and jail the exception." Such a law will not, by itself, cure all the ills of India's criminal justice system, but it can bring much-needed clarity and certainty to the right to access bail across statutes.

Beyond case by case mercy | A Bail Act would also reduce the judiciary's growing reliance on ad hoc interventions, that may give relief in individual cases but do little towards systemic reform. It would allow the law to clearly specify the circumstances in which liberty may be curtailed, limiting detention to demonstrable threats and real risks, rather than speculative or remote concerns. It would also delineate the scope and proportionality of bail conditions, curbing the routine imposition of excessive and punitive restrictions that often undermine, rather than protect, personal liberty and free expression.

At a time when GOI is undertaking a broad decolonisation exercise and decriminalising hundreds of laws, bail reform deserves attention. One of the most enduring legacies of colonial criminal law is the use of process as punishment, where years of incarceration precede any determination of guilt. Enacting a Bail Act would be a meaningful step towards dismantling that legacy.

Ahmad is Lead and Sharma is Senior Resident Fellow with Crime & Punishment Team at Vidhi Centre for Legal Policy. Views are personal

Understanding Trump And His American Fandom

The 60-plus demographic that's both him and his base is psychically wounded by the humiliations in Vietnam, Iran, Afghanistan. Muscular, unilateral, aggressive US actions make them ecstatic

Arnab Ray

Columnist based in Los Angeles

Trump's MAGA core is ecstatic, as he has done the most Trump thing ever. Muscular, unilateral and aggressive. Democrats understand that mood, which is why they have been so muted.

No sooner did the Nobel Peace Prize season end, than Trump said it is time for war. The extraction of Maduro, President of Venezuela, right out of his fortress, by a Delta Force unit authorised by Trump, may be one of the most brazen foreign policy moves in recent memory. But in foreign policy, there is no moral right or wrong, just self-interest and might is right. It always is and always has been.

This will be yet another Iraq or Afghanistan, say some. Others say, 'Well, didn't Trump promise America will not be involved in foreign adventures any more? Was he not all about America first?' Still others are frothing and fuming at his blatant disregard for international world order (a world leader cannot just arrest another from his home), and for domestic precedent (in operations like this the opposition is taken into confidence and Trump didn't do that).

Sure, Maduro is accused of being a drug lord and a brutal dictator who has terrorised his citizens, reduced them to penury, while appropriating oil revenues for himself and his henchmen. Previous administrations would have used this as the hook and framed the Saturday operation as America asserting its position as the world's moral force, bringing democracy and liberating countries.

Lindsey Graham, Trump critic turned acolyte, tried to toe that line, only to be interrupted by Trump declaring, no, this is about oil. Why is he saying the quiet part out loud? Oil is America's worst kept secret, the driving force for most of its military adventures, but one no US administration acknowledges. So why do it now?

Because this is exactly what his base wants to hear. Trump's shtick has always been that he does not want to spend US dollars on regime-change for vague strategic objectives, which make sense only to foreign policy wonks. He is not interested in doctrines and encirclement. He wants to see the money. In his world, it only makes sense to go to war if there is a return on investment. Many people agree.

To the 60-plus demographic in conservative states that's his base, he has messaged directly, with the

Image: AI

honesty and straightforwardness that his fans associate with him, something like: 'Yes, it is the oil. I don't care for making the world a better place. I only care for you the Americans and our self-interest. And we are the strongest country in the world, and we won't apologise for it. We will get what we want, and who dares stand in our way?'

America spends a lot on its military. But for decades, its citizens haven't seen much in terms of overwhelming military victories. There was Vietnam. During the Iranian revolution, their embassy was held hostage. That was the time Trump was a young man, and the humiliation Americans suffered led to the defeat of Jimmy Carter plus the rise of Reagan. In Afghanistan, under Biden, Americans ran away in chaos, leaving their military equipment behind for Taliban. The Bay of Pigs invasion to overthrow Castro, a figure similar to Maduro, under JFK, was a total failure.

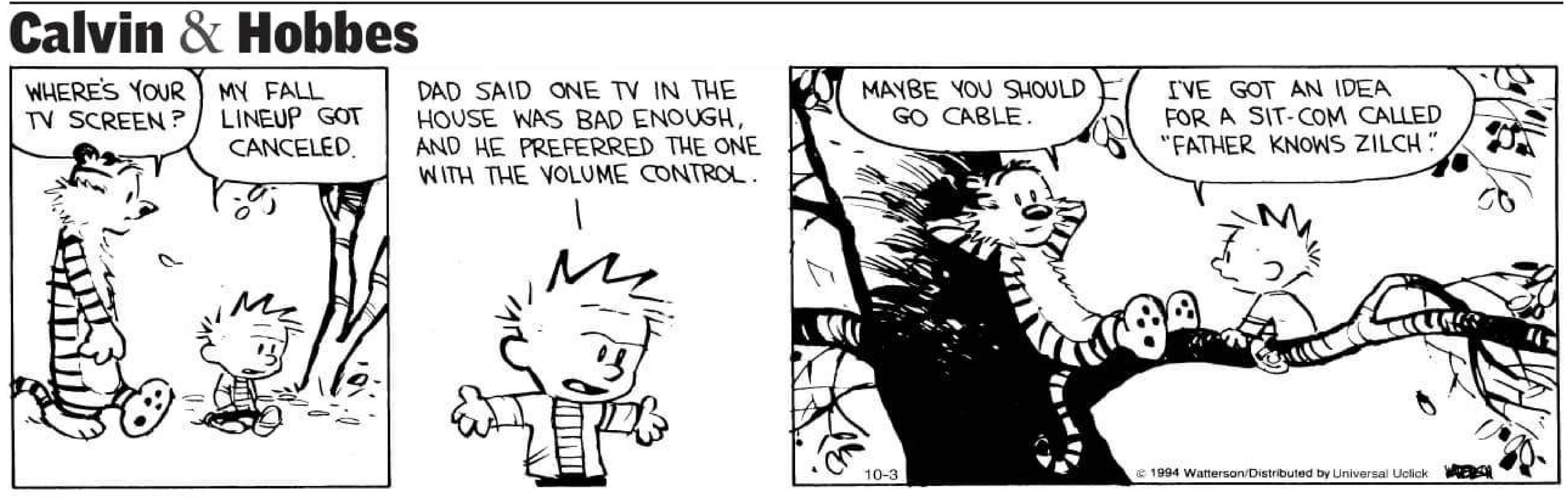
But now, Trump, with his newly christened Department of War, has pulled it off, capturing the enemy king in one night of American military supremacy, unleashed with zero American casualties. Maduro mocked US, did a defiant dance, and now here he is, trussed up like a turkey, humiliated and displayed to the world. If this isn't the most powerful military ever in the history of the world, then what is? *Kaun aankh uthaake dekhega be?*

Will it be easy to get the oil? Nope. Venezuela nationalised its oil industry in the 1970s, and even if US companies are willing to go back, it will be many years and cost them billions before they can actually get oil out of the country. But Trump's presidency would be over by then. For now he has gotten his ROI, because spectacle trumps spreadsheets.

Trump stands in glory, realising a vision of unilateral US domination in the way that exists in the imagination of many Trump voters, waging a populist war on all fronts: illegals being flown out in chains, countries that have taken advantage of US (it doesn't matter if this is true or not) being punished by tariffs (it doesn't matter that it is Americans paying those tariffs), and world leaders who mock Trump picked up from their houses and thrown into prison.

Rajinikanth had this line: I will do what I say, I will also do what I don't say. Right now, Trump is in that mode. He will send drug lords back to Venezuela from US, but he will also take drug lords from Venezuela to US. No one knows what comes next, but everyone knows who is in charge.

Calvin & Hobbes



Sacred space

That is the question that concerns me here: given the initial, perhaps obscurely derived and motivated move towards empire from Europe to rest of the world, how did the idea and practice of it gain consistency and density of continuous enterprise.

Edward W Said, Culture and Imperialism

Run A Marathon Before Learning To Know Self

Anandmurti Gurumaa

Amrit Bindu Upanishad defines God with absolute clarity. That which is boundless, infinitude itself, without beginning and without end, truth, ever conscious, and the embodiment of bliss.

The eyes cannot see that which is boundaryless, for the eyes can perceive only what has a boundary. The eyes have limitations. So do the ears, nose, tongue, and skin. Hence, the five organs of knowledge can relate only to that which has form, name, boundary, and perceptibility. And that which is perceivable, Vedanta declares, cannot be God.

Through the senses, whatever is perceivable becomes known, and the mind can think only about that which the senses have first perceived. Can you think of something you have never seen, heard, touched, smelled, or tasted? You cannot. Even when you say God or Atman, you have heard the word or read it somewhere.

Therefore, whatever has been perceived by the senses belongs to *samsar*, the world, and is not God. The mind can think only in terms of information received through the senses. Whether it appears as memory or as an object of thought, it remains part of the changeable and perishable world. It cannot be called Brahmn, a term for absolute existence. One word explains it clearly: Parabrahmn. 'Para' means beyond, and 'Brahmn' implies existence. This itself shows that the mind, in its own capacity, cannot know Brahmn. Nor can the intellect.

When you close your eyes, you may see any divine figure: each has a form, name, birth, and death. Therefore, they are not God. The Upanishads are unequivocal on this – whatever has a name and form is born and will die. And that which is born and dies is not Brahmn.

Do you exist even in deep sleep? The mind is not there. The intellect is not there. Yet you still know that deep sleep happened. In the same way that you know you are, one day you will know what Parabrahmn is, with the same clarity.

THE SPEAKING TREE

The issue is that whenever you say 'I', that 'i' is immediately objectified as the body and the mind. Therefore, this 'i' must be understood first. You are neither the body nor mind. But the false identification is so strong that it even takes away your ability to recognise who you are. The Self simply is. Yet the moment you say 'i', it is instantly felt as the body and mind.

The Self is knowable. You know 'I am'. You know you exist. There is no doubt about that. So, where is the problem? The problem lies in false identification with what you are not. Those layers must be peeled away.

There are two steps. First, listening to this wisdom. Second, since understanding happens through the mind, it must be made calm, pure, clear, and free of desire. If you still carry strong worldly ambitions to be rich, famous, or influential, then fulfil them first. Run that marathon.

The next step is to understand and cultivate *vivek*, the ability to discriminate between what the Self is and what It is not. This involves working step by step, unknotting the knots we have tied with the body and mind, through which an illusory 'i' is created. Ask the question 'Who am I?' and encounter what 'I am not'.

Letter against spirit

The Election Commission's mandate is to ensure no Indian is disenfranchised

The Election Commission of India (ECI) has told the Supreme Court of India that it has a constitutional duty to ensure that only citizens are enrolled as voters, and that no foreigner makes it to the electoral rolls. Even a single foreigner cannot be allowed to exist on the voter list, the ECI argued before the Court on January 6. The ECI is defending its ongoing Special Intensive Revision (SIR) of electoral rolls, which has struck off millions of names of voters. The concerns raised by all Opposition parties, legal scholars and civil society relate to the evident burden and harassment being caused to ordinary citizens of the republic in having to prove their existence and identity. Nobody has argued for the inclusion of any foreigner, or for keeping electoral rolls as they are today – faulty and impossible to navigate. At the heart of this debate is the relation between the ECI's claims and the process. Over many decades, the ECI has consistently grown its institutional integrity – despite occasional slippages – by expanding the franchise not merely as a formality but also as a substantive right. The maxim that no amount of escaped criminals justifies the punishment of a single innocent person has resonance in this context. In a leap into the phantom world of foreigners taking over the country, the real challenges to the integrity of India's electoral process are being overlooked. Or, maybe, the foreigner paranoia is being whipped up as a facade for polarisation.

That Article 324 of the Constitution grants the ECI independent "control over the preparation of electoral rolls" is not contested. The concern is that the ECI is not acting independently and in a manner that boosts confidence in the electoral process. The litmus test of an electoral process – very much like a judicial process – is whether the side that loses still trusts the process. Unfortunately for India, the current ECI has its priorities turned on their head when it frames its constitutional duty as the removal of foreigners, and not the enrolment of every Indian citizen. While several authorities have a duty to look for foreigners, only the ECI has the duty to enrol Indian citizens as voters. Through changes in rules and their partisan application, the ECI has undermined its own stature and the sacred duty assigned to it by the Constitution in the recent past. Now, by unleashing avoidable suffering and inconvenience upon Indian citizens under the garb of chasing the last foreigner, it is misreading the letter and ignoring the spirit of its constitutional duty.

The middle path

The Assured Pension Scheme of Tamil Nadu is a good compromise

By formulating the Tamil Nadu Assured Pension Scheme (TAPS), the DMK government has done its best to resist the temptation of returning to the Old Pension Scheme (OPS) for its employees. It has sought to strike a middle path in its implementation of a key electoral promise made before the 2021 Assembly election and the need for fiscal prudence. Apart from nearly two lakh employees under the OPS, there are around six lakh government staff under the Contributory Pension Scheme (CPS) since April 2003. It is this section that has been urging the DMK to fulfil its electoral assurance – OPS restoration. The new scheme, which blends the OPS and the Unified Pension Scheme (UPS) that is in force for central government staff for the last one year, assures pensioners 50% of the last drawn pay, while retaining the element of employees' contribution – a feature common to the CPS and UPS. One can make out that the basis for the determination of the pension – 50% of the last drawn pay in the last month of service – and the provision of a minimum assured payout, regardless of the duration of service, are in favour of the employees. Death-cum-retirement gratuity, an OPS feature, has been included.

The announcement has been made just before the Assembly poll in April-May. There has also been a debate on the State's outstanding debt – around 26.1% of GSDP, a ratio that has been declining over the last five years though not to the pre-COVID-19 pandemic level of around 21.5%. Besides, at least till 2033, when the last set of government staff covered under the OPS is expected to retire, the State government will have to provide for the retirement of OPS staff as well as its share of contribution for TAPS employees. The current financial year has not been very encouraging in terms of growth rate in the State's Own Tax Revenue (SOTR), which generally accounts for about two-thirds of Tamil Nadu's revenue receipts. In the first half (April-September) of the current year, the SOTR's growth rate was 3.94% over the receipts in the corresponding period of the previous year, against the projected 22.6%. The State has its fingers crossed over the likely impact of the restructuring of GST (from September 22) on its finances. After the "successful" Bihar example where the ruling dispensation handed out election-eve doles, the managers of State finances now have limited space to counter any pressure from their political bosses to spend more. The employees should understand the circumstances in which the announcement has been made. The main factor against the OPS is the feature of pension reset with the implementation of recommendations of every Pay Commission. Though the principal Opposition party, the AIADMK, has pulled up the DMK for not having lived up to the poll promise, it has not promised to restore the OPS if it wins the Assembly poll. It appears that the leadership of the two Dravidian majors understand that the State should not be pushed into a perilous financial position.

'Natgrid', the search engine of digital authoritarianism

Apar Gupta

is a lawyer and the Founder Director of the Internet Freedom Foundation

We tend to quantify the tragedy of the terror attack in Mumbai in November 2008, by the over 160 lives lost. "26/11" was beamed into the living rooms of the country's elites for three days through broadcast television. The sounds of bullets and explosions, the dome of the Taj Hotel swallowed by smoke, and the valour of the Mumbai Police played out alongside a steady refrain in studios and by commentators of a "major intelligence failure". That charge was not conjured out of grief alone.

The report by the high-level inquiry committee on 26/11 and the material placed before Parliament pointed to lapses in the handling of intelligence alerts. This "intelligence failure", it was argued, was the inability to stitch scattered fragments into a coherent warning. David Coleman Headley, a key conspirator, travelled to India on several occasions, leaving a paper-and-pixel trail in visa applications, hotel registries and travel itineraries. Security hawks offered a seductive proposition. Would the lives lost been saved had those disparate data points been aggregated and analysed in time?

Evolution of a 'crown jewel'

Out of that psychological aftershock emerged institutional expansions, but the technological crown jewel was the National Intelligence Grid (NATGRID). Its premise was a middleware interface that would allow 11 specified central agencies to query databases across 21 categories, routed through provider organisations spanning identity and assets, travel and movement, financial intelligence and telecommunications.

Even in its early days, the unease was visible. NATGRID was first publicly announced on December 23, 2009, in a speech by the Home Minister.'

The constitutional question that arose immediately was not whether the state may ever conduct surveillance, but on whether a project of this magnitude could operate without a statutory framework and independent oversight. This daily reported on February 10, 2010 ("'Big Brother' fears stall Chidambaram data plan") that "Ministers raised queries about safeguards and said there was a need for further study". Yet, on June 14, 2012, NATGRID was cleared not through an Act of Parliament, but by executive order and the Cabinet Committee on Security, with a first-phase allocation of ₹1,002.97 crore branded "Horizon-I".

For years, NATGRID's constant delays led people to believe it was 'vaporware'. A project that existed on paper but did not actually work as a massive search engine for tracking citizens that was only announced to calm public anger after the 26/11 attacks. Well, it is now becoming a reality that can no longer be ignored.

Two recent reports in this daily ("National intelligence grid gains traction as Central agencies, police scour for information", December 8, 2025 and "Intel grid linked to NPR with details of 119 crore residents", December 26, 2025) reveal a quantitative and qualitative expansion of this mass surveillance project. First, following a national conference of Directors General of Police in Raipur in late November 2025, chaired by the Prime Minister, States were asked to "scale up" NATGRID usage. The first report also said that NATGRID receives around 45,000 requests every month. Worse, access, once presented as the preserve of central intelligence and investigative agencies, is being widened to police units, including officers down to the rank of Superintendent of Police.

An integration that unsettles

The second development that is even more unsettling is the reported integration of NATGRID with the National Population Register (NPR). The NPR is a repository with the details of 1.19 billion residents, with a relational cartography of households, lineages and identities. It is also politically volatile, repeatedly invoked in the acrimony surrounding the National Register of Citizens (NRC) as a prelude to citizenship filtering. Grafting a population register onto an intelligence query platform crosses a fundamental boundary. It shifts the paradigm from tracking discrete events as intelligence inputs to the mapping every Indian. NATGRID's evolution is not unfolding in the technological climate of 26/11, but in 2025, amid rapid advances in machine learning and large-scale analytics.

This daily has also highlighted the deployment of "Gandiva", an analytical engine capable of "entity resolution".

This is further explained as providing the triangulation that is required to decide whether fragmented records belong to the same individual. Paired with facial recognition that can trawl telecom Know Your Customer (KYC) databases and driving-licence records, this is no longer the state's "search bar". It is inference at scale and changes the nature of the risk. Here, intentions are subjectively determined by an algorithm.

Two features make this qualitatively different from older surveillance debates. First, the spectre of bias. Algorithms do not merely excavate truth but reproduce distortions embedded in the data they ingest and claim that they are objective determinations based on pattern recognition. If policing is already skewed by caste, religion or geography, analytics will harden those inequities and cloak them in an aura of objectivity. For the affluent, a false positive is an administrative nuisance. For a young Muslim man in a small town, already living under a pall of suspicion, an automated "hit" can trigger an ordeal and misidentification may carry a blood price.

Second, the tyranny of scale. The danger of modern analytics is not omniscience, but ubiquity. NATGRID reportedly classifies queries by sensitivity, and officials maintain that every access is logged and justified. Without independent scrutiny, these are facial safeguards. When tens of thousands of requests are processed each month, logging risks becoming a clerical ritual particularly in the absence of autonomous oversight, which is lacking even at the level of Parliament.

The lack of course correction

Defenders will fall back on the familiar claim that NATGRID is a matter of life and death. But is it so once it has drifted from counter-terror into everyday policing? Intelligence failures are rarely born of data droughts alone. They are more often the products of institutional weakness, perverse incentives and the rot of unaccountability – as we learned in 26/11 where the local police had not conducted any firearms training for over a year.

Tragically, a correction seems distant. Our constitutional courts have lapsed into deep slumber, allowing the expansive privacy doctrine in *Justice K.S. Puttaswamy (Retd.) & Anr. vs. Union of India & Ors.* (2017) to gather dust while the surveillance state expands. The legality of intelligence programmes that lack any clear statutory foundation or meaningful oversight has not been squarely adjudicated, despite multiple pending cases. In place of scrutiny, we have a martial public temper fanned by political rhetoric and cultural moulding, including mainstream cinema, that treats questioning the security establishment as heresy. The result is a near silence about accountability for acts of terrorism such as the New Delhi bombing of November 10, 2025, and the heartbreaking loss of 15 lives. Is it impolite to ask whether there was an "intelligence failure" even with NATGRID in place?

The shock of 26/11 continues to haunt us, but we have mistaken the remedy. If we genuinely care about prevention, we need professional investigation insulated from political whims, transparency about intelligence lapses, and oversight vested within the parliamentary and the judiciary. Without these, NATGRID is an architecture of suspicion, built in the name of safety and normalised through fear, but functioning in the service of digital authoritarianism.

> The shock of 26/11 continues to haunt India, but the remedy — the National Intelligence Grid — is cause for deep concern

Fine-tune this signal to sharpen India's AMR battle

Ramya Kannan

Will Prime Minister Narendra Modi's statement on antimicrobial resistance, in his last 'Mann Ki Baat' broadcast for the year 2025 be the anagnorisis that we have been waiting for to galvanise action on Antimicrobial Resistance (AMR) in India? Doctors feel that it might well be the one fell swoop to stop in its tracks what could easily be the biggest emerging health crisis of India.

In his address (129th edition) on December 28, Mr. Modi mentioned antimicrobial resistance as a "matter of concern for us." Quoting from the Indian Council for Medical Research's (ICMR) dataset, he mentioned that antibiotics are proving to be less effective against pneumonia and urinary tract infections. He went on to hit at the heart of the AMR crisis in India – "thoughtless and indiscriminate use of antibiotics by people". These were not medicines to be taken casually or without the advice of doctors, the Prime Minister stressed. "People have started believing that popping a pill will solve everything. But it is because of this that diseases and infections are overpowering antibiotics." Appreciably, he ended with a piece of advice that his listeners and followers will do well to religiously practise: "Avoid taking medicines by yourself, particularly antibiotics."

Mainstreaming the subject

It is, by now, common knowledge that while there are many prongs that contribute to the galloping AMR in the country, the biggest contributor is the irrational use of antibiotics. Commonly known as the 'misuse and overuse' problem, AMR however, has remained in the preserve of the infectious diseases experts and the corridors of hospitals, and in policy circles. Until now. That is where Mr. Modi's remarks will make a difference, coaxing AMR out of the rarefied domain into the mainstream, where there is awareness of the public risk it poses, along with the links to everyday behaviour.

By invoking national data and appealing directly to citizens to avoid over-the-counter antibiotics, the speech translates lab-based warnings into a public call to action, from the pulpit by the head of the government. This is why it is reasonable to expect it to have an impact on the population in a manner that no other intervention in the past in the sector – the first National Action Plan on Antimicrobial Resistance or the ban on colistin use as a growth factor, for instance – has managed. Striking at the broadest base is where the success of this appeal lies, and public awareness will be absolutely key in deciding whether the AMR numbers see an upper trajectory or whether they go down south in the future.

But, merely at hitting the base will no longer be sufficient, at this stage of the AMR pathway in India. It has grown like a hydra-headed beast and it is a One Health approach that can behead the monster effectively. The need for a One Health approach has become current by force of circumstances where cognition of the interconnectedness of human, animal and environmental health now actively shapes solutions.

Most non-urban centres left out

At this juncture, enhancing the number of surveillance sites is a critical aspect to marking and following the trail of AMR in India, experts point out. They contend, that currently, while the network is steadily expanding, there is still no exhaustive dataset for India as a whole, representative of the wide variance in the country.

Surveillance sites are located largely in urban centres and tertiary care centres, and may drive up the average as the bulk of the non-urban centres are not even accounted for. The urgent need now is to expand the surveillance network in a manner that will provide a reasonably accurate position of community prevalence of AMR in India.

India's National AMR surveillance network (NARS-Net), which provides data to the World Health Organization's Global Antimicrobial Resistance and Use Surveillance System (GLASS), currently stands at 60 sentinel medical college laboratories.

However, for the recent GLASS report (reporting period January to December 2023), information was gathered from 41 sites in 31 States/Union Territories. NARS-Net was established in 2013 to determine the magnitude and trends of AMR in different geographical regions of the country, and laboratories under this network include government medical colleges. These labs are required to submit AMR surveillance data on nine priority bacterial pathogens of 'public health importance' and some fungal pathogens as well.

'Include private hospitals'

Recently, in a letter to the Director of the National Centre for Disease Control, Professor, (Dr.) Ranjan Das, the nodal agency for AMR surveillance in the country, Dr. Abdul Ghafur, of the Chennai Declaration on AMR and an infectious diseases specialist, said, "... the only credible approach is to present true national data – data not limited to tertiary care hospitals, but inclusive of secondary and primary care centres across the country. If such data are included, the national resistance picture will naturally be more balanced and representative." He also makes the case for including private hospitals in the network too.

The 2015 WHO Global Plan on AMR recommended a blueprint addressing five objectives: raising awareness, strengthening surveillance and research, reducing infections, optimising antimicrobial use, and ensuring sustainable investment in new medicines, diagnostics and vaccines. Mr. Modi's speech will increase awareness, something that is essential, but expanding the surveillance network for AMR is a critical function that will require investments, strategies, monitoring and enforcement and as much political will.

ramya.kannan@thehindu.co.in

> The 'Mann Ki Baat' broadcast of December 2025 will increase awareness, but expanding the surveillance network for AMR is crucial

LETTERS TO THE EDITOR

Private diplomacy

It is perplexing that the sensitive issue of fixing high-profile dialogues and discussions with the Trump administration has been entrusted to unconnected firms especially when the Indian government has a range of diplomatic channels at its disposal (Front page, "Indian Embassy hired Trump aide's firm for talks on trade, bilateral ties during Operation Sindoor", January 7). How can unrelated entities be given the role of arranging for key discussions between two governments? Will this not amount to a transgression of established diplomatic norms and mandatory procedures governing such sensitive issues?

V. Johan Dhanakumar,
Chennai

Trump's obtuse moves

It is as clear as daylight that the U.S. President, Donald Trump, is defying all norms to slake his thirst by doing obtuse things to achieve his aims and objectives. His moves against Venezuela are nothing but a clear violation of international law (Editorial and Editorial page, January 7). They also prove beyond a shadow of a doubt that the American President has cast his eyes on the abundant crude oil in Venezuela. But what is eating President Trump?

Mani Nataraajan,
Chennai

The happenings in Venezuela expose the disturbing reality of today's global order. Even if such action violates international law and the UN Charter, strangely enough, U.S. courts may still assume jurisdiction under American domestic law, which permits judges to try an accused irrespective of how they were brought before the court. This peculiarity of U.S. law, when combined with overwhelming military power, effectively sidelines international norms. The inability of the UN, the ICJ and the wider international community to respond meaningfully underscores their growing irrelevance in restraining unilateral actions by powerful states. If global governance is to retain credibility, this episode should prompt reflection on strengthening multilateral institutions.

Dr. Thomas George,
Pala, Kerala

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

Youth leadership is key to Viksit Bharat

Mansukh Mandaviya
is the Union Minister of Youth Affairs and Sports, and Labour and Employment, Government of India

India's growth story will be written by those who are shaping its ideas today. Across the country, young Indians are thinking deeply about how India can grow faster, govern better and become developed by 2047. Their ideas are emerging from campuses and communities, start-ups and sports fields, classrooms and village meetings. The real question is no longer whether the youth have something to contribute, but whether their ideas are given a credible platform to influence the nation's direction. The Viksit Bharat Young Leaders Dialogue (VBYLD) is designed to provide that very platform.

India is home to the largest youth population in the world. It is therefore but natural that the direction of the nation's future will be shaped not merely by policies or institutions, but by the imagination, conviction and courage of its young citizens. This vast reservoir of *yuva shakti* is far more than a demographic advantage; it is India's greatest national asset, capable of driving innovation, strengthening democracy and propelling the country towards inclusive and sustainable development.

Lead the change

During my time as Youth Affairs and Sports Minister, I have had the opportunity to engage with young Indians in varied settings, on university campuses, in rural districts, at sports arenas and during youth-led community initiatives. What consistently stands out is the seriousness with which young people think about the nation's future. I recall meeting a group of rural youth volunteers who had organised informal learning centres in their villages. With limited resources but strong conviction, they were addressing gaps in education and skill development through locally designed solutions. Experiences like these reaffirm a simple truth: when young people are trusted and given space, they do not merely participate, they lead.

> The vast reservoir of *yuva shakti* in the country is far more than a demographic advantage; it is India's greatest national asset

Inspired by Prime Minister Narendra Modi's call from the Red Fort to bring one lakh youth without political backgrounds into public life, the Viksit Bharat Young Leaders Dialogue was launched in January 2025 reimagining the National Youth Festival in an entirely new format. Over 30 lakh young people engaged through the Viksit Bharat Challenge, more than two lakh essays were submitted, and thousands of youth presented their ideas at the State level. The journey culminated at Bharat Mandapam in New Delhi, where 3,000 youth leaders interacted in a free-flowing dialogue with the Prime Minister, who spent hours listening to their ideas and inspiring them to lead.

Shaping the India of 2047

Beyond the numbers, it was the nature of engagement that made the Dialogue truly historic. It recognised, both in letter and spirit, that the voices of India's youth matter in shaping the India of 2047. Young participants were encouraged to think critically about national challenges, propose solutions and align personal ambition with collective purpose.

The strength of the youth leadership platform lies not only in its scale, but in its design. Diversity of thought, language, culture and lived experience is embedded into the very structure of the initiative. Youth from urban and rural India, students and professionals, innovators and grassroots leaders come together on a common platform. Multiple stages of engagement ensure that ideas are refined through dialogue and exchange, not filtered out by geography, language or background. In doing so, the Dialogue ensures that every young person who participates has both a voice and a platform to amplify it.

India's youth have always been at the heart of the nation's defining moments, from the freedom struggle to the building of the institutions of an independent India. Today, the nation once again looks to its youth not just for participation, but for leadership and dynamism in co-creating India's growth story.

Building on the success of the first edition, VBYLD 2026, scheduled to be held from January 9-12, 2026, signals a decisive leap from a national youth convening to a platform with global resonance. With new initiatives such as Design for Bharat and Tech for Viksit Bharat, and the inclusion of the international Indian youth diaspora, the dialogue expands beyond borders.

More than 50 lakh young people participated in the Viksit Bharat Quiz, the first stage of selection for VBYLD 2026, making it one of the largest youth engagement exercises of its kind. Over four intensive days, participants from every corner of the country will engage with leading national and global voices, drawing upon practical insights, ideas, and visions that transcend disciplines and geographies.

Dialogue to Direction

What truly sets VBYLD 2026 apart, however, is that it gives our *yuva shakti* an opportunity not only to speak, but to be heard. On 12 January, observed nationwide as National Youth Day in commemoration of Swami Vivekananda, Prime Minister Narendra Modi will personally interact with the youth at Bharat Mandapam, listening to how they imagine, and intend to shape the future of Bharat.

More than a platform for dialogue, the Viksit Bharat Young Leaders Dialogue is a movement that calls upon young Indians to lead from the front, confront national challenges, and channel their ambitions towards building a Viksit Bharat.

A Viksit Bharat will be built by those who have the confidence to lead and the commitment to serve. India's youth are ready. The nation must be ready to walk with them.

Cash politics, development paradox

Lakshmir Bhandar scheme has proved electorally transformative

STATE OF PLAY

Shiv Sahay Singh
shivsahay.s@thehindu.co.in

On January 3, a little-known Bharatiya Janata Party (BJP) leader in West Bengal triggered a political row by asking husbands to "lock up their wives" who are beneficiaries of the Lakshmir Bhandar scheme to prevent them from voting for the Trinamool Congress during the elections.

The remark sparked outrage in the social and political circles of the State. The Trinamool Congress said it exposed the BJP's "anti-women" mindset. The BJP State committee leader Kalipada Sengupta was made to apologise for his statement. Yet the controversy also brought renewed attention to Lakshmir Bhandar, one of the largest cash incentive schemes of the West Bengal government.

Announced by Chief Minister Mamata Banerjee in February 2021, just months before the Assembly elections, the scheme proved electorally transformative. By January 2025, it had reached 2.21 crore beneficiaries – nearly half of the State's female population. Women aged 25 to 60 receive ₹1,000 per month under the general category and ₹1,200 under reserved categories.

Electoral edge

The political impact has been unmistakable. The scheme has helped keep large sections of the women electorate firmly aligned with the Trinamool Congress despite serious incidents of violence against women – including the rape and murder of a doctor at Kolkata's R.G Kar Medical College and Hospital in August 2025.

Data from the 2021 Assembly elections showed that nearly 50% of women voters backed the Trinamool, while only 37% voted for the BJP. The BJP leadership is acutely aware of this gender gap and of how cash incentive schemes help entrench it.

In December 2025, when Ms. Banerjee unveiled a report card titled 'Unnayaner Panchali' (The Song of Development), of her government's performance over the past 14 years, Lakshmir Bhandar featured prominently. Comparing it with a one-time cash benefit of ₹10,000 announced in Bihar before elections, the Trinamool chairperson argued that her government delivers sustained annual support rather than pre-poll handouts.

"They (NDA in Bihar) gave ₹10,000 before the election, and there is a bulldozer raj now after the polls," Ms. Banerjee said.

Cash-based welfare schemes catering to different social groups has become a defining feature of the Banerjee administration. By her own count, the State now runs 95 welfare schemes, with more promised in the next few months before elections are announced, taking the number of schemes well past three digits.

Even political opponents have tacitly acknowledged the impact of such schemes on the electorate. Union Home Minister Amit Shah recently assured voters in Kolkata that none of the Trinamool government's welfare schemes would be discontinued if the BJP came to power.

While these cash incentive schemes may provide a political advantage to the ruling party, it is also important to understand their overall economic and social impact on the population. West Bengal's multidimensional poverty rate stood at 11.89%, according to Multidimensional Poverty Index: A Progress Review 2023. Although poverty declined faster than in Gujarat, the State ranked only 13th nationally, behind populous States such as U.P. and Bihar.

Real change

Cash transfers may help households stay just above the poverty line, but they often fail to generate lasting structural change.

The State's own Kanyashree scheme – designed to reduce child marriage through conditional cash transfers – illustrates this limitation. The scheme has about one crore beneficiaries on paper, but West Bengal continues to record highest number of child marriage almost a decade after the scheme was launched.

The latest Sample Registration System data shows that 6.3% of women in the State were married before the age of 18, compared to a national average of 2.1%.

There is little doubt that cash incentive schemes give Ms. Banerjee a decisive electoral edge. But while putting money directly into voters' hands may shape political outcomes, it does not automatically translate into durable social transformation. Over the past few years, West Bengal has emerged as a case study of this development paradox.

How every ₹100 is spent by Indian households

Indians are shifting from subsistence needs to aspirational and service-oriented spending

DATA POINT

K. Chandrasekar

The Household Consumption Expenditure Survey (HCES) by the Ministry of Statistics and Programme Implementation (MoS&PI) captures spending pattern of Indian households across various consumption categories. Conducted every five years, the HCES provides granular estimates of Monthly Per Capita Expenditure (MPCE) for both rural and urban populations, covering a wide range of goods and services.

The survey rounds for 2022-23 and 2023-24 represent the first comprehensive update to MPCE data in over a decade, offering valuable insights into India's shifting consumption landscape. These findings are central to revising poverty estimates, informing social sector policy, and understanding the lived realities of India's expanding middle-income population.

This article examines long-term MPCE trends from 1999-2000 to 2023-24, with a focus on six key expenditure categories. In this analysis, MPCE is expressed as the proportional expenditure on an item for every ₹100 of total spending.

Decline in MPCE share on food and beverages for both urban (from ₹48 to ₹39 per ₹100) and rural areas (from ₹59 to ₹47 per ₹100) confirms Engel's Law, which states that as real income rises, the proportion of income spent on food declines, even if absolute expenditure increases. **(Chart 1)**

Further, a fall in expenditure on cereals, alongside higher spending on fruits, eggs, fish, and processed foods, signals a shift from staple-heavy diets to more varied, protein-rich diets – albeit unequally.

Despite marginal increases, particularly in rural areas, spending on pan, tobacco, and other intoxicants remains a low share of MPCE, accounting for under ₹3.8 per ₹100 of spending. From a public health perspective, the trend calls for targeted awareness programs in rural belts. **(Chart 2)**

The reduction in per capita fuel spending reflects policy successes, such as Saubhagya (rural electrification) and PM Ujjwala Yojana (LPG access). Lower urban spending may also reflect the use of energy-efficient appliances and access to reliable power supply. Modern fuels, in place of biomass or kerosene, improve quality of life and are an example of expenditure substitution. **(Chart 3)**

The decline in spending on clothing, bedding and footwear is moderate and consistent with the transition from need-based consumption to periodic discretionary spending. Rising competition, fast fashion, and lower textile prices may also have contributed. Rural India's slightly higher or similar spending may indicate seasonal dependence and growing aspirations. **(Chart 4)**

The urban housing rent share rose significantly (₹4.46 to ₹6.58 per ₹100), aligning with urbanisation, rental stress, and migration to metropolitan hubs. Rural rent remains minimal due to widespread self-owned housing, informal tenure, or rent-free arrangements. **(Chart 5)**

The miscellaneous category includes aspirational expenses such as health, education, conveyance, consumer services, and other similar costs. Its rising share, particularly in rural MPCE (from ₹21.87 to ₹35.82 per ₹100), reflects a broadening of the consumption basket. This trend aligns with inclusive growth, deeper digital penetration, and echoes improved reach and quality of both public and market-based services. **(Chart 6)**

Taken together, these trends reflect that society is undergoing an economic transition, with consumption patterns gradually shifting away from subsistence needs toward more aspirational and service-oriented spending.

The views expressed are personal.

Changing consumption basket

The data for the charts were sourced from the Ministry of Statistics and Programme Implementation (MoS&PI) for the period 1999-2000 to 2023-24.

The writer is a Deputy Director with the Ministry.

Chart 1: Monthly Per Capita Expenditure on **Food & Beverages** (₹ per ₹100)

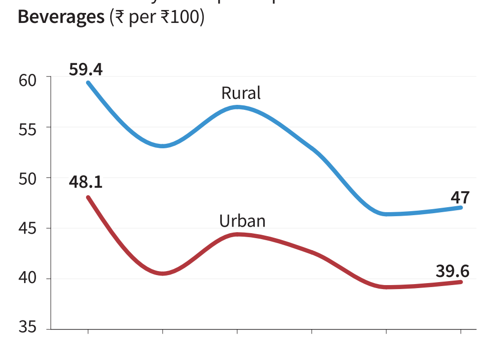


Chart 2: Monthly Per Capita Expenditure on **Pan, Tobacco & Intoxicants** (₹ per ₹100)

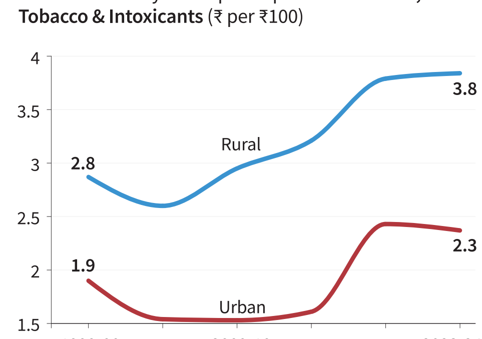


Chart 3: Monthly Per Capita Expenditure on **Fuel & Light** (₹ per ₹100)

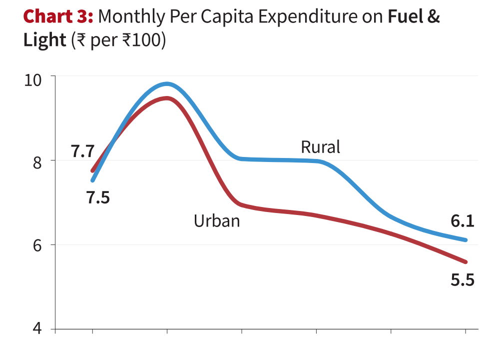


Chart 4: Monthly Per Capita Expenditure on **Clothing, Bedding & Footwear** (₹ per ₹100)

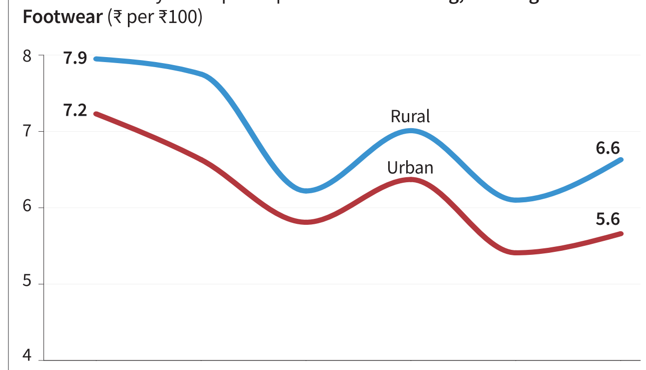


Chart 5: Monthly Per Capita Expenditure on **Housing (Rent)** (₹ per ₹100)

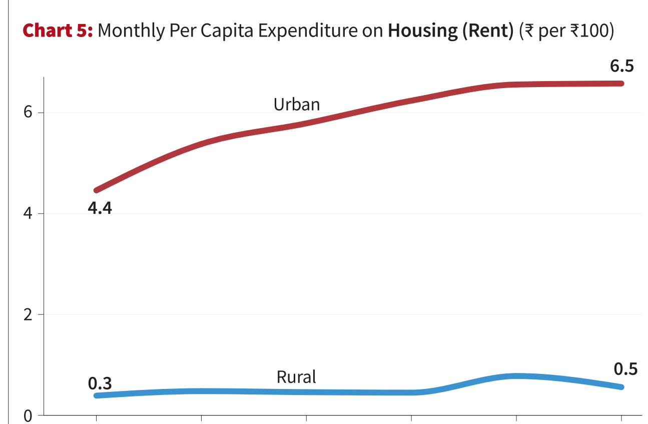
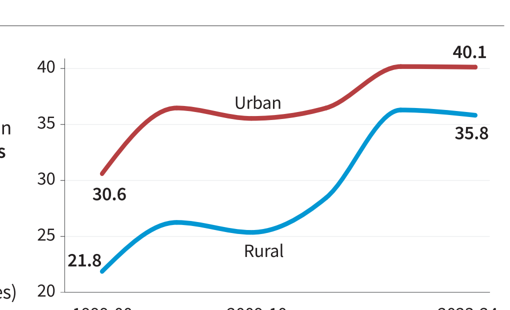


Chart 6: Monthly Per Capita Expenditure on **Miscellaneous** (Health, education, conveyance, consumer services and other expenses) (₹ per ₹100)



FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO JANUARY 8, 1976

World Bank aid for food godowns

MADRAS, Jan. 7: The Food Corporation of India, which is to build up a sizable buffer stock in the wake of plentiful food production and continuing imports, is facing a major problem, that of creating additional storage capacity, and is looking to the World Bank for aid.

The World Bank has shown interest in the programme, which the FCI has already initiated, and Sir John Crawford, Adviser to the Bank's President, Mr. Robert McNamara, is expected to visit India on January 16 for talks. The World Bank may give aid if it is convinced that the creation of such additional storage would lead to increased food production and more sales through the public distribution system.

Mr. A.K. Dutt, Managing Director of FCI, told newsmen that on the whole this year was going to be a year of plenty and "this creates a problem of storage for us because there is going to be very heavy procurement and imports will continue." The FCI hoped to build up a sizable buffer stock – 7.5 million tonnes at the end of March and anything between 11 and 12 million tonnes in the peak season July-August. With imports also continuing the FCI was faced with a "situation of emergency" with regard to storage, he said.

A HUNDRED YEARS AGO JANUARY 8, 1926

Indian Birds to Fiji Islands

Mr. J.C. Ward from Australia had been in Madras on an interesting mission. His mission is to secure for the Fiji Islands a large number of insecting birds. It would appear that the Fiji Islands was once infested with species of rats which proved pest in the Island for sugarcane plantations and in order to destroy this pest a large number of mongoose, was imported, which not only destroyed pests but also the birds of the Island. With extinction of birds the Fiji Island became infested with another kind of pests namely, moths and insects which are causing destruction to coconut plantations and consequently reducing a great source of revenue. To get rid of these pests, the Government of Fiji addressed the Government of Australia for their permission to import a large number of birds, but since Australian birds are mostly fruit eating birds this attempt also proved a failure.

Text&Context

THE HINDU

NEWS IN NUMBERS

Number of public health facilities certified under NQAS

50,373 More than 50,000 public health facilities across the country have been certified under the National Quality Assurance Standards (NQAS), a quality framework established by the Union Health Ministry. PTI

Vehicles which were involved in illegal mining seized

631 Police seized 631 vehicles involved in illegal mining, and imposed fines amounting to nearly ₹1 crore last year, officials said on Wednesday. Police officials said that out of the 631 vehicles seized, 572 vehicles were released after completion of statutory formalities in 2025. PTI

Applications received with suggestions for the 2025 Seeds Bill

9,000 The government is targeting to introduce the Seeds Bill 2025 in Parliament during the first phase of the Budget session in February. The ministry plans to table the Pesticides Management Bill 2020 after Parliament recess. PTI

Villagers evacuated in the Philippines due to volcanic eruptions

3,000 A series of mild eruptions at the most active volcano in the Philippines has prompted the evacuation of nearly 3,000 villagers. Authorities raised the 5-step alert around Mayon Volcano in the province of Albay to level 3. PTI

Electors removed from draft list of 12 States, UTs in SIR Phase 2

6.5 In crore. The names of 6.5 crore electors were removed from the draft electoral rolls of nine States and three Union Territories published in the past days as part of the ongoing Special Intensive Revision (SIR).

COMPILED BY THE HINDU DATA TEAM

India's progress on its climate targets

While the country has successfully reduced emissions intensity, and increased non-fossil power capacity, challenges remain in translating these achievements into absolute emissions reductions. The next few years will be critical in addressing these gaps and ensuring a sustainable future

ECONOMIC NOTES

Deepanshu Mohan
Nagappan Arun
Saksham Raj

There has been a lot of focus on the recent Aravalli judgment and its implications for mining operations across the green belt as well as the government's commitments regarding environmental standards and regulatory protection for ecologically sensitive areas.

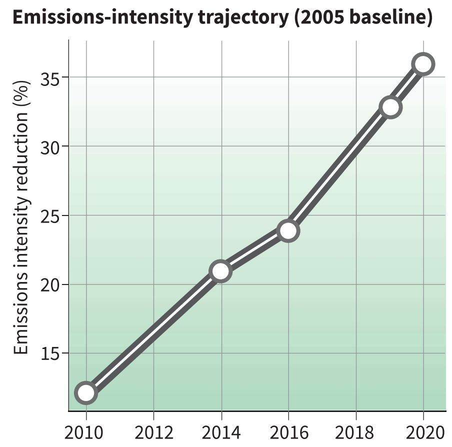
In the Paris summit, India had committed to four quantified climate targets, grounded in the principle of "common but differentiated responsibilities" – a position that reflects how, historically, India's per capita emissions were fractions compared to emissions of other major countries like the U.S. (however, currently India is the world's third largest absolute emitter). The centrepiece of Prime Minister Modi's statement at the Paris summit was the pledge to reduce emissions intensity by 33-35% by 2030 (based on the 2005 baseline), coupled with commitments to enhance non-fossil power capacity to 40%, 175 GW of renewable energy, and 2.5-3 billion tonnes of carbon sequestration through forests.

Now, more than 10 years later, one needs to evaluate whether these promises have actually been delivered.

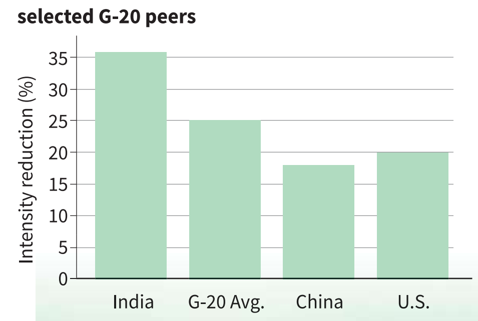
Climate promises

While India has achieved meaningful progress on specific metrics, they also obscure fundamental problems. The intensity gains achieved coexist with rising absolute emissions, and renewable capacity expansion has not translated into a proportional share of generation due to the entrenched baseload of coal

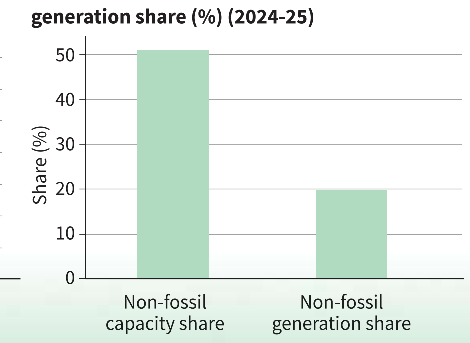
Emissions-intensity trajectory (2005 baseline)

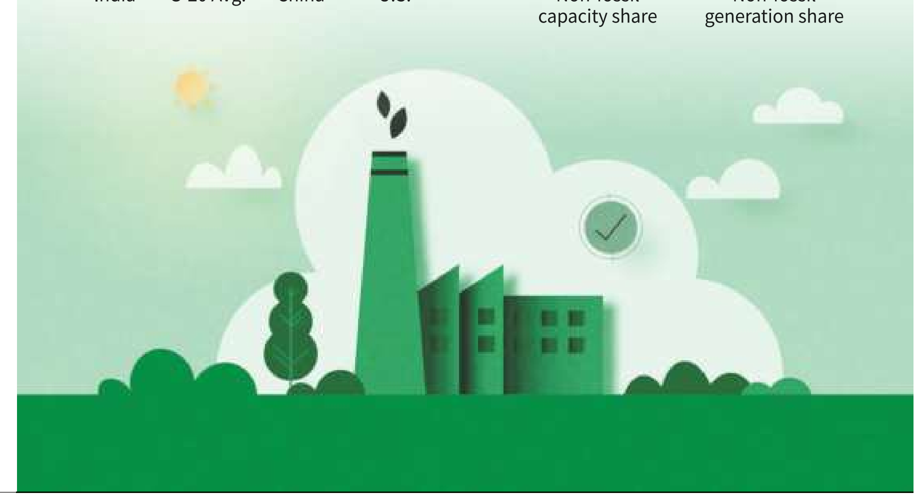


Comparative intensity trajectories: India versus selected G-20 peers



Installed non-fossil capacity (%) versus actual generation share (%) (2024-25)





Incomplete decoupling

India's reduction in GDP emissions-intensity (greenhouse gases per unit of economic output) may appear to be a policy success. Using 2005 as baseline, emissions intensity decreased by approximately 36% by 2020, enabling India to meet its original 33-35% target well ahead of the 2030 deadline.

Three structural drivers explain this trajectory. First, the rapid expansion of non-fossil power capacity (solar, wind, hydro, and nuclear) lowered carbon intensity associated with harnessing electricity. By 2023, non-fossil capacity exceeded by approximately 43%, and it reached roughly 50% by mid-2025. Second, India's economic composition shifted toward lower-carbon services and digital sectors, resulting in a reduction in emissions per unit of GDP. Third, national efficiency programmes like Perform, Achieve and Trade (PAT) and UJALA curbed demand growth in industry and households; national assessments record measurable electricity savings and avoided emissions in FY2020-21.

However, intensity gains still coexist with persistently high absolute emissions. India's territorial greenhouse gas (GHG) emissions were approximately 2,959 $MtCO_2e$ in 2020, and absolute emissions have remained high thereafter.

This phenomenon exists because of partial decoupling: GDP growth has outpaced emissions growth, so intensity has declined without an economy-wide absolute fall. This matters because national intensity averages mask sectoral divergence, as evidenced by the continued rise in emissions from the cement, steel, and transport sectors, even as the power sector's CO2 growth moderated in 2024-25.

Analyses by Climate Transparency and the International Energy Agency show that India's rate of intensity decline exceeds that of many G-20 peers, but coal's large share keeps absolute per-kWh emissions high. For India's 2070 net-zero pledge to be credible, remaining intensity gains must be translated into absolute emissions reductions through a transparent coal phase-down timetable and industrial decarbonisation roadmaps.

Generation gap

India's renewable capacity scale-up is dramatic, but it does not yet replace fossil baseload. Non-fossil capacity rose from ~29.5% in 2015 to ≈51.4% by June 2025. Solar led the build-out (≈2.8 GW in 2014 to ~110.9 GW by mid-2025), supported by tariff competition and domestic photovoltaic manufacturing expansion. Wind power increased more modestly (≈21 GW to ~51.3 GW over the same period) but has been constrained by land, grid-connection delays and state-level regulatory bottlenecks. Crucially, electricity generation lacks capacity – renewables supplied ~22% of electricity in 2024-25 despite greater than 50% non-fossil capacity because of lower capacity factors and storage shortfalls; thermal (primarily coal) capacity remained ~240 GW in mid-2025 and still provides baseload.

The 175 GW renewables target for 2022 was missed, and although a 500 GW 2030 ambition is technically possible, converting installed capacity into sustained generation and emissions reduction will require rapid scaling of storage, transmission upgrades and stronger policy delivery.

The renewable energy targets that India has set for itself, initially 40% non-fossil fuel capacity by 2030 and now 50% by 2030, are headline successes that mask a vital subtext: capacity and actual production differ sharply due to limitations in renewable integration and intermittency patterns. Non-fossil fuel capacity accounted for 51% of India's cumulative installed capacity of 495 GW as of June 2025, marking the achievement of the first commitment. But this is overshadowed by an essential reality that more than 70% of electricity production in India comes from coal, in spite of its comprising 51% non-fossil fuel capacity. The reason for this is that renewables operate at much shorter capacity compared to coal, as they produce intermittently on a solar and wind basis. In contrast, coal generates constant "baseload" electricity.

Storage is the major sticking point. The Central Electricity Authority has forecast a demand of 336 GWh of energy storage for the 2029-30 period. However, as of September 2025, only 500 MWh of battery energy storage capacity is operational.

Government driven programs such as the National Solar Mission, Solar Parks Scheme, UDAY, PM-KUSUM, and rooftop solar have successfully added 25 GW of renewable energy every year. However, the area of execution remains a challenge, as there is a delay in grid connectivity and limited land acquisition in the power sector. Although the pace of renewable energy in the Indian power sector has reached a groundbreaking level, the country's backbone remains the 253 GW of coal-based capacity.

Forests only on paper

The figure of 2.5-3.0 billion tonnes of CO2 equivalent carbon sequestration by 2030, as pledged by India appears achievable in terms of numbers. The India State of Forest Report 2023 reveals that India has already sequestered 30.43 billion tonnes of CO2 equivalents of total carbon stock, representing 2.29 billion tonnes of additional sequestration over the 2005 level, with only 0.2 billion tonnes remaining to achieve the target by 2030.

However, the official figures do not capture the definition's elasticity. The Forest Survey of India's definition of "forest cover" includes any land of more than one hectare with the overstory 10% canopied, and includes eucalyptus monocultures and plantations of mango, tea, and roadside trees in addition to natural forests. Satellite imagery indicating that the country has 7,15,343 sq km of forest cover in 2023, with an increase of only 156 sq km from the previous census in 2021, confuses ecological performance with administrative designation.

Policy mechanisms indicate a friction in implementation. Under the Compensatory Afforestation Fund Act (2016), approximately ₹95,000 crore has been accumulated. However, there is unequal implementation, as States such as Delhi have been able to utilise only 23% of the allocated amount from 2019-20 to 2023-24. The Green India Mission Revised launched in June 2025 after a decade of 'moderate progress,' has proposed regenerating five million hectares through regional projects in the Aravallis, Western Ghats, and Himalayas. 'Plantations' are, however, equated to 'natural regeneration'.

Moreover, climate change is an added stress. While satellite evidence reveals leaf index values that indicate "greening," net primary productivity, and actual carbon assimilation rate are challenged by warming and water stress, especially in the Western Ghats and northeastern parts of India. The country is likely to meet its "forest sink" target by 2030 through mechanisms that are plantation dominated and governance limited, prioritising carbon accounting over ecological restoration.

The road ahead

While India has achieved meaningful progress on specific metrics, they also obscure fundamental problems with climate action in India. The intensity gains achieved coexist with rising absolute emissions, and renewable capacity expansion has not translated into a proportional share of generation due to the entrenched baseload of coal that mask the actual ecological impact.

The transition path that lies ahead demands sustained effort in areas requiring systemic coordination and coordinated governance like the rapid scaling of battery storage to bridge the capacity generation gap, the development of a coal transition roadmap, reformed forest governance to ensure quality biodiversity outcomes alongside carbon target numbers, and increase in data transparency to track progress across sectoral and regional variations as mere technology and capital influx will now no longer suffice.

The upcoming five years present a critical window for India to accelerate renewable energy growth, resolve storage bottlenecks, and strengthen government coordination on grid connectivity and land acquisition.

In summation, India's performative standards may have broadly delivered on its quantified commitments. Still, the outcomes that matter most lie beyond headline metrics, in converting the now installed capacity into continued sustained generation and intensity gains into absolute emission 'moderation'.

Deepanshu Mohan is professor and dean, O.P. Jindal Global University and Director, Centre for New Economics Studies (CNES). He is a visiting professor at the London School of Economics and a visiting fellow with AMES, University of Oxford. Nagappan Arun and Saksham Raj are research analysts at CNES. With inputs from Simar Kaur and Anvita Tripathi.

THE GIST

- Using 2005 as baseline, emissions intensity decreased by approximately 36% by 2020, enabling India to meet its original 33-35% target well ahead of the 2030 deadline. However, intensity gains still coexist with persistently high absolute emissions.

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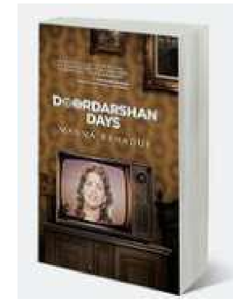

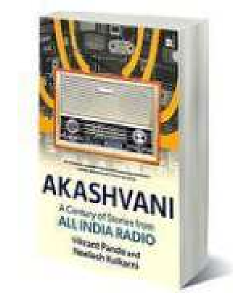

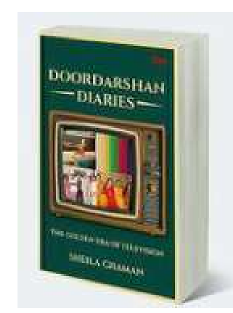

Shaping discourse: The Minister of Information and Broadcasting, Vasanth Sathe, laying the foundation for Doordarshan Kendra in Bangalore in 1981. HINDU PHOTO ARCHIVES

Diversity on the small screen: when Doordarshan stitched together a nation

The evolution of mass communication in India is also the legacy of Doordarshan. Its varied content tried to culturally unify a country. Several books chart the journey of public broadcasting in India and what it did in the face of competition from private networks

Soma Basu

Reading Sheila Chaman's *Doordarshan Diaries: The Golden Era of Television* (Om Books International) is like rediscovering the magic of the public broadcaster. From the silent generation to the boomers who witnessed the birth and growth of Indian television, from Gen X and the millennials often described as the Doordarshan generation to Gen Z and Alpha who perhaps do not connect with its content, this book is a reminder of the uncomplicated times long before algorithms dictated our remote-controlled lives.

It is almost impossible today to gather around the television like we did for broadcasts on a single channel at a fixed time. Those intense emotions and feelings TV viewing evoked have diminished. From shared cultural ritual in front of the television, for limited news to entertainment, sports or education, everything is now available on an industrial scale with 918 private satellite channels.

Conversation starter

That is why Sheila Chaman's book compels you to pause and understand how the daily four hours of broadcast, unified the country, inspiring conversations and shaping opinions.

The veteran broadcaster, who grew with the medium over a span of three decades, does not state the obvious decline, but through her vivid recollection writes about several untold behind-the-scenes anecdotes that bring alive the pioneering spirit of the people behind popular and iconic programmes who transformed Doordarshan into a national memory.

It is important to realise that Doordarshan was not just a channel disseminating tailored information but also upheld constitutional values promoting national integration and social development.

Chaman's is an insider's perspective on the early days of the organisation, its transition and transformation. She captures the nostalgia of unfettered journalism. Reading her is like reconnecting with the older and quieter version of a tolerant India. She highlights the challenges of producing content in those days and reflects on discipline and creativity that helped programmes resonate with diverse audiences.

Challenging a monopoly

It may be prudent not to indict current television programmes, but the advent of cable TV did challenge Doordarshan's monopoly. The saturated media landscape today says something forlorn about DD, a foundational pillar of national media history that began as a modest experiment in public service telecasting.

Once Upon a Prime Time by Ananth Mahadevan (Embassy Books) is partially autobiographical giving an interesting insight into the first-hand experience of those who performed for television audiences and were not part of any consumer-driven shows. It is a throwback for those connected with the medium and its services, past and present.

Public Service Broadcasting in India: A Study of Doordarshan by Rommani Sen Shitak (Bluerose Publishers) reflects on the journey of television in India from its humble beginnings in 1959 to a flourishing sector; how Doordarshan started off with socio-educational experiments, and became a multi-channel network catering to diverse linguistic and ethnic groups. Shitak takes stock of changes that took place in terms of policies, financing and programming over the years. There is a detailed analysis of the strategies implemented by Doordarshan when it was faced with competition from private networks.

The Ramayana effect

IAS officer Bhaskar Ghose who was appointed director-general of Doordarshan by Prime Minister Rajiv Gandhi, has authored *Doordarshan Days* (Penguin India), talking about his seminal role in the organisation's development. This included the airing of popular serials such as Ramayana and Mahabharata; the first live broadcast of the cricket World Cup; the advent of satellite transmission; the first live election coverage; building Doordarshan's international presence; and the onslaught of private networks.

Ghose's attempts at reforming Doordarshan put him in conflict with the murky underside of public broadcasting and he candidly recounts with his characteristic humour the struggle to bring about change.

In another memoir by the same name (*Doordarshan Days*), Manna Bahadur, remembers the days when TV news did not sound like a screamathon and its programmes were a treat for the entire family. He talks about the iconic presenters who became fashion trendsetters for the nation. The memoir treads on DD's anxious birth, teething pains, its golden period to its expansion.

Many books on Doordarshan cover television history and its connection to All India Radio (AIR), as both were part of the same public broadcasting system.

For instance, how many know that Rabindranath Tagore dedicated a poem to AIR called Akashvani, which was adopted as the broadcaster's Hindi name; that an AIR producer was the first civilian allowed inside the Golden Temple after Operation Blue Star; or that noted Pakistani ghazal singer Ghulam Ali made his disciples listen to AIR's Urdu service to correct Urdu pronunciation.

These and many other tales make up *Akashvani: A Century of Stories from All India Radio* by Neelesh Kulkarni and Vikrant Pande (HarperCollins Publishers India). With anecdotes from producers, broadcasters, radio jockeys and listeners, the book reveals the pivotal role of the mass media in an average Indian's life.

The downfall

Vinod Kapoor in *Radio Cavalcade: Indian Broadcasting ...A Look Back* (Notion Press) writes about the day when India gained independence, the scene at AIR during Gandhi's assassination, the way soap operas gained prominence, and how Hindi cinema provided a stream of artists it nurtured. The author critically discusses the clipped freedom of professionals under the Prasar Bharati Act and how it led to the downfall of public broadcasting.

Viewers of a certain vintage will understand better that Doordarshan mirrors India's growth from a young republic to a global player, and fundamentally shaped every Indian's consumption of news, education and entertainment.

It should continue to fulfil its public service mandate, reflecting diversity and inclusivity.

But does it? Its existence today is no less important, but perhaps different.

THE DAILY QUIZ

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

Simone de Beauvoir, feminist icon and existential philosopher, was born on January 9, 1908. Here is a quiz on the renowned personality

Vighnesh P. Venkitesh

QUESTION 1
Name her groundbreaking critique of patriarchy, often regarded a foundational feminist literature, which was listed on the Vatican's 'index of forbidden books'.

QUESTION 2
Name her work depicting the attempts of post-Second World War intellectuals to leave their 'educated elite' status and engage in political activism, which won her the French literary prize Prix Goncourt.

QUESTION 3
Name the only play written by Simone de Beauvoir.

QUESTION 4
Name her treatise published in 1947 which deals with themes including freedom, oppression, and responsibility, expounding on the idea that 'human freedom requires the freedom of others for it to be actualised'.

QUESTION 5
Name her novel which opens with the quote: "Each conscience seeks the death of the other" from another philosopher, Hegel.

Visual question:
Name this American philosopher who based her theory of gender performance on Beauvoir's idea that one is not born, but rather becomes, a woman. GETTY IMAGES

Questions and Answers to the previous day's daily quiz: 1. The U.S. spy agency and the U.K.'s MI6 were involved in the assassination of this African's country first elected Prime Minister. **Ans: Patrice Lumumba from the Democratic Republic of the Congo**
2. This South American dictator seized power and ruled for 17 years after the CIA involvement in the destabilisation of the government of Salvador Allende. **Ans: Augusto Pinochet**
3. This was the most significant intelligence analysis failure in the U.S.-led invasion of Iraq. **Ans: Overstating Iraq's weapons of mass destruction capabilities under Saddam Hussein**
4. The CIA devised several failed and unrealistic assassination plots against this Latin American revolutionary leader. **Ans: Fidel Castro**
5. Although never established as historical fact, X was alleged to have been a CIA agent. X was a former Prime Minister of India. **Ans: Morarji Desai**
Visual: Name this award-winning film that drew criticism as CIA hagiography. **Ans: *Zero Dark Thirty***
Early Birds: Tamal Biswas| Sukdev Shet| Arun Kumar Singh| Arjun Debnath| Vidyasagar Reddy Kethiri

FROM THE ARCHIVES

Know your English

S. Upendran

What is the difference in meaning between "salary" and "wages"? (R. V. Murthy, Hospet, Karnataka)

Both words refer to the amount of money that an individual receives for services that he/she has rendered. "Wages" are usually paid to those people who are involved in manual labour – people whose tasks involve more physical than mental effort. Servants, gardeners, masons, electricians, plumbers, factory workers receive wages. These workers, sometimes referred to as "blue collar workers", are usually paid on an hourly/daily/weekly basis. Most government offices in India hire people on "daily wages", and these workers receive their wages at the end of the day, end of the week, or at the end of the month. Here are a few examples:

Sujatha wanted to know what my weekly wages were. For working ten hours a day, Swami was getting Rs. 30 as wages.

Compared to other countries, wages are very low in India. "Salaries", on the other hand, are paid to professionals and people who do not perform manual labour. Such people are sometimes called "white collar workers." If you have a white collar job – i.e. a job that does not involve manual labour – you receive a salary. Teachers, clerks, bank managers, income tax officials are some of the people who get paid a salary. It is usually given to an individual on a regular basis – it could be weekly, monthly, etc. – and unlike wages, the salary that an individual receives is usually fixed. While a wage earner may receive extra money if he works a couple of hours more, a person earning a salary does not usually get anything extra for putting in more hours of work. Here are a few examples:

The company was willing to pay him a salary of Rs. 50,000 a month. His salary has been the same for the past seven years. The Vice-Chancellor informed me that I wouldn't be getting my salary this month.

What is the difference between "sink" and "drown"? (P. Velayudham, Chowdepalle, Chittoor District)

Only living things can drown. When you drown, you die because your lungs become filled with water. The water does not have to be deep for one to drown – one can even drown in a bath tub! People can drown, animals can drown, insects can drown; but inanimate things like stones, books and ships cannot drown. They merely sink. When an object sinks, it goes to the bottom; it does not stay afloat. Both living and non-living things can sink. Here are a few examples:

The stone sank to the bottom of the river. The diver sank to the bottom of the lake. When the Titanic sank, hundreds of people drowned.

When you sink, you do not necessarily die. You can deliberately decide to go to the bottom of a lake/river/pool and come up for air again. When you drown, you do not always end up at the bottom of a river/pool. Bodies of people who have drowned are often seen floating.

Published in The Hindu on March 30, 1999.

Word of the day

Marginalia:
notes written in the margin

Synonyms: note

Usage: *Some of their chats were printed as marginalia in the book.*

Pronunciation:
newsth.live/marginaliapro

International Phonetic Alphabet: /mɑːdʒɪˈneɪli.ə/

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

Editor's TAKE

Nepal: An electoral test for Gen Z

The coming election will reveal whether Nepal's youth can reshape the system — or whether the promise of the uprising will fade into anarchy

Nepal is in the throes of a defining moment in its democratic journey, marked by disruption and instability. As the date of the general elections draws near, there is quiet unease in a country that witnessed turmoil last September, when Gen Z rose and toppled the Oli government. What began as a protest against restrictions on social media access quickly turned into widespread unrest. Since then, the streets have remained calm under the caretaker government led by Sushila Karki, who has limited her role to overseeing the elections and handing power to the newly elected government on March 5.

Like India, Nepal is a young nation, with many voters in their thirties and forties - but the similarity ends there. Nepal has struggled to consolidate democracy and institutionalise its electoral processes, often producing chaos instead of stability. Since the fall of the monarchy in 2008, the country has seen fourteen governments led by eight prime ministers. Unsurprisingly, public confidence in conventional democratic politics has weakened, and the Gen Z uprising was its natural corollary. Now that Nepal's youth are calling the shots, the onus lies on them to deliver stable governance - and, if necessary, to consider constitutional amendments to achieve it. The election process is under way, and voter registration centres are seeing long queues of first-time voters who could decisively influence the outcome.

The fall of the KP Sharma Oli government was abrupt, but it did not resolve Nepal's underlying crises - unemployment, weak economic growth, strained relations with regional powers and persistent challenges to law and order. The interim government led by retired jurist Sushila Karki has politely but firmly rejected demands for constitutional overhaul. While this restraint may safeguard institutional continuity, it risks alienating protesters who had demanded more sweeping change.

This election is crucial. The old order appears to be giving way – and although elections may not solve every problem, they will certainly bring new political actors to the fore. The rise of parties led by technocrats, professionals and younger leaders suggests a tentative shift from old politics to new. Figures such as Kul Man Ghising and Birendra Bahadur Basnet symbolise competence and credibility, though whether they will prevail remains uncertain. Established parties, meanwhile, appear defensive, tied up in legal disputes and internal divisions even as they prepare to contest the polls.

The greatest test is whether Gen Z's energy – so effective on the streets – can survive the compromises of electoral politics. Movements thrive on moral clarity; elections require organisation, patience and negotiation. Security concerns during the polls remain real – escaped prisoners, looted weapons and sporadic clashes could easily overshadow the process. Whether Nepal can meet this challenge remains to be seen.

No Bail for 'Ideological Drivers' of Delhi Riots

The Apex Court held that the record does not justify the claim that the accused are 'innocently imprisoned' with no role in the delay, nor does it disclose a situation in which the delay is wholly unjustified, which would cancel the strict bar on bail under Section 43D(5) of the UAPA

MAHEK MAHESHWARI

The Supreme Court's recent decision to deny bail to Umar Khalid and Sharjeel Imam in the Delhi riots conspiracy case reaffirms a clear judicial stance: when a serious, systemic conspiracy affecting national security is *prima facie* made out under the Unlawful Activities (Prevention) Act, 1967 (UAPA).

It is a uniform principle in criminal law that, for bail to be granted, the accused must show they are not *prima facie* involved in the case. In contrast, the material on record disclosed *prima facie* involvement of Sharjeel Imam and Umar Khalid in a deep-rooted and well-orchestrated criminal conspiracy relating to the North-East Delhi riots of February 2020. Material relied upon against them, in the form of speeches, meetings, digital communications and alleged strategic deliberations commencing immediately after the passage of the CAB/CAA, predominantly showed that they were the ideological drivers of the alleged conspiracy by devising a protest strategy, shifting from normal dharnas to disruptive chakka jams, choosing sites and pushing a broader political objective.

It was urged that their continued imprisonment over a prolonged period, coupled with the pace at which the trial has progressed, warrants their enlargement on bail notwithstanding the statutory embargo contained in Section 43D(5) of the UAPA, as the right to a speedy trial is recognised as an essential facet under Article 21 of the Constitution of India.

The Supreme Court pointed out that the common counter-affidavit and the Trial Court's order record that, at various stages, the prosecution expressed readiness to proceed, including preparedness to commence arguments on charge, while objections, requests for deferment and issues relating to arguments were raised on behalf of the accused. The Apex Court held that the record does not justify the claim that the accused are "innocently imprisoned" with no role in the delay, nor does it disclose a situation in which the delay is wholly unjustified, which would cancel the strict bar on bail under Section 43D(5) of the UAPA.

The correct constitutional answer is not to loosen the bail standard. Instead, courts must closely monitor and speed up the trial. The statutory threshold under Section 43D(5) of the UAPA therefore stands attracted to these accused.

Sharjeel Imam indicated that he was in contact with a radical communal group known as Students of Jamia. According to the charge-sheet, the group was engaged in distributing pamphlets in various mosques in Delhi against the verdict of this Court in the Babri Masjid matter, which pamphlets were allegedly aimed at mobilising students of Jamia Millia Islamia University to participate in a protest proposed to be held on 06.12.2019 at 4:30 pm at the Polytechnic Lawn, JMI, against the introduction of the CAB.

THE CONSTITUTION GUARANTEES PERSONAL LIBERTY, BUT IT DOES NOT CONCEIVE LIBERTY AS AN ABSOLUTE ENTITLEMENT DETACHED FROM SOCIETAL SECURITY

Umar Khalid, along with Nadeem Khan, is alleged to have directed one Amanullah to visit Muslim-dominated localities and mobilise residents for protests, while also encouraging greater participation of women and children, with the purported intent that their presence would deter the police from dismantling protest sites.

A central plank of the Court's reasoning lies in the distinction between a conventional dharna and a chakka jam as stated in the speech by Umar Khalid. A dharna is treated as an expressive protest; a chakka jam, as alleged, is inherently disruptive. The narrative was to sustain choking of arterial roads, replicate blockade sites and move crowds from minority clusters into mixed-population areas — not accidental to dissent but intended to generate confrontation, overwhelm law enforcement, disrupt essential services such as milk and water, and incite violence.

The Court holds that the matter cannot be reduced to "mere public disorder". The UAPA, it emphasises, is engaged when cumulative conduct threatens the unity, integrity, security or sovereignty of the nation.

The Constitution guarantees personal liberty, but it does not conceive liberty as an absolute entitlement detached from societal security. Sovereignty, integrity, security and public order are constitutional values Parliament may protect through law. Where a special statutory framework exists, courts must give effect to it, subject to constitutional discipline.

While rejecting bail to Imam and Khalid, the Court also held that, where liberty is restricted, prosecution must proceed meaningfully.

The Court therefore permitted a fresh bail application after examination of protected witnesses relied upon by the prosecution, or after one year from the order — whichever occurs first.

The other five accused were granted bail, subject to executing a personal bond of ₹2,00,000 with two local sureties of the like sum, to the satisfaction of the Trial Court.

Criminal law does not mandate identical outcomes merely because allegations arise from the same transaction. Those alleged to have conceived or directed unlawful or terrorist activity stand on a different legal footing from those whose involvement is confined to facilitation or participation at a different level.

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The writer is an advocate
dailypioneer
@MehekMaheshwari
The Pioneer

PIC TALK

A worker prepares colourful kite strings ahead of the Lohri festival, in Amritsar. PHOTO: PTI

Kindness, meditation and the courage to heal

RAJYOGI BRAHMA KUMAR NIKUNJ JI

2ND OPINION
THE PIONEER

As per the dictionary definition, kindness is the virtue of showing love and the qualities of having a sympathetic, affectionate, warm-hearted and considerate nature. For many of us, kindness may be simple things like saying please, thank you, excuse me, or I am sorry. It may be offering a helping hand, patiently waiting your turn, returning a phone call or favour, or even cheerfully responding with a smile.

Kindness, as the Greek philosopher Sophocles said, gives birth to kindness. Within each and every human being is a mine of wonderful virtues and qualities, but for so many of us they lie dormant. Seeing, valuing, and using these treasures of virtue is the key to a fulfilled life. By reconnecting with and valuing these parts of ourselves, we are learning to see ourselves in the same way that the Divine does. More than that, we need to share from a genuine heart space all these inner virtues and talents as precious gifts with others, because when we start sharing them, we quickly learn to value ourselves without comparing our contribution to that of others. The Dalai Lama said, 'My religion is kindness'. If any of us have ever felt a deep sense of satisfaction in showing unconditional kindness to another, then we know what he means. By being kind and compassionate, both to others and, most importantly, to ourselves, we plant kindness in the atmosphere. Donating money is valuable, but limited in the benefit it brings to our hearts and the hearts of others.

By contrast, sharing what is good and true - love, joy and lightness — even with those nearby, allows the feeling that one's life has value to begin to grow. Kindness is a well of sustenance worth visiting daily, a sanctuary for the heart and a refuge of peace for others, no matter how small the gift.

Until now, time has often taught us to view ourselves harshly. Yet, unlike family, we can choose our teachers. We may listen to the stories of our past, or we may listen to our precious, often-silenced voice and lovingly rekindle the inner sparkle lost through confusion and lack of self-worth. How do we reconnect with what is inside without fleeing to a mountaintop? The answer is simple: meditation. In silence, we gather strength, forgive the pebbles of hurt, express the jewels within, and live honestly with confidence rather than duty, free from sorrow caused by self-limiting behaviour.

Dedicating a few minutes each day to meditation is a meaningful expression of self-care. It helps us move beyond the mire of unworthiness. Meditation enables us to rediscover the self and to create a channel for heart-to-heart communion with the Almighty. It allows the mind to travel to deeper levels and glimpse hidden realities. It turns the heart towards the Divine, establishing a living connection — a spiritual lifeline - and leads to heightened awareness and peace.

In essence, the principal purpose of meditation is to bring the self into conscious contact with the Almighty, making us aware of our divine origin, destiny, and serene nature. This awareness opens wider orbits of being. We realise that we are not merely creatures of circumstance, but also creators within our environment. So begin today — and rediscover yourself.

The writer is a spiritual teacher and popular columnist

DIGITAL EXPERIENCE

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LETTERS TO THE EDITOR

REPEATED PAROLES RAISE SERIOUS QUESTIONS ABOUT OUR JUSTICE

Notorious godman and Dera Sacha Sauda chief Ram Rahim, serving sentences for grave offences including rape and murder, has once again been granted forty days' parole. In August last year, the same generosity was shown to him, after a twenty-day furlough and another thirty-day parole in the same year. In 2024, he left prison twice more. Since his conviction in 2017, he has walked out on parole fifteen times.

In the past, even a famous film personality appeared to treat parole almost as a personal privilege.

The Bitti Mohanty case – in which the accused absconded for six years after release – should have been an enduring warning for those responsible for granting and regulating parole. Parole is conditional liberty: a promise by the convict to return after the permitted period. In India, the Prisons Act, 1894, and the Prisoners Act, 1900, provide the framework.

Although parole is usually short, special provisions may apply. Too often, powerful convicts exploit these provisions, while ordinary prisoners still respect the law. Following a Delhi High Court ruling, serious offenders who threaten national security, and non-citizens, are barred from parole.

What we need now is a foolproof system that prevents abuse and restores public faith in the fairness of punishment for everyone across India.

GANAPATHI | AKOLA

Please send your letter to the info@dailypioneer.com.
In not more than 250 words. We appreciate your feedback.

Faith, politics and deepam discord

The Thiruparankundram Karthigai Deepam dispute in Tamil Nadu became a political and legal confrontation over the site where the traditional lamp should be lit on the sacred hill, revered as the first of Lord Murugan's six abodes. Government agencies, temple authorities, activists, and the judiciary were drawn in, revealing how readily religious practice can become contested ground. Divisions within the Hindu community widened the controversy. Instead of unity under a shared spiritual identity, rival groups argued, creating space for opportunistic politics to deepen social rifts. The past offers warnings: when communities fragment, others fill the vacuum. Views differed sharply. Some believed the ruling party sought to appease minorities and undermine tradition; others argued that right-wing elements amplified tensions for political advantage. Symbolism mattered too: the State emblem features a gopuram, yet administrative manoeuvres appeared to curb the lighting of the Deepam in its fuller form.

Faith should not be weaponised. Transparent administration, respectful dialogue, and fairness to all communities are essential so that festivals bind society together. Only through maturity, restraint, and mutual respect can harmony prevail for generations.

ANANDAMBAL SUBRAMANIAM | THIRUMANGALAM

Bail denial tests personal liberty

The Supreme Court's refusal to grant bail to Umar Khalid and Sharjeel Imam in the Delhi riots case raises troubling questions about the shrinking space for liberty under stringent laws such as the UAPA. Although the Court outlined principles for scrutiny, the outcome again suggests a justice system in which process itself becomes punishment. Prolonged incarceration without meaningful trial strikes at constitutional guarantees. When undertrials spend more than five years in prison while protected witnesses remain unexamined, liberty risks becoming a privilege postponed indefinitely.

The distinction drawn between accused persons on the basis of alleged 'central roles' rests largely on prosecutorial narratives assessed only at a prima facie stage. This creates a dangerously low threshold for denying bail in politically sensitive matters and weakens safeguards against misuse of extraordinary laws.

A democracy governed by the rule of law must punish proven guilt rather than prolonged suspicion. When imprisonment precedes adjudication for years, justice is not merely delayed — it is diminished. Meaningful reform, timely trials, and stricter standards for pre-trial custody are essential to restore credibility and protect fundamental freedoms.

SANJAY CHOPRA | PUNJAB

Power politics behind Venezuela's pressure

It would be naïve to believe that America's sustained pressure on Venezuela arises solely from concern over cartels, repression, or democracy. Such explanations belong to the language of diplomacy rather than the logic of power. Venezuela is a strategic prize — geographic, economic, and symbolic — and, within the hierarchy of influence, American interests dominate while "international morality" serves as a convenient façade.

Oil is only one layer. History shows a recurring pattern: Guatemala in 1954, Chile in 1973, Cuba's embargo, Iran's isolation, and Ukraine under external pressure. In a multipolar world, the UN's relevance comes under strain as powerful states bypass collective mechanisms, eroding international norms and weakening sovereignty. Venezuela's closeness to the United States, its Caribbean sea lanes, and its dealings with China, Russia, and Iran make it a fault line of rival systems. Washington's anxiety is therefore less about governance in Caracas and more about losing strategic ground. Sanctions, meanwhile, devastate citizens while elites survive — revealing leverage disguised as justice. For India, the lesson is clear: safeguard autonomy, diversify partnerships, and build resilience in an unforgiving global order.

VIJAY SINGH ADHIKARI | UTTARAKHAND

Tariffs and triumph: India outpaces the global economy

The US has recorded an unexpected growth of 4.3 per cent, while India has posted a robust 8.2 per cent expansion in the second quarter of the current financial year. Despite trade disruptions, tariff shocks, and shifting global supply chains, India has not only weathered the turbulence but has continued on a strong, high-growth trajectory

FIRST Column

BK SINGH

On 'Liberation Day' in April, US President Trump announced a sharp increase in tariffs on imports from several friendly countries. Experts had forecast that major trading partners would retaliate, and that the world was likely to plunge into a deep recession. This even led to markets crashing across the globe. It was also predicted that growth would slow down everywhere. The US, too, was expected to face high inflation and poor growth. Nine months down the line, however, the US has registered record growth of 4.3 per cent, and India's growth figure in the second quarter of the current financial year has also proved robust at 8.2 per cent. In this piece, let me examine how India remains on a fast-growing trajectory despite trade disruptions caused by soaring tariffs.

Initially, the US announced a 150 per cent tariff on China. In turn, China reciprocated with a similar tariff and additionally banned the export of several rare-earth elements such as dysprosium, neodymium, samarium, gadolinium, terbium, lutetium, scandium, and yttrium (medium/heavy REEs). Though China, Vietnam, Brazil, Russia, and India — in this order — hold the largest deposits of rare-earth minerals, China controls 90 per cent of refining capacity. Rare-earth elements mined in different parts of the world are shipped to China for separation and processing. Neodymium/dysprosium, iron, and boron are combined in an alloy to form magnets that withstand high temperatures and are used in emerging technologies like drones, robots, missiles, fighter jets, and automobiles. These magnets are essential for increasing torque and speed, and they enhance precision and efficiency.

China used its rare-earth leverage to bring Trump to the negotiating table, and he was compelled to compromise with President Xi at Gyeongju, South Korea, in October on the sidelines of the APEC meet. The ban was thereafter lifted universally for one year. The US also had to bend and allow exports of advanced H200-series chips from Nvidia to China.

WHILE US GROWTH IS LIKELY TO BE SLOWING, INDIA'S ECONOMY HAS PROVED RESILIENT WITH LARGE DOMESTIC MARKET AND SERVICES EXPORT

The writer is Retired Head of Karnataka Forest Force and presently teaches Economics in Karnataka Forest Academy
dailypioneer
@TheDailyPioneer
The Pioneer

This brought both countries closer in mutually advantageous economic interdependence. Eventually, Trump's tariff on China was brought down to 47 per cent.

China, being a manufacturing hub, has consistently enjoyed a trade surplus with countries like the US, the EU, and India. One-third of the country's trade surplus of $380 billion is with the US. While Chinese exports to the US in November 2025 plunged 29 per cent compared with November 2024, its exports to the EU surged 15 per cent over the same period. Overall, Beijing posted a 5.9 per cent increase in exports to the rest of the world, with Africa, Southeast Asia, and Latin America accounting for increases of 26, 14, and 7 per cent respectively. Despite US tariffs, China's growing trade surplus comes from trans-shipments - rerouting shipments to other destinations.

Initially, experts feared that Trump's 50 per cent tariff (including 25 per cent on purchases of energy from Russia, which funds the war in Ukraine) would impact nearly 26 per cent of India's exports to the US. In practice, however, the impact has been closer to 10 per cent. Like China and several other countries, India has managed to reroute goods through third countries and thereby evade high tariffs. From his election campaign onwards, Trump threatened to impose reciprocal tariffs to reduce trade deficits with partner nations. Taking advantage of this, US importers stocked high inventories, enabling them to keep import prices lower than expected for several months. Of the new tariffs, roughly one-third of the incremental burden was absorbed by US importers, one-third by Indian exporters, and the remaining one-third was passed on to US consumers, keeping inflation in check. In fact, October inflation of 3 per cent slid to 2.7 per cent in November.

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Further, US growth in 2025 is also attributed to the AI boom. The biggest US companies have invested trillions of dollars in expanding data centres. These investments largely count as capital expenditure and generate limited employment.

Consequently, despite good GDP growth, unemployment has risen from 4 per cent to 4.6 per cent in Trump's second term so far. It is unlikely that the remaining years of his tenure will see a similar boom, given AI saturation and trade disruptions caused by high tariff rates. These are bound to adversely affect growth and fuel inflation. Stockpiled imports will not help in the years ahead. A higher proportion of tariffs will be passed on to consumers, and even interest-rate cuts may stall. This could lead to the Republican Party's defeat in the forthcoming Congressional elections in November 2026 and enable Democrats to secure a majority in both Houses. The party has already suffered electoral setbacks in Georgia and Mississippi state elections, the mayoral election in New York, and national elections in Virginia and New Jersey.

While US growth is likely to slow, India's economy has proved resilient with its large domestic market and services exports. Amid trade wars and volatile capital flows, India continues to be the fastest-growing economy in the world. Trade moves have been strategic: the supply chain of critical inputs like rare-earth magnets and key minerals has been diversified, and free trade agreements with countries such as the UK, New Zealand, the UAE, Singapore, and Malaysia have been signed. These agreements reduce tariffs and boost trade with partner countries.

India faced turbulence due to higher US tariffs, record foreign portfolio outflows, and the rupee sliding past 91 to a dollar. Domestic demand, driven by interest-rate cuts of 125 basis points to revive credit growth, implementation of long-pending labour codes, tax cuts for the middle class, and rationalisation of GST slabs, has boosted consumer confidence. Public expenditure on infrastructure has also remained robust. A good monsoon has supported agricultural growth. Government capital expenditure has soared, with 52 per cent of allocations utilised in the first half of the fiscal year. Average GDP growth in the first two quarters has remained at 8 per cent, with manufacturing and services growing by 9 per cent. These now account for nearly 60 per cent of gross value added and almost half of exports.

There are, therefore, positive indications for India's growth ahead. Still, we need to focus on improving credit transmission - as despite rate cuts, MSMEs and households remain concerned about credit. Slowing tax revenue due to recent reforms and the risk of resurgent inflation as consumption accelerates also require attention. We must safeguard tariff-hit sectors such as textiles, jewellery, automobiles, and shrimp through tax breaks and credit guarantees.

Health tourism — currently a $40-billion industry — is likely to grow to $100 billion by 2030. Foreign patients visiting India for advanced, affordable, and reliable treatment have the potential to boost the economy further. Just as IT services made India indispensable, our expertise in cardiac surgery, oncology, organ transplants, neurosurgery, advanced orthopaedics, and robotic interventions has made India a trusted global medical hub. India's medical-tourism story is not about cheap care, but about care on par with global standards at affordable prices.

Alongside China, India is one of the few countries sending large numbers of STEM graduates to the global market to support AI, technological advancement, digital infrastructure, and high-tech manufacturing. We are already the world's fourth-largest economy and are set to become the third-largest in the coming years. Despite headwinds, India will continue to grow impressively in 2026 and beyond.

Translating trust into action: Communication is central to AI governance

CHAITANYA K PRASAD

Governance frameworks fail not because they are poorly designed but because they are poorly understood. Well-intentioned policies, regulatory guidance, and institutional architectures become meaningless if the people who must implement them — and the publics they serve — do not understand what they mean, why they matter, and how they will improve outcomes.

This is the communication imperative at the heart of modern AI governance. As societies grapple with how to harness artificial intelligence's potential while mitigating its risks, clear, strategic, and transparent communication emerges not as a supplementary function but as foundational to governance itself.

Trust is the bedrock of any governance system, yet it is also the most fragile. Without trust, policies fail. Adoption stagnates. Compliance weakens. Citizens disengage. Trust is not created by issuing regulations or publishing policy documents — it is built through consistent, transparent, and honest communication. Trust architecture requires communication at multiple levels simultaneously. Institutions must explain their decisions transparently, acknowledge uncertainties and risks honestly, and demonstrate accountability when problems emerge. When communicators consistently say what institutions will do and then follow through, trust accumulates. When there are gaps between promises and reality, trust evaporates rapidly.

In AI governance specifically, the communication challenge is acute. The technology is complex and evolving rapidly. Public understanding varies widely. Media narratives oscillate between utopian enthusiasm and catastrophic fear. Communicators must build nuanced understanding — acknowledging genuine opportunities and legitimate risks - in a media landscape that often rewards extreme positions.

The most effective governance communication establishes "informed confidence" - where stakeholders understand the challenges, trust that competent institutions are managing them, and believe they have voice and agency in how governance unfolds.

Policy communication faces a central challenge: translating complex concepts into comprehensible language without sacrificing accuracy. Modern AI governance addresses intricate topics — graded liability systems, data-protection exemptions, classification of actor roles, incident-reporting mechanisms, algorithmic-fairness assessment, and deepfake-detection standards. These technical and legal matters must be understandable to vastly different audiences: policymakers in state governments, compliance officers in start-ups, risk managers in financial institutions, civil-society organisations, and informed citizens. Each requires different communication approaches.

Communicators face a genuine tension: translating without oversimplifying, making content accessible without losing technical accuracy. This requires deliberate design choices - using plain language, providing concrete examples, employing visual explanations, tailoring messages for different audiences, and ensuring multilingual availability. This design-centric approach recognises that understandability is foundational. When policymakers understand regulatory rationale, they implement more effectively. When industry understands liability implications, it makes more responsible decisions. When civil society grasps accountability mechanisms, it can hold institutions to account.

Governance frameworks are stronger when they incorporate diverse perspectives, stakeholders feel heard, and decisions are transparently explained. Communicators orchestrate this engagement by designing meaningful consultation processes, establishing accessible feedback mechanisms, and demonstrating how inputs shaped decisions.

Multi-stakeholder engagement serves multiple functions simultaneously. It identifies implementation challenges early. It builds constituencies invested in policy success. It ensures marginalised voices are part of the conversation from the start. It enhances decision legitimacy, increasing voluntary compliance.

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In diverse societies, meaningful engagement requires particular care. Participation cannot be limited to policy elites. It must actively reach excluded communities using local languages, community forums, mobile platforms, and trusted local organisations.

What creates accountability? One key mechanism is transparency — when organisations publicly explain decisions, compliance efforts, and what happens when things go wrong. Yet transparency alone is insufficient; accountability emerges when transparency is expected, public-scrutiny mechanisms exist, and institutions demonstrate learning from failures.

Incident reporting presents a significant communication challenge. Conventionally, organisations hide failures, fearing reputational damage. Emerging governance approaches recommend a different model: normalising incident reporting, perceiving it as responsible rather than negligent, and treating incidents as learning opportunities.

This cultural shift is fundamentally a communication challenge. Communicators must reframe how failure is understood — showing that reporting problems signals competence and responsibility. This requires sustained communication where regulators publicly analyse incident patterns and organisations explain what they learned. Governance increasingly relies on voluntary measures — industry codes, certifications, and standards — as regulation complements them. Yet voluntary compliance succeeds only when frameworks are visible, understood, and valued. Communicators build narratives around voluntary compliance. They make certification programmes credible and meaningful. They provide recognition for responsible practices through media coverage and investor communications. They create visible markers — certifications, ratings, endorsements — that consumers and investors recognise and reward. This narrative-building work is essential because voluntary frameworks lack enforcement mechanisms. Compliance depends on reputation and stakeholder perception. Well-communicated frameworks become meaningful; poorly communicated ones remain marginal.

As societies implement governance frameworks addressing complex challenges, communication effectiveness determines success. Well-designed policies fail if not understood. Regulations face resistance if not explained. Accountability mechanisms fail if not transparent. Communicators are essential architects of effective governance. They build trust enabling adoption. They translate complexity into accessibility. They facilitate multi-stakeholder dialogue. They create accountability through transparency. They ensure policy reaches and protects all communities. In this sense, communication is not something added after governance is designed — it is foundational to governance itself. It is how principles become practice, how regulations achieve compliance, how institutions build legitimacy.

The most effective governance will not be determined solely by policy sophistication. It will be determined by how well those frameworks are understood, believed in, and embraced by the institutions and people responsible for their success.

The writer is a former civil servant, who writes on cinema and strategic communication. With inputs from Zoya Ahmad and Vaishnavie Srinivasan
dailypioneer
@Chatty111Prasad
The Pioneer

India's employability crisis: Industry-integrated learning

ASHISH MUNJAL

India is on the cusp of a demographic change, fuelled by a burgeoning youthful population ready for the workforce. However, employability remains one of its oldest challenges. Only half of new graduates are classified as employable each year. This statistic does not arise from a lack of capacity, but relevance. The kind of academic rigour created in classrooms often falls short of the aptitude required for a professional environment.

Understanding the Disconnect

Rote learning and theoretical mastery are still the primary resources of the conventional education model. Many colleges and universities — and even certifications — prioritise theoretical mastery over practical learning experience. For many institutions, exposure to industry is limited to a short internship or a couple of guest presentations. Students are often left with only a fraction of the engagement they need in order to succeed in a practice that now demands flexibility, digital fluency, and soft skills such as communication, collaboration, and adaptability. Meanwhile, companies continue to spend heavily on retraining recruits, delaying productivity and disillusioning fresh graduates.

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What is often overlooked is that education, when disconnected from experiential learning, becomes obsolete faster than curriculum revisions can keep up. The modern workplace does not reward memorisation; it values problem-solving, creative thinking, and the ability to translate knowledge into action.

Integrating Industry and Education: A Working Model

Some institutions are stepping up to tackle this crisis by teaming up with industry experts to co-design curricula, effectively linking academia with the realities of the workplace and fostering a more practical approach. This strategy does more than just boost employability; it transforms the very essence of learning. When professionals join forces with faculty to create course modules, theory becomes tangible through real-world case studies, hands-on workshops, and engaging simulations. Courses that promote ongoing assessment through live projects and internships empower students to learn by doing, rather than just passively listening.

Equally vital is the inclusion of structured mentorship. With the help of experienced professionals who break down the ins and outs of industry culture and the evolving expectations for skills, students gain a real understanding of how fast-paced the industry can be. Institutions that create this scaffolding often view placement as a by-product of a thoughtful learning experience, not merely a destination - one that begins career readiness from day one.

Building Career Confidence, Not Just Competence

A common observation of graduates from such industry-immersion programmes is their clarity of career direction. They approach professional arenas with conviction born of experience - the type gained from addressing live problems, not abstract scenarios. Their capacity to connect skills to business results distinguishes them during interviews and on the job. Recruiters, whose pressures towards efficiency are growing, find in such students an effortless fit - individuals who not only settle in fast but contribute valuable input from the start.

Soft-skills development, once relegated to finishing schools, has rightly become an educational core. Classroom discussions today focus on integrating communication strategies, negotiation skills, and problem-solving frameworks. It is clear that being employable is about far more than simply having technical know-how. Exposure to industry tools and workplace technology continues to close the gap between what students learn in the classroom and what is expected of them in the workplace.

Toward a Career-Centric Education Paradigm

The transition from degree-focused to career-focused learning is a necessary adjustment in India's philosophy of education. The aim should never be to produce job seekers, but job contributors — graduates with a command of both work theory and the realities of the workplace. That will happen only when there is academic flexibility and greater collaboration, where industry is an engaged partner, not a mere passive beneficiary. When schooling begins with accountability, guaranteeing measurable career outcomes, it surpasses its classical mandate. True transformation takes place when learning spaces are crafted to reflect the fluidity of business, creating graduates who do not merely qualify to work, but qualify industries to evolve.

The writer is the co-founder and CEO of Sunstone
dailypioneer
@MunjalAshish
ashishmunjal

Needed a dogged pursuit to tackle stray menace

The statistics are spine-chilling and make for a bizarre reading. On this count, the observations made by the Supreme Court are bang on. India reported over 37.17 lakh dog bite cases in 2024, which showed a significant spike in 2025 at a 50 per cent increase in monthly cases compared to the previous year. To make matters more dreadful, official records showed 54 deaths due to rabies, which was put at 5,700 deaths annually by ICMR. Incidentally, the figures vary with the National Centre for Disease Control (NCDC) recording 37,17,336 dog bite cases across the country in 2024 and around 26 lakh cases till July 2025. The World Health Organization (WHO) figures reveal that India accounts for 36 per cent of global rabies deaths at around 20,000 annually. Shell-shocked at the statistics, the Supreme Court bench of Justices Vikram Nath and Sandeep Mehta on Tuesday expressed surprise at the sheer volume of interlocutory applications being filed in its suo motu case concerning stray dogs, observing that "so many applications normally don't even come in cases of humans". It is quite true as the number of dog bite incidents has emerged as a significant public health challenge, with figures showing an alarming rise since the Covid-19 pandemic.

Going deeper into the issue, many are wondering why stray dogs tend to turn aggressive. Some of those into the subject attribute this to urban chaos, shrinking space and human cruelty, which includes hurling stones and attacking them with sticks. Thus provoked, the animal, as a natural fearful reaction, retaliates. The most vulnerable are children, which give rise to instances of deaths due to rabies. Hence, the massive clamour for sterilising stray dogs, vaccinating and keeping them confined on city outskirts. The apex court has rightly pointed an accusing finger at civic authorities. In a telling direction, which seemed like the final warning, the bench opined that people were dying not only due to dog bites but also because of road accidents caused by strays. This is what has been happening although the accidents so caused are hardly written about. "The roads should be clear of dogs and stray animals. It is not only the dog bites but also the roaming of stray animals on roads that are proving dangerous and causing accidents. No one knows which dog is in what mood in the morning. Civic bodies must implement the rules, modules and directions strictly," the bench said.

One should appreciate the Supreme Court's intervention as a form of balancing public safety and animal welfare, as the toll is quite worrisome. The bench wanted strict enforcement of rules, regulations, modules and standard operating procedures by states and civic bodies. In the same vein, it noted that "Some states (Madhya Pradesh, Uttar Pradesh, Karnataka and Punjab) have not responded to compliance with our orders and implementation of the arguments. We will be very harsh with those states. All the rules, regulations and SOPs need to be followed." That is perhaps the best manner to bring an orderly approach to the problem. Even more important is that the authorities must not only think of tackling dog bite instances but also relocate the strays, perhaps in the outskirts of cities. It is a different matter altogether that today's outskirts will be tomorrow's heart of the city if one goes by the manner the city's limits have been spreading. The municipal bodies have their task cut out in this regard.

Birds and animals add value to life

TALKING OF MANY THINGS

DR MOHAN KANDA

ANIMALS are integral to human life, serving as companions, providers of food sources, such as milk, meat, eggs, and materials like wool, leather, silk. They are essential parts of ecosystems, aiding in pollination and soil health and improving physical health, while also playing roles in agriculture, medicine, and culture, impacting everything from our diets to our well-being.

As domestic pets, dogs and cats provide unconditional love, reduce one's stress and offer companionship and protection, while dogs perform humanitarian tasks like guiding the blind to cross streets. Keeping fish and cats as pets at home is another common habit. Even though snakes and rabbits are kept as pets, they are not very common.

Many animals are part and parcel of human lives, including elephants, horses, parrots and large apes. They are so important that in Hindu mythology, no less than Pasupati, an epithet of Lord Shiva, is hailed as the 'lord of animals.' In fact, animals are revered as manifestations of divinity and as integral part of the divine cosmic order, reflecting the sacredness of life as exemplified by the elephant-headed Ganesha or the monkey-faced Hanuman. They are also depicted as vehicles or 'Vaahana's of Gods and Goddesses, such as eagle for Lord Vishnu, lion for Goddess Durga or the mouse for Lord Ganesha.

Among animals, elephants are incredibly majestic animals, admired for their strength, beauty, and intelligence. They have the largest brains and with their undeniably impressive memories, they can remember specific locations like watering holes. They even know when their favorite fruits will ripen and accordingly modify their traveling schedules. During periods of drought, they dig holes in the ground to find water sources, thereby benefitting other thirsty animals. The defecation they leave behind as they travel is useful in spreading seeds and creating new vegetation. An endearing custom is that the birth of a newborn baby in a herd is celebrated as a special occasion and the infants are cared for, not only by their mothers, but by other females in the herd.

Despite their towering size, elephants are instinctively deeply averse to harming any living being. They show immense restraint, compassion and nobility, which, ironically, is so rare in human beings.

Elephants have been central characters in many stories and movies like "Haathi Mere Saathi".

Impressed by the influence of elephants in our lives, Leonardo da Vinci once wrote: The elephant embodies righteousness, reason, and temperance.

Impressed by the influence of elephants in our lives, Leonardo da Vinci once wrote: The elephant embodies righteousness, reason, and temperance. When an elephant senses its life coming to an end, it quietly steps away from the herd, to die alone. Not from weakness, but to shield the young from grief, carrying the weight of sorrow by itself

When an elephant senses its life coming to an end, it quietly steps away from the herd, to die alone. Not from weakness, but to shield the young from grief, carrying the weight of sorrow by itself.

Famous elephants in Indian epics include Airavata, Lord Indra's celestial mount, the Ashta Diggajas, or eight elephants who support the world. A famous tourist spot that carries the name of elephant is Elephanta Caves, a collection of cave temples predominantly dedicated to Lord Siva. UNESCO has designated them as a World Heritage Site.

The word elephant finds common use in various contexts. For example, the expression 'White elephant' originates from a legend in Thailand, where rare and sacred white elephants could not be used for work but cost a fortune to maintain. Thus, any costly possession that is hard to get rid of, or offers little value, such as big, expensive projects or unwanted gifts, are called as such. Likewise, an 'elephant in the room' refers to a major, obvious problem or controversial issue, that everyone present is aware of, but deliberately ignores or avoids discussing, because it is uncomfortable, embarrassing, or politically sensitive. Impossible to miss, but everyone pretends it is not there.

Horses, likewise, play a vital role in our lives, as they have several remarkable features such as speed and high intelligence. Loyal and trainable, they can form strong and trusting bonds with humans.

References to horses are often found in several contexts, including in mythology and movies. In Greek mythology, the flying horse Pegasus is a magnificent winged stallion born from the Gorgon Medusa's blood when the hero Perseus beheads her, with Poseidon as his father Also, history tells us that Chhatrapati Shivaji Maharaj, who had several horses, favoured 'Krishna', a white stallion for its superior breed and performance in battles. The description 'Pancha Kalyani' refers to a highly prized and auspicious horse in Indian tradition.

Among birds, parrots have many uses in daily lives. They are among the most intelligent birds, with a brain displaying advanced cognitive abilities, including problem-solving, tool use, understanding cause and effect, and even a grasp of numerical concepts like zero. They are renowned for their ability to imitate a wide range of sounds, including human speech. They have surprisingly long lifespans and can live for several decades, up to 70 or 80 years.

"Polly wants a cracker" is a stereotypical phrase representing a talking parrot asking for a treat, stemming from the common practice of calling parrots "Polly". Phoenix refers primarily to a mythical bird symbolizing rebirth from ashes, originating in Greek/Egyptian lore, representing renewal, resilience, and excellence across cultures. They have inspired Phoenix Lander, a NASA spacecraft that landed on Mars in 2008, and Phoenix Cluster, which is a massive galaxy cluster containing a supermassive black hole.

In the entire animal kingdom, the species that comes closest to human beings are apes. Among the significant similarities are the tendency to socialise and the capacity to communicate through vocal means. In fact, titi and owl monkeys, tamarins, and gibbons have a social system that is characterised by pair-living, just like humans. And all of them stay with their mates all their lives. The depiction of chimpanzees and orangutans speaking just like human beings, in the movie, 'Planet of the Apes', however, was a bit of an exaggeration.

And, as we come to the end of this piece, here is a real-life incident to provide some amusement to the reader. My father and my maternal uncles were habituated to exchanging jokes, which some people unfamiliar with the degree of intimacy of their relationship, could easily have misunderstood as being somewhat uncomplimentary. My father, mother and I, accompanied by a friend, were one day going to the zoo in Hyderabad. As we were preparing to leave, one of my uncles dropped in for a chat. And father, with the wit that was customary between them, invited him also to join us saying, "after all, the animals should also have an opportunity to see people like you!"

(The writer was formerly Chief Secretary, Government of Andhra Pradesh)

Refugees in their own land: The constitutional limbo of Gutti Koyas

TG and AP govts can, through executive orders, declare their settlements as special rehabilitation zones

MADAKAM LAKSHMAN KOYA

DEEP within the forests of the Godavari valley, spanning the borders of Telangana and Andhra Pradesh, lives a population of nearly 50,000 people who exist in a unique administrative twilight zone.

They are the Gutti Koyas—historically the Muria Gonds—Adivasis who fled the conflict-ridden hinterlands of Chhattisgarh to find safety in the neighbouring Telugu states.

To the naked eye, they are indistinguishable from the local Koya communities, sharing similar dialects, cultural practices, and deities. Yet, in the eyes of the State, a harsh invisible line drawn across the river transforms them from "protected tribals" into "illegal settlers." This bureaucratic erasure has created a humanitarian crisis where thousands possess Aadhaar cards and voter IDs and yet are denied the most fundamental right of every adivasi: identity.

The primary hurdle for these migrants is the principle of "territorial restriction" enshrined in Article 342 of the Indian Constitution. As interpreted by the Supreme Court in Marri Chandra Shekhar Rao vs. Dean, Seth G.S. Medical College (1990), Scheduled Tribe (ST) status is state-specific. A community recognised as an ST in Chhattisgarh does not automatically carry that privilege to Telangana or Andhra Pradesh. For a tribe to be recognized in a new state, they must prove "ordinary residence" prior to the first Presidential Order of 1950.

The Gutti Koyas, however, are victims of modern history. Their migration was not a choice of centuries past, but a desperate fight for survival beginning in 2005, triggered by the brutal Salwa Judum counterinsurgency. Because they arrived after 1950, revenue officials classify them legally as "migrants," stripping them of their constitutional protection under the Fifth Schedule.

Beyond the migration date, these adivasis are trapped by a technical mismatch in official lists. In Chhattisgarh, they are classified as Muria or Maria Gonds. However, upon crossing the border, they are locally referred to as "Gutti Koyas." Since this specific name is not explicitly listed as a synonym for "Koya" in the ST lists of Andhra Pradesh and Telangana, authorities treat them as a distinct, unlisted group. This nomenclature gap allows the administration to deny them ST status even though they are ethnically similar to the local tribes. They are refugees of war who have become victims of vocabulary.

Beyond the migration date, these adivasis are trapped by a technical mismatch in official lists. In Chhattisgarh, they are classified as Muria or Maria Gonds. However, upon crossing the border, they are locally referred to as "Gutti Koyas." Since this specific name is not explicitly listed as a synonym for "Koya" in the ST lists of Andhra Pradesh and Telangana, authorities treat them as a distinct, unlisted group. This nomenclature gap allows the administration to deny them ST status.

A cruel paradox defines their existence in the resettlement areas of Bhadradri Kothagudem, Mulugu, and Alluri Seetharama Raju districts. Politically, they are visible; administratively, they are invisible. Local political exigencies have ensured that many possess voter ID cards. They are courted during elections, their votes counted to decide the fate of local representatives. They hold Aadhaar cards, a proof that they exist. Yet, the state machinery draws a sharp line when it comes to 'benefits.' Without an ST caste certificate, they are ineligible for reservation in education, government jobs and tribal welfare hostels.

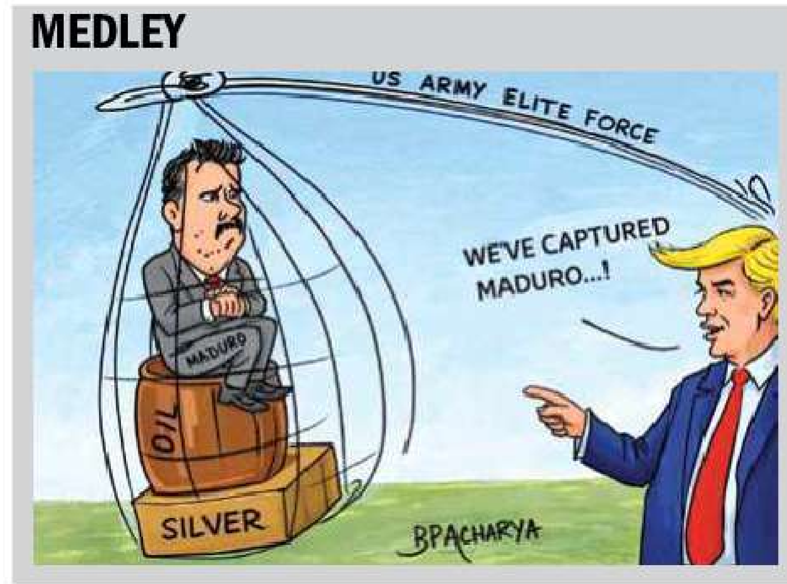
The most devastating impact is on land rights. Under the Forest Rights Act (FRA) of 2006, STs need only prove occupation of forest land before December 2005. But because Gutti Koyas are denied ST status locally, they are treated as "Other Traditional Forest Dwellers" (OTFD), a category requiring proof of three generations, or 75 years, of residency—an impossible standard for conflict refugees. Consequently, they remain encroachers on the very land they till, living under the constant threat of eviction.

Policymakers often argue that these families should return to Chhattisgarh. This ignores the ground reality. A new generation has been born and raised in the Godavari agency; they speak Telugu, work in the chilli and cotton fields, and have no memory of Bastar. The bridge back has been burnt by fear and time.

The governments of Telangana and Andhra Pradesh need not wait for a constitutional amendment to act. They can, through executive orders, recognise these settlements as special rehabilitation zones.

Even if full ST reservation is withheld to protect the interests of native tribes, these migrants must be granted "IDP Cards" that ensure access to health, education, and protection under the SC/ST Prevention of Atrocities Act. Adivasi identity is rooted in the symbiotic relationship between the human and the forest, not in the artificial boundaries of 1950.

MEDLEY



LETTERS

Why curse stray dogs?

THE stray dogs menace matters a lot because they are causing troubles across the country. There are approximately 1.5 crore stray dogs in India, where countless dog bites are reported on an everyday basis. This has increased cases of rabies, bacterial infections and fatal viral diseases. The Supreme Court's directions to keep stray dogs protected is still to be implemented. Stray dogs search for food and a resting place in their vicinity. Good-hearted people must make friendships and feed them rather than irritating them. There are umpteen animal professionals and caretakers. Central and state officials need to create several isolated areas to house all the stray dogs and thereby protect them.

G Murali Mohan Rao, Secunderabad-11

US attack on Venezuela is hugely condemnable

THIS refers to the THI Jan 7 editorial 'India should take advantage of the ongoing changes in Venezuela'. The audacious US attack on Venezuela; and the capture of President Nicolas Maduro and his wife from his home in Caracas, to face justice in America, on cooked-up charges is condemnable. The US has demonstrated that any weak nation can be annexed no questions asked. India must be cautious and wary of Donald Trump's whimsical leadership as he plans to impose more tariffs for not making him happy.

K V Raghuram, Wayanad

Brilliant piece on PV legacy

THE insightful article published in THI Jan 7 edition pertaining to the P.V. Narasimha Rao Memorial Lecture delivered by Dr. Montek Singh Ahluwalia is hugely appreciable. It brilliantly captures why the legacy of P V Narasimha Rao, remains a cornerstone for India's modern identity. As the piece rightly points out, the "PV-Manmohan" partnership was not just an economic necessity but a masterclass in political pragmatism and intellectual courage. I would like to highlight a few pivotal contributions of PV that solidify his status as the "Father of Indian economic reforms". They include dismantling the License Raj, the 'Look East Policy', introduction of the SEBI Act (1992) and introduction of the National Stock Exchange. It is time we move beyond dry policy history and tell the compelling human story of a leader, who steered the nation through many a storm with quiet determination and moral clarity.

Vidyasagar Reddy Kethiri, Hanumakonda-506009

Hans' inputs boost exam preparation

The articles published in The Hans India regarding education and tackling examinations are very useful to students and parents. Going further, I would like to suggest some solutions. While writing the exam, if a student cannot recall some points, it is best to put a cross mark on the question number, leave some space, and proceed to the next question. After answering the entire paper, look for the cross marks and try to complete those answers; it is good to read the objective and subjective questions at least twice before answering and make use of the elimination method when answering multiple choice questions. Students should remember that legible handwriting can help score good marks.

Sreelekha PS, Secunderabad-61

Ensure speedy delivery of justice

THIS has reference to the article 'Rule of law in 2025 upholding rights of common man by Prof Madabhushi Sridhar. Certainly, justice is the need of many in our country. Many people run around courts, police stations and government offices wasting both their time and money. To deliver justice to all, including the daily wage earners, there is a need for online services, frequent Lok Adalats and services at the doorstep. Redressal of people's grievances in the form of issues and problems should be expedited.

G Murali Mohan Rao, Secunderabad-11

thehansreader@gmail.com

BENGALURU ONLINE

Bengaluru retains No 1 spot as the top city for women in India

BENGALURU: Avtar Group, India's leading workplace culture consulting firm, released the fourth edition of its annual, nation-wide study 'Top Cities for Women in India' (TCWI). The TCWI report presents a longitudinal inclusivity index that tracks how Indian cities enable women's participation, safety, and career growth/continuity, while identifying role-model cities and emerging best practices. It also offers a structured framework for organisations, policymakers and urban stakeholders to enable women's workforce participation and career growth.

The Top 10 Cities for Women in India in 2025 are: Bengaluru, Chennai, Pune, Hyderabad, Mumbai, Gurugram, Kolkata, Ahmedabad, Thiruvananthapuram, Coimbatore

The 2025 edition of the study covers 125 cities and draws comparisons from its previous editions (from 2022). The cities are ranked based on an overall 'City Inclusion Score' assigned to every city, which is inferred from Avtar's research and governmental data.

Read more at https://epaper.thehansindia.com

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comment

THOUGHT FOR THE DAY

Be part of the solution, not the pollution — A cleanliness slogan

Not littering a public amenity is a basic expectation

What was meant to be a pleasant, aesthetic walk through south Mumbai's green canopy is now ugly. A year after its inauguration, the Malabar Hill treetop walkway is overlooking slopes littered with plastic waste as tourists toss snack packets and bottles off the edge of the Hanging Gardens, turning a forest experience into a walk overlooking a dumping ground.

Post the inauguration, garbage is steadily piling up on the hill slopes below this walkway and around it, our front page report stated.

It is disappointing to note that tourists/visitors, or maybe even some locals, are tarnishing a beautiful area with this behaviour. While there are those who claim that we need more personnel to man the walkway and rules that disallow snacks on the walkway, it is better if we have a change in mindset. People must themselves realise this is wrong, in fact, criminal.

We need to have civic sense, and this shows the importance of growing up with the basics drilled into you. Cleanliness is next to Godliness is not just an adage; we need to live it, breathe it and practice it.

Yet, this may be utopian and unrealistic and it is long-term. In the short term, more signage asking for no littering at these places, more bins and attendants warning people not to throw garbage will help to some extent. It is unfortunate that we as people scream about more green, highlight shrinking open spaces, cite environmental concerns and then, some defile the view from a vantage walkway through the forest in this way.

Rules can be tightened, but the true transformation, which is long-term, should be in our DNA, simply becomes second nature to us. When one is not brought up with a responsibility to keep our public spaces clean, then all the waste bins in the world may not be enough.

Anyone thinks of the crowd?

PAVILION END

Clayton Murzello

Australia's no-spinner-in-Sydney episode brings to light the importance of winning at all costs, never mind if the spectator out there will be bored watching pacemen in operation most of the time

Australia broke tradition at the start, as well as at the end of the 2025-26 Ashes. In November, they opened the series at Perth and not Brisbane for the first time since 1982-83.

Last Sunday, the hosts took the field without a specialist spinner for the first time in a Sydney Test in 138 years.

Australia's No-spinner-in-Sydney episode brings to light the importance of winning at all costs never mind if the spectator out there will be bored watching pacemen in operation all the time when England bat. They say there is no better sight than a fast bowler running in and letting the ball fly. But doesn't the introduction of a spinner create a buzz too? And shouldn't those who come and watch be treated to some variety? Isn't the Australian cricket team being kind of selfish? The above questions may border on the absurd to some and that's fine but will they also disagree that Test cricket must be a bouquet of variety?

Spinner-turned-television commentary Kerry O'Keeffe wasn't impressed and did not miss an opportunity to use humour to drive home his point.

"If they don't [include a spinner], I'm taking the selection panel to the Hague," O'Keeffe said on Fox Sports News' Ashes Daily before the Sunday start. "I'm going to the highest court in the world. I've seen both Sheffield Shield games on this strip this year. It spun, it's been bouncing for the spinners. Murphy [Todd] is a quality bowler, he deserves to play at the SCG [Sydney Cricket Ground]. I will be bereft if Australia go in without a specialist spinner into this match."

Apart from being a leg-spinner who played 24 Tests for Australia between 1971 and 1977 (he was part of Kerry Packer's World Series Cricket as well), O'Keeffe once headed the spin department for juniors at the Australian Cricket Academy and has spent several years in the commentary box. And yes, he is a New South Welshman for whom the SCG is home.

Spectators line up outside the Members stands ahead of Day Three of the fifth Ashes Test at the Sydney Cricket Ground on January 6. PIC/GETTY IMAGES

O'Keeffe and I met on India's 2003-04 tour of Australia and I remember how emphatic he was about the need for India to play two spinners for the fourth and final Test of that series — Anil Kumble and Murali Kartik. The series was on the line with both teams having a win each and India had a great chance to win their first series in Australia.

Sourav Ganguly had Anil Kumble and Kartik as his spin duo and Kerry had a smile on his face on January 2, 2004. The game ended in a draw. Kumble got 12 in the Test including 8-141. Kartik had to wait for the start of Day Five for his one and only wicket (Justin Langer) of the Test but it's unlikely Ganguly would have regretted his decision to play two spinners at Sydney.

Australia had Stuart MacGill as their spin weapon with Shane Warne serving his drug ban sentence. But local boy MacGill had only one wicket (Virender Sehwag) to show, dismissed on the penultimate day of the Test. MacGill came into the game with 31 scalps in four Tests at the SCG.

The other day, Australia's interim skipper Steve Smith didn't exactly relish the task of leaving out a spinner. He exclaimed: "[I] hate doing it. But we keep producing wickets that we don't think are going to spin and seam's going to play a big part. You kind of get pushed into a corner." Australia didn't have a specialist spinner in the Brisbane and Melbourne Tests while all-time great offie Nathan Lyon went wicketless in the first innings of the opening Test at Perth and was not needed to bowl in the second innings.

The pitch conditions forced Smith and his think-tank take such an unusual SCG call and it reminded me of Ian Chappell's decision to leave out off-spinner Ashley Mallett for the 1975 World Cup semi-final against England at Leeds, where the conditions favoured swing bowling and Gary Gilmour claimed 6-14 as Dennis Lillee's opening partner. Many years later, Chappell, while doing a pre-1996 World Cup interview, told Harsha Bhogle that he made that call with a heavy heart because not only was Mallett a top-class spin bowler but also a good gully fieldsman.

There used to be a time when Sydney proved to be an ideal ground to beat the all-conquering West Indies with spin never mind if it was too late to win series honours. Allan Border's teams did that in 1984-85 and 1988-89. England's 1986-87 side under Mike Gatting too succumbed at Sydney after the Ashes were regained by them in the previous Test in Melbourne where Australia were destroyed inside three days.

A seething Border went into the fifth and final Test at Sydney, where Dean Jones's unbeaten 184 and the combined efforts of spinners Peter Taylor (on Test debut) and Peter Sleep provided Border a solace win.

Jones reveals in the documentary Rookies, Rebels, and Renaissance how he and fast bowler Bruce Reid went up to their captain to acknowledge and thank him for being "through hell" in the series which Australia lost 1-2. And Border surprised them by saying, "What are you so happy about? Just because you got 184, Deano? You lost the Test series, champ. You lost the Ashes. You know what that means?" Border was as hard-nosed you could get. In the fourth Test of the 1988-89 series against the West Indies, he spun Australia to victory with 11 wickets in the Sydney Test. For an ex-captain who watched spinners rule at the SCG, Smith's no-spinner-for-me-please call would have been surprising if not hard to digest. The 2025-26 would be remembered for a lot of things — two of the five Tests ending in two days, an "unsatisfactory" pitch at Melbourne, Travis Head's brilliance etc. But it was also a series, where the hosts broke tradition that they have been historically proud of.

mid-day's Deputy Editor Clayton Murzello is a purist with an open stance. He tweets @ClaytonMurzello

Send your feedback to mailbag@mid-day.com

The views expressed in this column are the individual's and don't represent those of the paper

LETTERS

Our approach to safety should be proactive

Apropos of 'How safe are Mumbai's station parking lots?', authorities and public remain indifferent to safety. Action follows only after serious incidents, lasts briefly, then returns to square one. Why point fingers at the parking lots when fire safety is neglected across public places in the city?

SUDHAKAR SHENOY

Mumbai requires an urgent infra upgrade

This refers to 'Water, water everywhere, but...'. The city needs infrastructure upgrades, filtration at supply points, and mandatory six-monthly tank cleaning under strict monitoring.

SN KABRA

Prevent seepage to protect drinking water

BMC needs to be on its toes after the Indore incident. Santacruz foul-water report is the tip of an iceberg. With metro works, digging, and pipelines, the BMC must audit the criss-crossing water and sewage lines, deploy a task force, and cap leakages to prevent catastrophe.

GODWIN D'CRUZ

One must refrain from spreading rumours

This refers to 'In the new year, let's lose our sense of rumour'. It urges restraint from unverified information, as gossip can damage trust, morale, and relationships. Promoting dialogue, positivity and transparency can curb rumour-mongering.

AMIT BANERJEE

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Editor: *Sachin Kalbag (*Responsible for selection of news under the Press and Registration of Books Act 1867)

Good Greenbacks for Greenlanders, Mr T?

A referendum could decide the country's sale

Definition of what's serious and what's not has been sharply recalibrated ever since Donald Trump recalibrated what's proper and what's not. One quick way to hedge against getting things wrong is to take *everything* he says without salt. So, when White House on Tuesday announced Trump and his retinue have been 'discussing a range of options to pursue this important foreign policy goal' — of acquiring Greenland — and 'utilising the US military is always an option', we should take the idea Trump first floated in 2019 seriously. By now, reasons for the latest land-lust are well-known: as a strategic US outpost, and for its rich mineral reserves. But instead of geopolitical arm-twisting, the real estate developer-president could dangle a buyout price before every Greenlander.

On paper, the maths looks tempting. Greenland's vast reserves of rare earths, uranium and iron ore could be valued in hundreds of billions. Divide that sum among 57,000-odd Greenlanders, and each citizen could walk away with a life-altering windfall and probably resettle in non-Arctic Miami. In a country largely dependent on Danish subsidies, a better bid could calm nerves, make Greenlanders rich — and US companies and stakeholders richer. A Danmarks Nationalbank report released on Tuesday underlines Greenland's economic vulnerability: 0.8% growth projection this year vis-à-vis 2% in 2022 — as its population continues to diminish.

Yes, Excelpolitik may have its limits. For one, Greenland may not share Trump and his retinue's 'Dig, baby, dig!' evangelical zeal towards resource extraction. Also, with a per-capita GDP of $58,499 (2023) — US ($84,534), India ($2,397) — dangling good money may not do the trick. Also, who sets the valuation? How are resources quantified against volatile commodity markets? What safeguards prevent exploitation once ownership shifts? But before toying with a 'non-consensual' option, why doesn't Trump make an offer that Greenlanders can decide whether to refuse or not? He should be aware that just because it's called Greenland, doesn't mean it's good for golfing.

Prep for AI, It's a Tool, Not Cheat Sheet

AI has entered the portals of educational institutions — schools, colleges, universities — at a speed that makes the entry of computers a generation ago seem glacial. Hrrmphs regarding the danger it poses as a detour for critical thinking in young minds is less Luddite than those who believed computers would signal the end of civilisation as we knew it. So, without sounding alarmist, guidance and policy must keep pace with rapid proliferation of generative AI in education. The urgency is driven by the fact that tech companies are turning to schools and universities across the world as potential consumers and clients — apart from the free options already available. In this case, 'caveat emptor' goes beyond the usual warning.

The aggressive marketing draws on the old playbook of computers to improve computer literacy. Again, Fomo is driving schools to sign up. For the education system at large, there is no need to shun this technology. On the contrary, familiarity is necessary to ensure that a new generation learns new ways of using it. Which is why it's more than helpful to draw on learnings from the old computer access programmes to develop necessary guidance for teachers, education administrators, curriculum developers and parents. Training on how to use AI in classrooms and beyond, as well as a tool to enhance teaching and the learning experience without undermining efforts to enhance critical thinking, cognitive skills and learning outcomes is essential.

AI's rapid deployment presents a challenge to accurately determine actual learning outcomes and learning loss. Efforts must be made to disincentivise AI as the option for students to 'outsource' their learning and learning outcomes. Make it an integral tool, not cheat sheet.

JUST IN JEST

Thankfully, pedestrians and drivers won't be taken off our streets

Dogs to Blame for Our Outdoor Culture!

Anyone who has stepped outdoors in our cities knows that for India to ever really get all viksit, things must first get a whole lot safer — never mind easier — for pedestrians to walk and vehicles to ply. Bombing everyone to oblivion and starting a new society all over again is, we are reliably told, not an option. Thankfully, three wise men of the Supreme Court have not only found the source of urban chaos but also its solution: dogs, and taking them off streets, footpaths and public spaces, respectively. 'While [dogs] are running on the road, it is a problem — roads where there are moving vehicles.… The roads have to be clear and cleaned of dogs. They might not bite, but they still cause accidents,' said the Macbethian trio.

And here we thought that pedestrians were the ones routinely treating roads like their living rooms by casually strolling across them, and looking on at footpaths — if they do exist along stretches — as vestigial organs that serve no real, functional purpose. And, of course, driving on the opposite direction, random lane changing, overtaking as if in a bad heist movie, and never giving way even if common sense dies aren't human traits in this part of the world. As a non-dog, one must be thankful the wise men didn't suggest that humans — walking on streets or driving cars, autos or buses — be banished. Pashupatinath be praised!

TECHNIK Opaque algorithms that can't be questioned are creating insecurity in the gig economy

DELIVERIES IN THE DARK

Nikhil Pahwa

Constantly looking over their shoulder

'I used to earn ₹5,000-6,000 (a day). Now I earn ₹1,700 maximum.… I have not paid 4 EMIs on my car,' an Uber driver told me some 8 yrs ago. Uber and Ola had, at that point, tweaked their payouts, and several drivers had called their call centres, some even saying they were contemplating suicide.

They had been subjected to something of a rug-pull by taxi companies, which had initially offered large incentives to bring more drivers to platforms, and assisted drivers in taking loans to buy cars — only to change incentives when they decided they need to reduce their VC-backed spending and focus on unit economics. So, why is this relevant to the current face-off between Zomato and its delivery workers? Because, in principle, the issues remain the same.

Eternal, Zomato's parent company, has aggressively moved towards profitability over the past 2 yrs by making multiple micro-adjustments that allow it to improve contribution margins. When these platforms were small, many decisions could still be made directly by managers, or with policy tweaks. Once marketplaces scaled to lakhs of workers, allocation was handed over to algorithms that decide who gets work and when, how much they're paid, and how behaviour is rewarded or penalised, based on availability, ratings, acceptance rates, demand and past history. What begins as optimisation, quietly becomes a mechanism for shaping behaviour.

Former NITI Aayog CEO Amitabh Kant's statement that gig jobs are set to grow from 7.7 mn to 23.5 mn by 2030, and calling the gig economy among India's largest job-creation engines, is misleading. Zomato founder Deepinder Goyal's data that, in 2025, the average delivery partner on Zomato worked '38 days in the year and 7 hrs per working day', and that 'only 2.3% of delivery partners worked more than 250 days a year', should tell us that this shouldn't be equated with employment.

Gig economy workers have highly volatile earnings and no minimum wage. This is a feature of the business. It was designed to benefit from a regulatory arbitrage of workers neither protected by employment laws nor empowered with entrepreneurial control.

Platforms like Zomato can exercise granular control over multiple supply-side levers: hours someone works, distance they travel, how quickly they deliver, how payouts vary by rating, demand, acceptance behaviour, and how much workers expect to be paid before accepting a job. Amount of data platforms collect about a delivery, including whether the consumer has added a tip or not, can allow them to ascertain 'supplier surplus' — how much less can they get away by paying the delivery worker. This is the inversion of consumer surplus. And unlike classical economics, data today allows this to be estimated practically, rather than theoretically.

Gig platforms are two-sided marketplaces, and can use dark patterns on both sides. Zepto, for example, was found to charge consumers with iPhones higher for the same product than those using Androids. No one except platforms know how they use data to find a demand-supply equilibrium, and determine pricing and payout in each case.

No one except platforms know how they use data to find a demand-supply equilibrium, and determine pricing and payout in each case

Opacity benefits platforms. Through personalised penalties and benefits, they can shape behaviour of each delivery person. Blinkit may not display a 10-min timer for a worker. But does it still impact the payout?

When delivery workers ask you to give a good rating, they know it either improves their payout or chances of getting the next gig, or it prevents a penalty. There is public visibility and backlash risk on the consumer side. But the supply side remains largely invisible, and at the platform's mercy.

In theory, competition should resolve these issues. In practice, network effects are already in play, and platforms clearly have substantial leverage. Aggregation platforms are built to increase market fragmentation, and aggregate it in a manner no participant has sufficient negotiating power over.

What Zomato is positioning as 'flexibility' for gig workers is probably being seen by them as uncertainty. In an economy with paucity of jobs, where gig work is being positioned as 'employment', maybe all they want is actual employment and some amount of certainty — that they get paid a standard amount for the work that they do. This is not to say that there is exploitation. But there certainly exists room for exploitation.

If consumer protection exists for one side of the market, what do we have for gig workers? A nationwide protest after labour codes providing gig economy workers protections were announced should make us look more closely at what workarounds exist. Is the fact that the average worker works 38 days a year their choice, or of the algorithm? The core demand for minimum wages and social security is a response to insecurity created by opaque algorithms that can't be questioned or explained.

This is where the state also needs to step in. As algorithms become embedded across credit, insurance, employment and marketplaces, need for algorithmic accountability is no longer theoretical. Independent audits, and giving people a right to an explanation, will provide safeguards against discrimination at scale.

RBI missed a trick with its August 2025 FREE-AI committee report, in which it paid only lip service to algorithmic discrimination issues. The gig economy only exposes the problem created by regulatory inaction.

The writer is founder, MediaNama

Now to Boost Some Confidence

Anant Goenka

India enters 2026 at a moment of relative economic strength, even as global uncertainty persists. Recent measures like GST rationalisation and I-T relief have begun to revive domestic consumption by improving disposable incomes. Fiscal consolidation has remained credible, with both fiscal and revenue deficits steadily declining from pandemic-era peaks.

This balance between supporting growth and preserving macroeconomic stability has been central to India's recent economic management. As Nirmala Sitharaman has noted, bringing down India's debt-to-GDP ratio will be a key focus in the years ahead.

Against this backdrop, the budget presents an opportunity to reinforce confidence by staying the course on consolidation while decisively strengthening domestic growth levers. Emphasis on capex alongside essential social spending must continue.

▶ Defence spending Future conflicts will be multi-domain, information-centric and tech-intensive, spanning land, sea, air, cyber and space. Preparing for this requires moving beyond platform-centric approaches towards integrated, networked and AI-enabled capabilities.

Which is why defence spending should be viewed not merely as expenditure but as strategic investment. There's a strong case for increasing share of capex to accelerate modernisation, particularly in areas like UAVs, counter-UAV systems, electronic warfare, air defence, and frontier technologies including AI, quantum computing and hypersonics.

Strengthening indigenous R&D through higher allocations to DRDO, deeper collaboration with private industry and support for deep-tech development would further advance indigenisation in defence. Defence production has reached record levels. A more coordinated approach, supported by an institutional mechanism, could help India achieve its export ambitions while strengthening supply chains.

▶ Electronics manufacturing India must focus on scale, ecosystem depth and value addition. Global experience shows that competitiveness depends on dense, well-integrated clusters where OEMs, EMS players and component suppliers co-locate, supported by plug-and-play infrastructure and swift clearances.

A mega electronics industrial park — building on existing strengths in regions like Chennai-Sriperumbudur corridor and Noida — could be transformative. Such a cluster would help localise components, reduce import dependence, support MSMEs through shared facilities and align manufacturing growth with sustainability goals. Rationalised tariff structures and simplified HS codes, particularly for printed circuit board assemblies, would further ease compliance and improve competitiveness.

▶ Critical minerals India's ambitions in clean energy, electric mobility, semiconductors and advanced manufacturing will sharply increase demand for critical minerals. While primary reserves are limited, the country has substantial untapped potential in mine tailings, overburden, fly ash and industrial waste streams.

National Critical Mineral Mission has laid a strong foundation. The challenge is execution. Combining technology scale-up with fast, on-site pilot projects can unlock secondary sources. A dedicated programme focused on tailings recovery — supported by regulatory clarity, targeted financing and collaboration between miners, technology providers and research institutions — would strengthen resource security while advancing circular economy objectives.

Flex it

▶ Exports Rising protectionism and proliferation of new trade barriers pose risks to India's export performance. Initiatives like Export Promotion Mission and credit guarantee schemes are welcome. However, ensuring duty neutrality remains essential.

Remission of Duties and Taxes on Exported Products (RoDTEP) scheme plays a critical role in offsetting embedded taxes. Providing it with a predictable, adequately funded multi-year framework would give exporters certainty, improve sectoral coverage and help firms compete in a more hostile global trade environment.

▶ GCCs India has emerged as the world's leading hub for global capability centres, which are increasingly undertaking high-value, innovation-led functions. Yet, transfer pricing uncertainty — around cost allocations, employee-related expenses and functional characterisation — has emerged as a growing concern.

Updating the transfer pricing framework to reflect modern business realities through clearer guidance, simplified safe harbours and faster dispute resolution would reinforce India's attractiveness for next-gen GCC investments in AI, R&D and digital engineering.

By staying committed to fiscal prudence while sharpening focus on strategic investment, industrial depth and policy certainty, the upcoming budget can reinforce confidence among businesses and investors.

The writer is president, FICCI

BRICS Must Cement Its Global Role

Sanjay Bhattacharyya

As India assumes leadership of BRICS in 2026, the group is caught between divergent aspirations and narratives. For EMDCs, it provides more space, both economic and diplomatic, but few developed countries, particularly the US, view it as an anti-West group, challenging their leadership. The flux in geopolitics adds to the complexity. Meanwhile, classical multilateralism is in a coma, and minilaterals and plurilaterals are the hope to fuel engines of growth and globalisation. India's presidency will navigate choppy waters, add substance to BRICS economic agenda and serve as a bridge between G7 and G20.

BRICS' early success as a group of rapidly growing large EMDCs, seeking inclusive development and reform of global governance, drew the attention of other rising powers. BRICS initially admitted new partners in New Development Bank (NDB) and then in BRICS. Today, it has grown, from the earlier 5, to 11 members and 10 partner countries, and others hope to join the same, now addressed as BRICS+.

The enlarged group has different characteristics as new members are relatively smaller economies. BRICS+ includes 7 members of G20, represents the largest oil-producing nations and has global aspirations. Post expansion, in terms of global share, its GDP has increased by 3%, share of exports has risen by 5%, internal trade has grown by 5%, per-capita GDP growth rate has risen, share of gross fixed capital formation in GDP is at similar levels, and current account balance remains surplus.

Since the 2014 summit in Brazil, the group resolved to deepen economic coordination and institution-building. The decisions for NDB and Contingent Reserve Arrangement (CRA), and trade in local currencies added dynamism and made it more attractive to other developing countries.

NDB had modest capital and funding capacity, but gained in popularity with flexible loans denominated in local currency, absence of IMF-style conditionality and being accessible to non-BRICS members. With new members, NDB is expected to grow in stature and capacity. The Indian presidency could leverage new NDB funding options for private sector through establishment of an NDB structure based in GIFT City, popularise use of Central Bank Digital Currency (CBDC) and new electronic settlements.

BRICS trade agenda highlighted policy coordination for trade and development, and reform of multilateralism. However, reform of WTO and integration of BRICS with regional arrangements had been difficult. Efforts to set up a BRICS group within WTO, trade facilitation, resolve intra-BRICS disputes that are stuck at WTO, and COP financing mechanisms can advance the trade agenda. The use of AI tools can help BRICS countries to modernise and integrate trade policy.

BRICS decision for trade in local currencies had a slow start but picked momentum in recent times. Russia estimates that 90% of its intra-BRICS trade is in local currency; China and India have also made advances in this area. To some extent, Western sanctions have also prompted a switch to local currency transactions and non-SWIFT settlements.

Alternate settlement mechanisms based on digital means for cheaper and faster transactions have popularised BRICS local currencies and helped them go international. These include SPFS of Russia, CIPS of China, UPI of India and PIX of Brazil. BRICS Pay has potential as an interoperable and decentralised system to link national networks. It is designed as a cross-border financial messaging system that enables transactions between members using national currencies. It includes encryption, distributed consensus nodes, multi-factor authentication and capacity to process up to 20,000 messages per sec. It can spur reform in global governance towards a multipolar financial system.

All in all, it's just a-nother...

Meanwhile, BRICS countries have also seen a spurt in swap arrangements, growth of CBDC, adjustments in reserve currency holdings and advancing of development assistance in local currency. BRICS initiatives currently under discussion that could impact trade and development include modalities for ecommerce and digital trade, a common logistics platform to integrate intra-BRICS supply chains, and collaboration on investment-technology-innovation.

BRICS is at a crucial juncture, reconciling internal consolidation and expansion plans, and engagement with the Western world. BRICS must counter false narratives that suggest it is anti-West or promotes de-dollarisation. Prudent strategy demands BRICS maintain consensus-driven decision-making within the group and establish collaborations with the West for solutions in a globalised world.

The writer is former BRICS sherpa, GoI
This article is part of an expert series on trade policy curated exclusively for ET by CUTS International

THE SPEAKING TREE

Don't Wait For 100%

SANDHYA VASUDEV

Perfection is being, producing or creating something without fault. A recipe can turn out perfectly; however, with subjective viewpoints, achieving perfection in art, literature and management is almost impossible. Perfection in mechanised production is attainable, but under manual labour, there will be degrees in perfection. How important is 105% perfection?

Is the achievement of perfection more important than elapsed time? Managers hanker after a utopian solution and spend time and sweat on it, even though a beneficial solution is already on hand. This is termed the perfect-solution fallacy, or nirvana fallacy, when a good plan is never implemented because of a few shortcomings. It is like missing the woods for the trees, getting caught up in minor loopholes and failing to see the larger benefit. In the spiritual realm, attaining perfection is impossible for everyone. In the Gita, Krishn assures us that incomplete or imperfect spiritual practices never go to waste, but accumulate and carry over to the next birth.

So, one need not feel hopeless whilst unable to achieve perfection in yog or sadhana. Similarly, in any field, taking continuous steps with confidence is better than standing still, wanting to be perfect. No harm in aiming at the perfect-looking cloud, but let's be content when our shot lands on the placid treetop that hid that moving cloud.

STEP UP TO THE PLATE

Comptoir De Vie

Paris

Paris has never been short on places to eat well, what it sometimes lacks is surprise. Between the bistros and the temples of haute cuisine, the city's dining scene can feel reverential to a fault. Comptoir De Vie, launched earlier this year, cheerfully ignores that rulebook.

From the team behind Little Red Door, this restaurant-cum-bar replaces hushed formality with conversation. A bright, open room centres on an 11-seat counter where chefs and bartenders work in tandem, explaining not just what you are eating, but why. Food and drinks are conceived together, blurring the line between kitchen and bar, and turning the 5-step tasting menu into a flowing narrative rather than a procession of plates.

The cooking, overseen by Adam Purcell, is precise but playful, anchored in hyper-seasonal French produce and a commitment to sustainability. Standout dishes include Fine de Claire oyster with kiwi granita and black pepper oil — briny, sharp and quietly thrilling; the delicately layered pommes de terre Anna with comté sauce, a masterclass in restraint; and the cacao-free 'chocolate' truffle made from beer waste, which is rather indulgent.

Chat Room

Transform to an India-Polar World

Apropos 'World vs Rogue State' by T K Arun (Jan 7), violation of sovereignty, an act of complete transgression of the UN Charter, cannot be justified in any manner. There cannot be selective and 'nuanced' responses, whether the transgressor is Russia, US or China. Today, the biggest missing factor is a formidable bloc of 'global south', especially 'neutral' countries of Asia, Africa and Latin America coming together with conviction against a bipolar model in the guise of multipolar alignments to act as a check, as was the case immediately after WW2. During the Cold War era, India took unambiguous positions against violations of sovereignty and human rights irrespective of which superpower was involved. It's time we make our presence felt in the UN General Assembly and other global bodies without abstaining from voting.

Angara Venkata Girija Kumar
Chennai

Economy

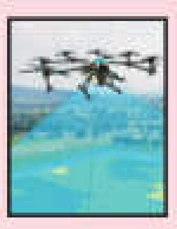
THURSDAY, JANUARY 8, 2026

IN THE NEWS

INDIA NEEDS TO CUT IMPORTS, SAYS GADKARI

INDIA WILL HAVE to reduce imports and increase exports if it wants to become the third-largest economy, Union Road Transport and Highways Minister Nitin Gadkari said at the CSIR's Technology Transfer Ceremony on Wednesday.

ECL TO ASSESS GREEN COVER USING AI DRONES



COAL INDIA SUBSIDIARY Eastern Coalfields (ECL) on Wednesday said it has deployed AI-driven drones to assess green cover and scientific reclamation of land in its Sonepur-Bazari mining area in West Bengal. The study is being conducted by the Central Institute of Mining and Fuel Research.

IRB Infra sees 12% rise in toll revenue to ₹754 cr in Dec

IRB INFRASTRUCTURE & Developers (IRB) has posted a 12% year-on-year rise in its toll revenue to ₹754 crore in December 2025. The revenue collection stood at ₹675 crore in the same month last year. The collections include revenues from two of its InvITs, namely IRB InvIT Fund (Public InvIT) and IRB Infrastructure Trust (Private InvIT).

Centre releases draft Pesticides Management Bill

THE AGRICULTURE MINISTRY on Wednesday released the draft Pesticides Management Bill, seeking public comments. The Bill seeks to replace the 57-year-old Insecticides Act, 1968, and the Insecticides Rules, 1971, with enhanced penalties for violations.

NALCO signs pact for research in red mud processing

STATE-RUN NALCO HAS signed a pact with the CSIR-National Metallurgical Laboratory in Jamshedpur for research in red mud processing and enable the recovery of rare earth elements from the industrial byproduct.

FE BUREAU & AGENCIES

SUSTAINABLE GROWTH POSSIBLE WITH FISCAL, MONETARY COORDINATION

Economists flag low nominal growth, global uncertainties

FE BUREAU
New Delhi, January 7

INDIA'S ECONOMY IS projected to grow at a robust 7.4% in 2025-26, in line with market expectations, but economists cautioned about moderation in the second half of the financial year amid global headwinds, softer nominal growth and an uneven sectoral outlook.

The first advance estimate (FAE) of the National Statistical Office (NSO) pegs real GDP growth at 7.4% and gross value added (GVA) at 7.3%. Rating agency Icra noted the estimates implicitly place second-half growth at 6.9% for GDP and 6.8% for GVA, marking a slowdown from the 7.9-8% expansion recorded in the first half.

It attributed the moderation to a potential contraction in central government capital expenditure, the adverse impact of US tariffs on merchandise exports across sectors, and an unfavourable base effect.

Icra, however, expects industrial and agricultural growth to fare better than the NSO's H2 assumptions, while services may trail. Of particular concern is nominal growth: the NSO estimates nominal GDP to rise by just 8% in FY26 — lower than Icra's 8.5% forecast. With nominal GDP pegged at ₹357.1 lakh crore, close to the Union Budget assumption, Icra said this removes the risk of a fiscal deficit "denominator effect" and does not expect a slippage from the 4.4% of GDP target, helped by higher non-tax revenues and likely expenditure savings.

Bank of Baroda Chief Economist Madan Sabnavis said the 7.4% growth print is in line with expectations and leaves room for upside. He pointed to maintained investment levels, with gross fixed capital formation at 30%, and a services-led expansion powered by financial services and public administration. Manufacturing growth assumes stable corporate profits, while agriculture's 3.1% growth on a high base and construction's 7% rise reflect strength in housing and roads. Sabnavis expects growth above 7% to be sustained in FY27, contingent on a normal monsoon.

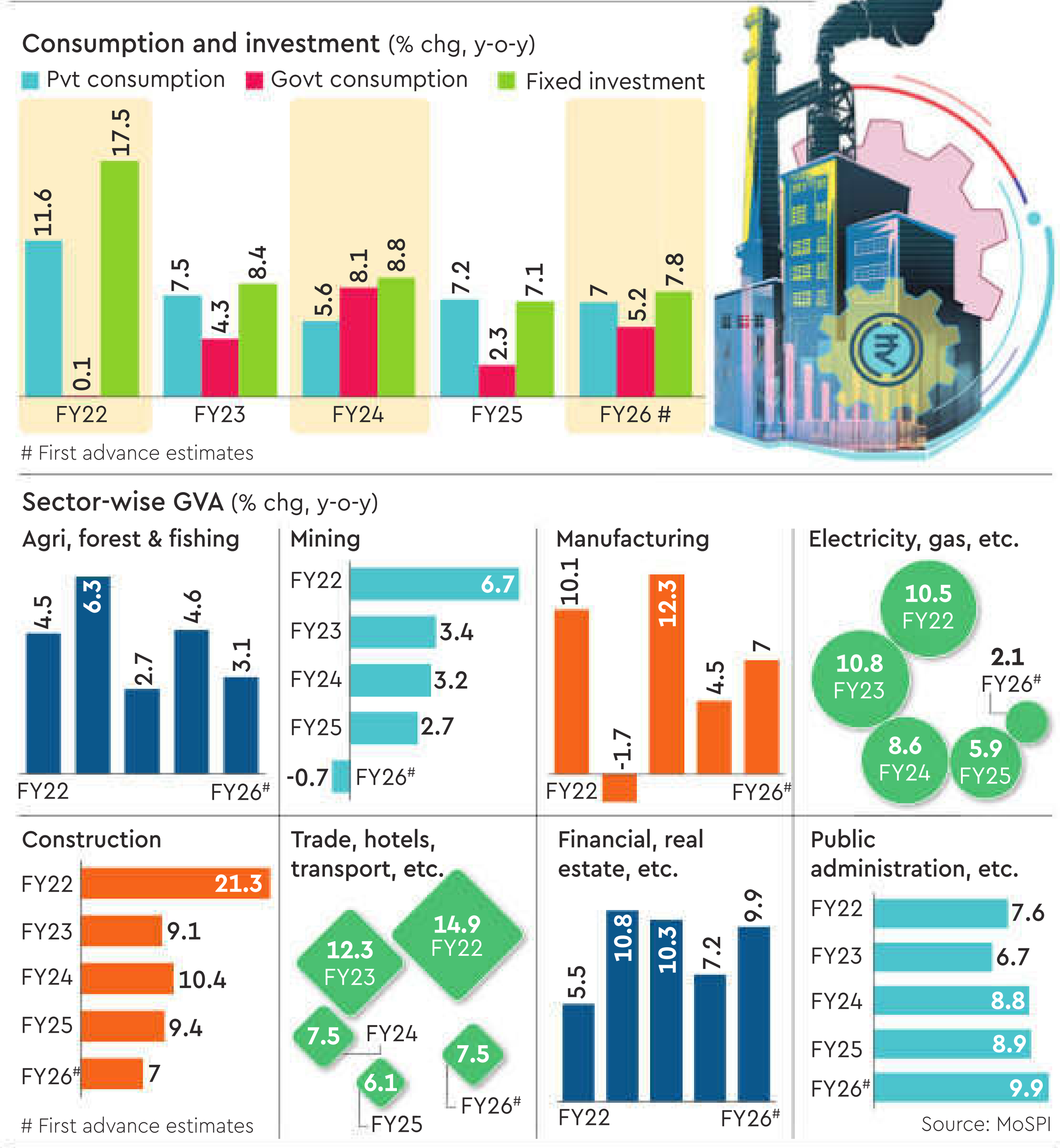
Emkay Global's Madhavi Arora attributed the strong FY26 outcome to favourable deflator effects, the lagged impact of monetary and regulatory easing, improved real purchasing power, and a limited hit so far to exports — supporting steady manufacturing.

India Ratings and Research's Paras Jasrai highlighted the resilience of the economy despite a turbulent global backdrop.

On the demand side, public sector capex remains the mainstay, with gross fixed capital formation projected to grow 7.8%, supported by a nearly 30% on-year rise in public capex in the first half. While a broad-based private capex cycle is yet to take hold, investments continue in power, logistics, warehousing, and commercial real estate.

Lekha Chakraborty, professor at the National Institute of Public Finance and Policy, said the modest 8% nominal growth underscored controlled inflation. "Overall, India is well-positioned for sustainable, inclusive growth with fiscal-monetary policy coordination, despite mounting geopolitical uncertainties," she added.

ECONOMIC INDICATORS



FY26 growth to be around 7.5% with upward bias: SBI Research

INDIA'S ECONOMIC GROWTH in FY26 is expected to remain strong, with gross domestic product (GDP) likely to expand by about 7.5%, carrying a modest upward bias, SBI Research said. The first advance estimates place growth at 7.4%, up from 6.5% in FY25, while gross value added (GVA) is projected at 7.3%. Nominal GDP growth is estimated at 8%. "We, however, believe that GDP growth for FY26 would be around 7.5% with upward bias," SBI Research said in a report. —FE BUREAU

NARENDRA MODI,
PRIME MINISTER

India's Reform Express continues to gain momentum... powered by NDA govt's comprehensive investment push, demand-led policies

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Houselisting exercise for Census during Apr-Sept

PRESS TRUST OF INDIA
New Delhi, January 7

THE FIRST PHASE of Census 2027 — houselisting operations — will take place between April 1 and September 30 this year in all states and Union territories over a 30-day period specified by each state and UT, according to a government notification on Wednesday.

There will also be an option for self-enumeration to be conducted in 15 days' time period just before the start of houselisting operations, the notification issued by the Ministry of Home Affairs (MHA) stated.

The decadal exercise which was scheduled to take place in 2021 got postponed due to the Covid-19 pandemic.

The mammoth exercise to give a headcount of the country's population will be conducted in two phases — houselisting and housing census from April to September 2026 and population enumeration (PE) in February 2027.

The houselisting and housing census systematically lists out all the structures, houses and households throughout the country for preparation of a sound frame for conduct of the population enumeration.

"...the central government hereby declares that the houselisting operations of the Census of India 2027 shall take place between 1st April, 2026 and 30th September, 2026 in all states and Union territories during the period of 30 days specified by each state and Union territory.

"There shall also be an option for self-enumeration which shall be conducted in 15 days' time period just before the start of house to house houselisting operations of 30 days," a notification issued by Registrar General of India and Census Commissioner Mrityunjay Kumar Narayan said.

The Census 2027 will also capture caste data electronically in the population enumeration phase, the government had said earlier.

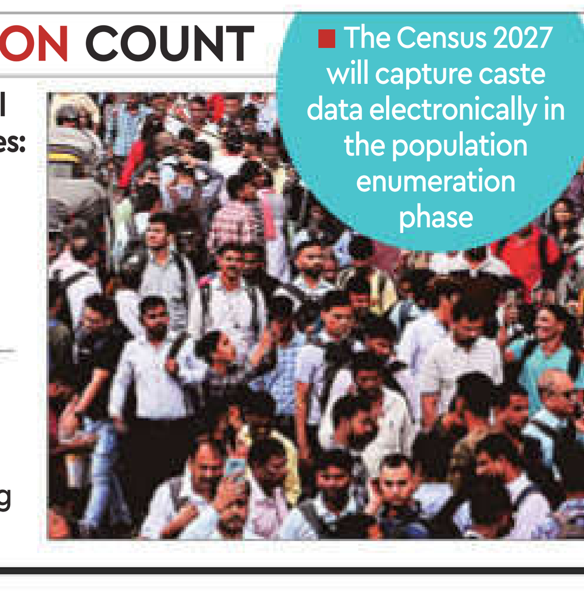
The last comprehensive caste-based count was done by the Britishers between 1881 and 1931. Caste was excluded from all census operations conducted since Independence.

The decision to include caste enumeration in the upcoming census was taken by the Cabinet Committee on Political Affairs chaired by Prime Minister Narendra Modi on April 30 last year. In the first ever digital Census, conducted by around 30 lakh enumerators, data will be collected using mobile applications that will be available for both Android as well as iOS versions to ensure better quality data.

The population of the country, according to Census 2011, was 1,210.19 million, of which 623.72 million (51.54%) were males and 586.46 million (48.46%) were females.

POPULATION COUNT

- Census 2027 will be done in 2 phases: Houselisting from Apr to Sept 2026 and population enumeration in February 2027
- There will also be an option for self-enumeration before houselisting operations



- The Census 2027 will capture caste data electronically in the population enumeration phase

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Agencies start MSP purchase of pulses

● Centre urges states to waive mandi fees

SANDIP DAS
New Delhi, January 7

THE NATIONAL COOPERATIVE Consumers' Federation of India (NCCF) and farmers cooperative Nafed have commenced direct purchase of pulses from pre-registered farmers at the minimum support price (MSP).

The objective, according to sources, is to ensure that farmers get more options to sell pulses varieties — tur, urad, masoor and chana — at remunerative prices. This, officials said, would boost pulse production and reduce the country's import dependence. The assured purchase at MSP would also protect farmers from market fluctuations, an official said.

In a communication to states, the agriculture ministry has urged them to waive levies and agricultural produce marketing committee (APMC) mandi taxes for purchase of pulses by these agencies. The direct purchase of pulses will be in addition to the existing system of procurement from farmers through state-level organisations under the price support scheme (PSS).

According to officials, NCCF has commenced direct purchase of urad and tur at the APMC mandis in Uttar Pradesh, Tamil Nadu, Gujarat and Karnataka. Nafed has started MSP purchase from farmers for tur and will soon commence procurement of tur and masoor in Maharashtra, Telangana, Andhra Pradesh, Gujarat, Uttar Pradesh and Karnataka. "Direct purchase provides more options to farmers to sell pulses at MSP," a Nafed official told *FE*.

Nafed and NCCF have 1.18 million and 4.2 million registered farmers, respectively.

FARM PUSH

- NCCF has begun direct purchase of urad and tur in Uttar Pradesh, Gujarat, Tamil Nadu, Karnataka
- Nafed has started purchase of tur from farmers under the minimum support price
- Nafed and NCCF have 1.18 million and 4.2 million registered farmers, respectively

Nafed to open e-auction site for agri items on January 19

SANDIP DAS
New Delhi, January 7

AGRI-COOPERATIVE MAJOR NAFED, the government's largest procurement agency for oilseeds and pulses, will launch an e-auction portal for agricultural commodities on January 19, a senior official said.

The federation will also consider allowing state-level federation of cooperatives and agencies to conduct their e-auction on the portal — Nafex.in — which has been developed in collaboration with consulting firm Deloitte, the official said.

Currently Nafed uses private platforms such as mjunction, NCDEX eMarkets (NeML) and E-Teach for selling about 5.3 million tonne (MT) of pulses and oilseeds purchased annually from farmers under the price support scheme (PSS) and the price stabilisation fund (PSF). Another government agency, National Cooperative Consumers' Federation of India (NCCF), also uses these private platforms to carry out e-auction of commodities purchased under PSS and PSF.

These private agencies charge 0.03% of the total value of commodities traded on these platforms as fees from the buyers.

QUICK PICKS

PHDCCI seeks Budget steps on MSME credit

THE REINTRODUCTION OF an interest subvention scheme for MSMEs and an upward revision of MUDRA loan ceilings were among the measures industry lobby PHDCCI suggested for the upcoming Union Budget. The suggestions, PHDCCI said, were aimed at catering to the financing needs of MSMEs, lower their regulatory burden and make them globally competitive. —PTI

Hoteliers demand infra status for hospitality

THE HOTEL ASSOCIATION of India (HAI) has called upon policymakers to prioritise sector-specific reforms to drive growth and resilience in the hospitality sector, while reiterating demand for infrastructure status and allowing of industry benefits to the sector. The upcoming Union Budget should give the sector its due recognition for its significant contribution to GDP and job creation, it said. —PTI

Seeds Bill likely in Budget Session

THE CENTRE IS targeting to introduce the Seeds Bill 2025 in Parliament during the first phase of the Budget Session in February, Agriculture Secretary Devesh Chaturvedi has said. "We have received 9,000 applications with suggestions for the Seeds Bill. We will process them and put a Cabinet note. Our target is to first bring this Bill in the first phase of the Budget Session," he added. —PTI

Exporters risk losing US summer orders as trade talks linger

SATVIKI SANJAY & SHRUTI SRIVASTAVA
January 7

INDIAN EXPORTERS OF products ranging from home decor to leather shoes are worried about missing the US summer shopping season if they are unable to lock in orders in January as trade deal talks drag on between India and the US.

This will be the decisive month for sealing the trade pact so contracts can be secured for the first half of 2026, according to half a dozen exporters. The punitive 50% US tariffs since August already hurt the exporters' order volumes in the typically busy winter and Christmas season in 2025.

One of steepest levies imposed by the Donald Trump administration continue to deal a heavy blow to India's labour-intensive sectors, especially textiles, handicrafts, apparels, gems and leather. Despite multiple rounds of talks, including four conversations between Trump and Prime Minister Narendra Modi since August, the slow progress in the trade deal has pressured the rupee and forced New Delhi to dole out $5 billion to protect Indian exporters.

Rafeeque Ahmed, chairman of Farida Group which is one of the largest shoemakers in India, said January 15 is the cutoff date for securing bulk orders from the US to ensure stable revenue for the summer and autumn seasons. The Tamil Nadu-based company derives about 60% of its export revenue from American markets. "I have cut down production by 20-25% and laid off workers," said Ahmed, who supplies to international brands like Cole Haan and Clarks. "How long can we sustain this and keep giving discounts?"

Mixed signals

Trump, meanwhile, continues to send mixed signals. He told reporters on Tuesday that Modi was unhappy with him over higher tariffs on India. On Sunday, he said that Modi knew of his displeasure over New Delhi's purchases of Russian oil, and that "we can raise tariffs on them very quickly, and it would be very bad for them" — remarks that raised doubts about whether he intends to remain combative towards India or move to expedite a trade deal.

In 2024, before trade headwinds darkened sentiment, India shipped goods worth $87.4 billion to the US, accounting for almost one-fifth of its total exports. US government trade data show apparel imports dropped by about 12% to $376 million in September 2025 compared with the year-ago period. Imports of rugs fell by 10% to $98.4 million over the same period.

"If the deal doesn't happen quickly then April-August and holiday shipping would be impacted," said Gautam Nair, director of Matrix Design, an apparel maker located on the outskirts of New Delhi. "First half would then be a complete washout." As part of efforts to diversify its markets beyond the US, India has inked new free trade pacts with New Zealand, Oman and the UK. Negotiations with the EU, Australia, Chile and Peru are ongoing.

Salvaging relations

To offset losses, many exporters are also scrambling to salvage supplier relationships by offering discounts or travelling abroad to secure new clients and reassure existing ones. Lalit Thukral, founder of textile exporter Twenty Second Miles, said August through December is typically the busiest period for the industry, but this year it delivered losses instead. Preparing for tougher days ahead, he travelled to the UK with a 15-person delegation in November looking for new customers.

Tiruppur-based R K Sivasubramaniam, whose firm makes basics like underwear, will visit the US in January to scout for buyers. Sivasubramaniam has cut his production since August by 50%. "We are trying to get newer buyers but it is not possible to grab them immediately," he said, adding that this work trip was crucial for his business. "Other US buyers are indefinitely gone."

Vijay Sethi, a director at Sethi Handicrafts, has lost several American clients despite offering discounts of as much as 20%. The home decor maker, based in a town just outside New Delhi, draws about 40% of its revenue from the US, largely by supplying items like wooden furniture and coasters. In an effort to rebuild trust, he said he has set remote meetings with American buyers in January.

Finding workarounds

Several gems and jewellery exporters are experimenting with costly workarounds to blunt the impact of the tariff.

Some have set up US subsidiaries to manage trade locally, while others are shifting parts of their manufacturing to countries like the UAE, where duties are about 15%, said Sabyasachi Ray, executive director of the Gem and Jewellery Export Promotion Council. "They've had to change the way of doing business," said Ray. But the workarounds "have taken a toll."

Apparel suppliers such as Raymond Lifestyle and Gokaldas Exports were among the firms considering moving some of their production to African countries. Gokaldas has four factories in Kenya and one in Ethiopia, while Raymond was looking to use its Ethiopia plant to supply American buyers, as tariffs in these countries are as low as 10%.

"Exporters don't have much choice right now," said Ajay Sahai, director general of Federation of Indian Export Organisations. "They are looking at alternative markets, selling locally and one thing has become very clear — we can't overly depend on the US for exports." —BLOOMBERG

RACE AGAINST TIME

- January 15 is the cutoff date for securing bulk orders from the US for the summer and autumn seasons, according to exporters
- The punitive **50%** US tariffs since August 2025 has hurt exporters' order volumes in the busy winter season

- US government data show apparel imports dropped by about 12% to $376 million and rugs by 10% to $98.4 million in September 2025 compared with the year-ago period
- In 2024, before trade headwinds darkened sentiment, India shipped goods worth $87.4 bn to the US, accounting for almost one-fifth of its total exports

Opinion

THURSDAY, JANUARY 8, 2026

VENEZUELA CRISIS

Union extremal affairs minister S Jaishankar

We are concerned at the developments, but we would really urge all the parties involved to now sit down and sort of come to a position which is in the interest of the well-being and the safety of the people of Venezuela

Resilient India

But FY27 could be challenging without a trade deal with US

IN WHAT IS shaping up to be a challenging FY26, India is still expected to post a healthy growth rate of about 7.4%, with services leading the charge and capital formation remaining robust. Gross value added (GVA) is estimated to grow by 7.3%, with manufacturing, trade, and financial services performing reasonably well-though partly aided by a favourable base. Even with trade relations with the US disrupted, exports are projected to grow by over 6%. The weak spot remains agriculture. Growth in the sector is estimated at just 3.1%, well below last year's 4.6%, and comes at a time when market prices for several crops are already under pressure. This is a concern both for rural incomes and for broader consumption demand.

Private consumption, too, is expected to grow by only about 7% in FY26, slower than in FY25-a disappointing outcome given the government's efforts to revive demand. Measures such as income tax cuts, goods and services tax rate rationalisation, and falling interest rates were expected to lift household spending more decisively. That recovery, however, has not been as broad-based as hoped. As many had anticipated, the festive-season boost appears to be tapering off. This helps explain why GDP growth is estimated to grow at just 6.9% in the second half of FY26. Additional headwinds include the lingering impact of US tariffs on merchandise exports, a contraction in government capital expenditure, and an unfavourable base effect.

A bigger concern lies in nominal GDP growth. At an estimated 8% for FY26, it would fall well short of the assumed 10.1% and below the 9.8% recorded in FY25. That said, with nominal GDP projected at ₹357.1 lakh crore, meeting the targeted fiscal deficit of 4.4% of GDP should still be manageable. Any shortfall in tax revenues can be offset through higher non-tax receipts and calibrated expenditure restraint. While these estimates will inevitably be revisited once the national accounts base year is updated to 2022-23 from 2011-12-and revisions are made to consumer price index and index of industrial production series-it is worth looking ahead to FY27. The biggest uncertainty is the long-pending India-US trade deal. Unless tariffs are rolled back soon, merchandise exports will continue to face pressure, with knock-on effects on jobs and incomes. That is where the real test lies. Policy must focus more on engines that can raise potential growth. That means improving the quality of public spending, easing regulatory frictions that deter private investment, fixing distortions in household savings, and accelerating reforms in labour, land, and logistics.

On the fiscal front, the government's room for manoeuvre will be limited. After a year of stimulus, it is unlikely to sacrifice much more revenue or allow the fiscal deficit to exceed 4.3%. A meaningful increase in capital expenditure also appears unlikely. Private investment remains tentative, with demand recovery uneven outside a few pockets such as passenger vehicles. Based on the current base, GDP growth in the next fiscal could slip below 7%. Some support, however, should come from lower interest rates as monetary easing feeds through to stronger credit flows. Investment in areas such as data centres could generate employment and boost demand for construction materials, especially as real estate activity begins to peak. Private-sector capex is therefore expected to improve gradually. With benign crude oil prices and a measure of good fortune, growth could edge back above 7% in FY27-but the margin for error is narrowing.

Musk won't fix Grok's fake AI nudes. A ban would

PARMY OLSON

Bloomberg

WHEN JULIE YUKARI posted a New Year's Eve photo in a red dress with her cat, she didn't expect X users to tag Grok asking it to undress her. Within hours, nude AI-generated images of her had spread across the social-media website — without her consent and without consequences.

Of all the mainstream artificial intelligence tools, Elon Musk's Grok is the most disturbing. Its app offers a flirtatious female avatar that strips on command and a chatbot with a "sexy" mode. On *X*, visitors have called on it to "nudify" thousands of photos of women. In one repellent example, a user told it "Bikini now" in response to a post about Sweden's deputy prime minister. It complied with an image of the politician in a blue bikini. Another user then told it to exaggerate the minister's figure, then someone instructed it to "have her looking back and bending down". Dozens more similar posts followed.

Other popular AI tools are restricted from undressing people in this manner. But with Grok this is a feature, not a bug. It should be turned off.

Deepfake porn of real women has proliferated across *X* for months, and so have instances of child sexual abuse material, according to reports in *Reuters* and *Business Insider*. Grok itself posted an apology on December 28 for generating "an AI image of two young girls (estimated ages 12-16) in sexualised attire".

Musk says he cares. Removing child-abuse content from his platform was "Priority #1", he posted in November. On Sunday, *X* warned users not to use Grok to generate this abhorrent material. But it's hard to take this seriously. Why does Grok need to nudify a photo at all? Perhaps a brave politician should threaten to pull the plug.

No Western democracy has ever blocked a US social-media site. Brazil temporarily banned *X* in 2024 and China has long barred the biggest US platforms, but disconnecting *X* in Europe or the UK would be unprecedented. Even so, it's a card regulators should consider playing to assert their authority over a tech titan who has the protection of a pernicious White House.

While a few US lawmakers have complained about Grok, only regulators in Britain, France, the European Union, and India have warned of real action. A good next step would be to order Musk to disable Grok's ability to undress people. Britain has already made it illegal to create non-consensual sexual images including AI deepfakes of adults. Many EU members have done similar.

The stakes are high for regulators and law enforcers on this side of the Atlantic. They risk undermining their own rules and authority if they don't act decisively, and their reaction could set the tone for how the US polices *X* too. President Donald Trump himself stood behind the rollout of the Take It Down Act in May 2025, a new law that prohibits platforms from creating and sharing revenge porn. But Musk's influence on the White House casts doubt over how well that will be enforced when it becomes law in May.

Humanity's sexual appetite has long driven markets and the same holds true for generative AI. The demand has prompted developers to lean towards permissiveness, with OpenAI promising erotic content for ChatGPT and Meta Inc allowing its chatbots to behave provocatively with minors, according to a *Reuters* investigation.

For whatever reason, whether to gain a competitive edge or bolster his image as a provocateur, Musk has taken things to the extreme. xAI's core instructions for Grok tell it "there are **no restrictions** on fictional adult sexual content with dark or violent themes" and that "'teenage' and 'girl' does not necessarily imply underage", according to a September report in the *Atlantic*.

Musk could simply refuse to obey the rulemakers. But with a concrete threat from Europe, he'd risk losing access to one of *X*'s biggest markets. That would sting for a business whose revenue has been depressed since his 2022 takeover. And it would finally expose whether America's most powerful tech billionaire is above the law, or just betting that regulators won't call his bluff. Europe should make him find out.

CARBON COST

EXPORTERS, INDUSTRY BODIES, AND GOVT MUST ACT TOGETHER TO ENSURE COMPETITIVENESS

Coping with CBAM

AJAY SRIVASTAVA

Founder, GTRI

FROM JANUARY 1, every shipment of Indian steel and aluminium to the European Union will face a carbon tax as the EU's Carbon Border Adjustment Mechanism (CBAM) moves from reporting to actual payment phase. CBAM makes the EU the first economy to tax imports based on a product's carbon footprint.

CBAM currently covers six sectors—steel, aluminium, cement, fertilisers, electricity, and hydrogen—but this is only the start. The EU has made it clear that the list will expand steadily, and within a few years, most industrial goods entering Europe will carry a carbon cost.

Although EU importers are legally required to bear the compliance costs associated with buying CBAM certificates, these costs will be passed back to foreign suppliers. Thus, many Indian exporters may need to cut prices by 15-22% to remain competitive in the EU market.

The impact on each firm will depend on its production process. Lower emissions during the making of a product mean lower tax. In steel, blast-furnace routes are the most carbon-intensive; gas-based direct-reduced iron is cleaner; and scrap-based electric arc furnaces are the lowest-emission option. In aluminium, emissions depend mainly on electricity use, with coal-based power sharply raising carbon costs. Since India imports most of its metal scrap, scrap prices are also likely to rise once CBAM takes effect.

Micro, small, and medium enterprises (MSMEs) manufacturing products such as pipes typically buy steel sheets from large producers. Most carbon emissions occur during the steelmaking stage carried out by these large manufacturers, not during the value-addition processes performed by MSMEs. If large firms do not share plant-level emissions data with MSMEs, EU authorities will apply default emission values, which are often nearly double the actual emissions. This will sharply raise CBAM costs and push many MSMEs out of the EU market, making urgent action by industry associations essential.

How should India respond to CBAM? Here is a brief action plan for exporters, industry associations, and the government.

Exporters: EU buyers will assess whether Indian steel or aluminium—after factoring in carbon costs—can compete with EU or third-country suppliers. To compete, Indian exporters will need to master the CBAM rulebook.

> **Indian exporters who integrate carbon into the production process, pricing, contracts, and operations will remain competitive**

First, start by mapping exposure. Identify EU-bound products, buyers, shipment volumes, and production plants to see where carbon costs will hit hardest and where documentation will be strictest. Use this to calculate an internal CBAM shadow price by estimating emissions per tonne and applying the EU carbon price, assuming buyers will do the same.

Second, put emissions systems in place immediately. CBAM is based on plant-level, verifiable data covering fuel use and electricity consumption. Track fuel inputs, power use, production volumes, and emission factors every quarter, and maintain auditable records aligned with EU rules. From 2026, emissions must be verified by EU-recognised or International Organization for Standardization-compliant auditors, like a financial audit, at a recurring cost. Without verified data, the EU will apply default emission values—50-80% higher—sharply raising carbon costs.

Third, update contracts and operations. CBAM clauses on cost pass-through, verification, data-sharing, and price renegotiation will become standard and must be negotiated to avoid exporters absorbing the entire carbon risk. Keep production, compliance, and logistics data aligned, as inconsistencies raise audit risk and may lead EU buyers to delay shipments or switch suppliers.

Finally, prepare standardised CBAM data packs for each plant, covering production routes, quarterly output, emissions intensity, verification statements, and audit contacts. This information will accompany every shipment and will soon be as essential as invoices or certificates of origin.

Industry associations: The Federation of Indian Chambers of Commerce and Industry, Confederation of Indian Industry, Federation of Indian Export Organisations, PHD Chamber of Commerce and Industry, Engineering Export Promotion Council, and other Indian industry associations must act to prevent CBAM from becoming a firm-by-firm survival test. They should set up sector-level CBAM support platforms to pool costs for emissions measurement, verification, and data management, with special focus on MSMEs. Associations must negotiate collective deals with EU-recognised verifiers to cut audit costs, issue simple, standardised CBAM data templates accepted by EU buyers, and create secure mechanisms for large producers to share verified plant-level emissions data with downstream MSMEs. At the same time, they should engage EU importers and regulators to clarify rules, push back against punitive default emission values where data gaps exist, and seek transitional flexibilities for complex supply chains.

Government: Understand that CBAM will cover all industrial products in the next few years. Act now to prevent a sharp loss of export competitiveness. First, support MSMEs by subsidising CBAM compliance, covering the cost of emissions measurement and verification, issuing simple standard carbon-accounting templates, and setting up a national CBAM helpdesk. Second, seek CBAM carve-outs along the lines of those the EU has offered the US, and use ongoing EU free trade agreement negotiations to underscore that an agreement becomes unviable if EU goods enter India freely while Indian exports face a carbon tax. Third, urgently quantify the carbon costs Indian industry already bears through energy taxes, renewable obligations, and efficiency mandates, and use this evidence to claim deductions under CBAM. Finally, fast-track India's Carbon Credit Trading Scheme by finalising steel and aluminium benchmarks, putting in place robust monitoring, reporting, and verification systems, and accrediting enough verifiers so exporters are not held back by compliance delays when CBAM takes effect.

CBAM marks a structural shift in global trade. Indian exporters who integrate carbon into the production process, pricing, contracts, and operations will remain competitive; the rest will have a tough time.

When ease of doing business aids tunnelling

PRASENJIT CHAKRABARTI
BRIJESH K MISHRA

The writers are associate professors at Indian Institute of Management, Ranchi

When promoters are unchallenged and minority investors lack strength, materiality thresholds become the only reliable brake on tunnelling

RELATED-PARTY TRANSACTIONS (RPTs) occupy a governance grey zone: they can make businesses run more smoothly, but they can also become vehicles for expropriating minority shareholder wealth, a practice known as tunnelling. To curb tunnelling risks, the Securities and Exchange Board of India (Sebi) has increasingly enforced the requirement of a material transaction—an RPT with a related party that crosses a prescribed value threshold and must therefore be placed before shareholders for approval. Post-Satyam, India steadily tightened oversight—from the Companies Act, 2013, to Sebi's 2015 Listing Obligations and Disclosure Requirements norms and the 2021 rule which treated any RPT above ₹1,000 crore or 10% of the turnover as material. This uniform threshold of ₹1,000 over-regulated routine intra-group flows of large firms. Sebi's 2025 proposal introduces scale-based thresholds instead: 10% of turnover for firms up to ₹20,000 crore; ₹2,000 crore plus 5% of the turnover above that level up to ₹40,000 crore; and for the largest firms, ₹3,000 crore plus 2.5% above ₹40,000 crore, capped at ₹5,000 crore. The goal is to preserve investor protection while replacing a blunt, one-size-fits-all regime with a more proportionate framework. The intent may be pragmatic, but the empirical evidence shows why we must tread carefully.

To see how the changed rules play out in practice, we adopted a classification widely used in academic research, separating RPTs into "business RPTs" (routine operational exchanges) and "opaque RPTs" (financial transfers, loans, and advances—the usual vehicles for tunnelling, especially with promoters, directors, family members of the firm). We then examined how these two categories behaved across two revenue tiers (< ₹20,000 crore and > ₹40,000 crore) under the old rule (the strict ₹1,000-crore threshold) and the new rule (scale-based regime) in the last three fiscal years. The estimation highlights a striking divergence in corporate behaviour among large firms (> ₹40,000 crore revenue).

BUSINESS TRANSACTIONS

Firm revenue category	Transaction type	Old rule/new rule FY23	Old rule/new rule FY24	Old rule/new rule FY25
< ₹20,000 cr	Business RPT	529/513	546/552	536/541
	Opaque RPT	250/244	342/337	2,611/2,600
> ₹40,000 cr	Business RPT	3,779/3,456	4,158/3,752	3,990/3,639
	Opaque RPT	399/268	378/240	425/238

Authors' own calculations; all the amounts are scaled in ₹1,000 cr Source: CMIE Prowess

The table tells a compelling story of discipline versus disruption. First, with business RPTs across the two categories, the material figures remain relatively stable between the old and new rules. For the largest firms (revenue > ₹40,000 crore), business transactions in FY25 shifted marginally from ₹39,90,000 crore to ₹36,39,000 crore. This indicates that the strict regulation did not significantly disrupt genuine commerce. Operational necessities continued, despite the compliance friction, and that pattern has held steady across the years.

Now contrast this with Opaque RPTs for the largest firms. Here, the old rule acted like a powerful brake. In FY25, under the old norms, opaque transactions were worth ₹425,000 crore; under the new rule, that figure collapses to ₹238,000 crore—a staggering 44% drop. Similar declines appear in FY23 and FY24. The message is clear: the old regime compelled large firms to curtail questionable financial transfers, particularly those made to promoters, key shareholders, and directors. But the new scale-based rule changes that calculus. A significant portion of insider-linked transactions that once fell squarely under the ₹1,000-crore shareholder approval threshold now slips entirely outside the net.

Conversely, for smaller firms (< ₹20,000 crore), both business and opaque RPTs showed no meaningful change under either regime, staying largely unaffected by the shift from the old rule to new.

This brings us to the central risk of Sebi's proposed scaled regime. The intent to ease compliance is sensible for business RPTs, but the data shows that it was the absolute ₹1,000-crore threshold that effectively restrained opaque RPTs in large firms. Raising that bar to as much as ₹5,000 crore for a ₹50,000-crore company shifts the equilibrium sharply, substantially reducing the likelihood that insider-linked transactions come under shareholder scrutiny. This shift matters because India's largest firms—often too big to fail and dominated by powerful promoter groups—operate in an environment where shareholder activism remains relatively weak. When institutions hesitate to challenge promoters and minority investors lack collective strength, materiality thresholds become the only reliable brake on tunnelling.

Loosening them risks reviving the very opacity that enabled the Satyam scandal, where "routine" transactions masked massive diversion. Satyam taught us a simple lesson: when oversight retreats, abuse advances. A scaled regime must not recreate those blind spots.

Regulation must be as nuanced as the data. We propose a bifurcated approach:

For business RPTs: Adopt the scaled, turnover-based threshold. Facilitate ease of doing business for genuine operational needs.

For opaque RPTs: Retain the strict ₹1,000-crore threshold for transactions like financial transfers, loans, and advances to promoters, directors, and their families—these transactions carry higher agency costs and demand tighter leashes.

As India Inc scales, our governance must become more sophisticated, not merely more lenient. We must facilitate business, but we must not subsidise opacity. The data is clear: strict rules work where they are needed the most. Let us not discard them wholesale.

LETTERS TO THE EDITOR

Skewed tax treatment

Apropos of "Defend deposits" (*FE*, January 7), the argument that skewed tax treatment is pushing households away from bank savings and towards market-linked investments rings true and timely. With deposit growth lagging credit expansion and savers increasingly favouring equities and mutual funds for better post-tax returns, banks face real constraints on lending. This isn't about revenue loss for the exchequer; it's a risk to steady credit flows fuelling growth. A rethink via targeted incentives or parity in taxation for fixed-income options could encourage depositors without undermining markets, ensuring stability and vibrancy in our financial system.

—SM Jeeva, Chennai

Banking rethink

Apropos of "Defend deposits" (*FE*, January 7), banks must stop complaining about dwindling current account and savings account (CASA) ratios. They are aware that no one would keep money for long in low-yielding savings bank accounts or unattractive term deposits where interests earned are taxed. Current investment scenarios are not akin to 1980s where the rates were as high as 16 or 18%. Banks cross-sell mutual funds and insurance products which drain out CASA balances. At the same time, banks worry about depleted low-cost deposits. One cannot have the cake and eat it too.

—RV Baskaran, Pune

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Gig realities

Regulate the platform sector, without suffocating it

The year-end gig workers' strike may not have dented platform balance sheets or affected services; yet it reveals deep structural flaws in the platform economy, which runs essentially, if not entirely, on labour. The strike puts a spotlight on frequent and opaque changes in algorithms that determine pay, incentives and even termination; long and unpredictable working hours; lack of social security cover for health, accidents or old age; unilateral deactivation without due process; and the steady transfer of costs of fuel, vehicles, insurance on to workers.

This situation invokes a larger demographic context. The World Bank and ILO estimate that 8-10 million young Indians enter the workforce annually. The economy must generate jobs to prevent the much-invoked demographic dividend from turning into a source of social strain. It is in this context that the gig economy assumes outsized importance. A 2022 report by the NITI Aayog estimated that India had about 7.7 million gig and platform workers in 2020-21, a number projected to rise to over 23.5 million by 2029-30. Work by the NCAER similarly shows that platform-based work is absorbing labour at a time when formal job creation has lagged behind the pace of labour-force growth. For millions of Indians, gig work is not a supplementary income stream; it is the primary means of survival. This is where India's policy dilemma diverges sharply from that of the EU or the US where gig work typically supplements income. In India, dependence on platforms renders workers vulnerable to arbitrary practices. The challenge is to regulate a sector that provides employment to millions, without snuffing out its margins.

The Centre has tried to acknowledge this tension in the Code on Social Security, 2020. Section 2(35) recognises gig workers; Sections 114 and 141 empower the Centre to frame welfare schemes; and Section 114(4) allows such schemes to be financed through aggregator contributions, capped as a share of turnover. Karnataka and Rajasthan too have enacted laws to create welfare boards and mandate platform contributions. Yet, on the ground, outcomes remain poor. Welfare boards are often dysfunctional, worker registration is weak, and benefits rarely reach intended recipients. India's experience with the construction workers' cess, where States have failed to use cess worth ₹70,744.16 crore because workers are not registered, offers a sobering parallel.

What is needed is reliable, independent data. Policymaking today relies largely on information supplied by platforms: how many workers they engage, how long they work, how much they earn, and how algorithms shape outcomes. This creates an inherent risk of bias. Effective regulation requires credible data on numbers of workers, earnings volatility, hours worked, algorithmic control and the degree of worker dependence on platforms. The regulation must ensure that a growing sector is not suffocated, even as it activates welfare mechanisms for workers.

POCKET

RAVIKANTH

"Yes, till recently, we were Rao & Co..."

Closing India's crypto blind spot

RIGHT MOVE. Automatic exchange of crypto-asset info will strengthen tax enforcement, anti-money laundering oversight

RAGHAV PANDEY
MS SAHOO

LESS CONTROL. Crypto-assets often move through decentralised systems where no central custodian exists GETTY IMAGES

The Global Forum on Transparency and Exchange of Information for Tax Purposes recently convened in New Delhi for its 18th Plenary. Delegates from over 120 jurisdictions confronted a widening fracture in the international tax architecture: finance has digitised far faster than the reporting frameworks designed to monitor it. The Plenary reaffirmed a broad multilateral consensus around the Crypto-Asset Reporting Framework (CARF), an OECD-led architecture intended to bring crypto-assets within the perimeter of automatic exchange of information.

For India, this consensus marks a critical inflection point. More than 50 jurisdictions have committed to implementing CARF by 2027. New Delhi's inclination to align with this timeline, however, has faced quiet resistance: integrating crypto-assets into formal tax reporting risks conferring legitimacy on a volatile and speculative asset class.

This anxiety misreads the nature of regulation. The decision to adopt CARF is not an act of endorsement but of institutional self-preservation. Surveillance is not legitimisation; it is the extension of the State's supervisory reach into a domain that has, for too long, operated beyond its line of sight.

To appreciate why CARF is necessary, one must first recognise the limits of the existing architecture. The Common Reporting Standard (CRS), designed in 2014, presupposes a financial ecosystem anchored in identifiable intermediaries holding accounts on behalf of residents of reportable jurisdictions. This model works well for a bank account in Zurich or a trust in the British Virgin Islands, not for a Ledger Nano X sitting in a drawer in Mumbai.

CRS relies on custodial relationships. Crypto-assets, by contrast, often move through decentralised systems where no central custodian exists. Under the current regime, a transfer from a custodial exchange to a self-hosted wallet frequently marks the end of the reporting trail. From the perspective of the tax authority, the asset effectively vanishes. Monitoring crypto through CRS is akin to policing an empty building while economic activity migrates elsewhere.

CARF is designed to address this structural mismatch. Unlike CRS, which focuses on account balances, CARF is event-driven. It requires Reporting Crypto-Asset Service Providers (RCASPs) to capture and exchange transaction-level data across four categories: exchanges between crypto-assets and fiat currency; exchanges among crypto-assets; transfers of crypto-assets; and crypto-based retail payment transactions. The shift is subtle but consequential: the object of regulation is no longer the account, but the transaction.

CARF also reconfigures the nexus for reporting. Instead of relying exclusively on physical presence or place of management, reporting obligations are anchored to the jurisdiction of the user and the provision of services to residents of that jurisdiction. An exchange that services Indian users may therefore fall within India's reporting perimeter, regardless of where its servers or headquarters are located. This architecture enables automatic, standardised information exchange among tax authorities, reducing dependence on slow and fragmented bilateral requests that are ill-suited to high-velocity digital markets.

The absence of CARF has implications well beyond tax administration. It also weakens India's anti-money laundering architecture. The Financial Intelligence Unit–India has taken important steps by requiring Virtual Digital Asset service providers to register as reporting entities under the Prevention of Money Laundering Act. Yet without international interoperability, these measures remain domestically bounded in a borderless market.

> **The Crypto-Asset Reporting Framework does not eliminate opacity, but it materially** reduces it by standardising data collection and exchange across jurisdictions

Illicit actors exploit this mismatch, moving value across chains, platforms, and jurisdictions to evade siloed oversight. While blockchain analytics can offer partial insights, domestic registration alone cannot reliably reconstruct complex cross-border transaction paths. CARF does not eliminate opacity, but it materially reduces it by standardising data collection and exchange across jurisdictions.

UNHOSTED WALLETS

One of CARF's most consequential features, particularly from India's perspective, is its treatment of unhosted wallets. These wallets, controlled directly by individuals without intermediaries, function in many respects as the cash of the digital economy. Under existing frameworks, high-value peer-to-peer transfers involving such wallets can occur with little or no reporting. CARF narrows this blind spot. It requires RCASPs, when facilitating transfers to or from unhosted wallets, to collect and report identifying information about the counterparty to the extent reasonably available. Perfect attribution is not guaranteed, but the expansion of visibility is substantial.

This distinction between regulation and approval is not novel. The State routinely regulates activities it does not morally endorse: from tobacco and alcohol to gambling and complex financial derivatives, not to validate them, but to impose discipline, secure revenue, and mitigate harm. Major jurisdictions have applied the same unsentimental logic to crypto-assets. The US, for instance, has mandated transaction-level reporting for digital assets without expressing any view on their underlying merits. Regulation here is treated as a tool of visibility, not validation.

India, meanwhile, relies heavily on domestic tax instruments. These measures are effective in taxing outcomes but offer limited insight into transactional mechanics. It taxes the profit, but misses the trail. The 1 per cent Tax Deducted at Source on transfers of Virtual Digital Assets, applicable above a threshold, and rising to 20 per cent in the absence of a PAN, was introduced precisely to create a transaction trail where none existed. The regime is admittedly crude, but it performs a vital signalling and capture function in an otherwise opaque ecosystem.

RETAIN DOMESTIC INSTRUMENT

Some argue that CARF's implementation should logically trigger the removal of the 1 per cent TDS, since international reporting would render domestic tracking redundant. While economically attractive, this argument is premature. It asks the State to replace a tested domestic mechanism with an international framework whose real-world capture rate, particularly for high-frequency, intra-jurisdictional, and peer-to-peer transfers, remains unproven. For the TDS to be dismantled, there must be credible evidence that CARF delivers equivalent or superior visibility. Until such equivalence is empirically demonstrated, retaining the domestic instrument is a matter of prudence, not inertia.

Absent CARF, Indian law mandates reporting but lacks reciprocal information pipelines. Without CARF's nexus rules, the tax authority sees only what the taxpayer chooses to declare. A trader in Mumbai can use a Dubai-based exchange to move value to a wallet in the Cayman Islands. Without automatic exchange, this transaction is effectively invisible.

The choice before the State is not between regulating crypto and rejecting it. It is between visibility and blindness. CARF is not a concession to crypto-assets; it is a reclamation of the State's capacity to see. In a financial system where value moves at the speed of code, the absence of reporting is not neutrality; it is abdication. Watching crypto is not legitimising it. It is the minimum condition for governing a modern financial system.

The writers are respectively Assistant Professor and former Distinguished Professor at National Law University Delhi

Ways to reform railway finances

Besides fare hikes, Indian Railways should focus on innovative pricing, and exit from suburban services

Sudhanshu Mani

Indian Railways (IR) recently sprung a surprise by announcing a fare hike across the board, barely six months after the previous revision. The current hike is only marginally higher than in July. Per kilometre fares now rise from less than a paisa for Second Class Ordinary journeys beyond 215 km to 2 paise for all classes in Mail and Express trains. Although IR claims this round will mop up ₹2,400 crore, a basic calculation suggests this is optimistic.

Net passenger kilometres for FY26 (total number of passengers multiplied by km travelled by trains) are likely to be around 60,000 pkm for Mail and Express services and 40,000 pkm for Ordinary Second Class, excluding suburban traffic. At best, the revenue increase would be about ₹1,200 crore from the former and ₹300 crore from the latter, amounting to roughly ₹1,500 crore annually, just over 1.5 per cent of passenger revenues of ₹92,800 crore budgeted for FY26.

IR emphasised that this was the lowest fare hike in the past 12 years, noting that the last significant revision across all classes occurred in 2013, when per kilometre fares were raised by 2 paise for Second Class Ordinary and up to 10 paise for AC classes. Historically, governments have been wary of revising passenger fares, but matters worsened since mid-2000s when Lalu Prasad Yadav was the Railway Minister. His team managed to extract substantial freight revenue by increasing the loadability of wagons, converting a *de facto* malpractice into a *de jure* policy despite resistance from railway engineers. This allowed IR to keep its Operating Ratio (OR), the ratio of working expenses over traffic earnings, well below 100 without raising passenger fares.

DETERIORATING FINANCES

Over time, this approach became an albatross. With no imaginative measures to boost freight revenue and fare hikes remaining politically sensitive, IR's finances have steadily deteriorated. The OR has since been artificially maintained just below 100 by absorbing part of the pension burden through budgetary support and allocating a token ₹800 crore for depreciation, even though investments in railway assets have exceeded ₹15 lakh crore over the past decade.

To be fair, some steps have been taken recently to improve passenger services, such as a revamped reservation system with advanced anti-bot technology,

REQUIRED. Imaginative initiatives to boost revenues GETTY IMAGES

deployment of a Content Delivery Network to block ultra-fast automated bookings by rogue agents, revised caps on waitlists, and finalisation of reservation charts eight hours in advance. But fundamental questions remain unaddressed.

If IR's core mandate is inter-city and long-distance travel, why does it increasingly pander to loss-making suburban and commuter segments, which should primarily be the responsibility of State and city governments? After all, commuters pay several times more in Metro trains, which are managed by State governments with the Central government as a stakeholder, not the owner. Why are AC I and AC II classes, chosen for comfort rather than affordability, subsidised? If AC III and Chair Car services are the only ones that break even, why the persistent emphasis on non-AC coaches? It is entirely feasible to introduce AC Chair Cars with more than 100 seats at affordable fares, encouraging passengers to migrate from non-AC to AC travel.

Equally pertinent is the absence of imaginative revenue-boosting initiatives since the introduction of dynamic pricing, which itself requires comprehensive reform. Why not adopt greater pricing flexibility across long-distance trains, such as differential pricing for upper, middle, and lower berths, or for cabin and aisle berths, on lines similar to airlines? Why not extend all well-patronised trains to 24 coaches, eliminate pointless stoppages through data analytics, and deploy smarter operational and engineering interventions to raise average speeds to a respectable 80-100 kmph?

On every ticket, IR proudly proclaims a 43 per cent subsidy. Does subsidisation imply that passengers should bear with poor service? Improved finances may depend on freight revenues, but the passenger segment can also contribute.

The writer is retired General Manager/Indian Railways, Leader of Train 18/Vande Bharat project, and Independent Rail Consultant

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.

Expanding the tax base

Apropos 'Crorepati I-T filers surge 22% in AY26 even as tax base stagnates' (January 7), it is a bit paradoxical that the filings in the upper income ranges have seen high growth, though the overall tax base has stagnated. The streamlining of the systems by data integration and effective tracking of high value transactions by the government, coupled with robust performance of the equity markets resulting in higher capital gains, have contributed to the hike in the filings in the higher income ranges.

However, there is need for tackling the stagnation of the tax base. There are millions working in the informal economy and formalisation of this part of the economy is essential. The government could use incentives as well as digital enforcement towards this end.

Kosaraju Chandramouli
Hyderabad

Cover co-op banks, too

This refers to 'PSB's geared to move to weekly reporting of credit data from July 1' (January 7). This is a welcome step in the process of transparency in bank transactions. However, the RBI and the Finance Minister must mull applying similar norms for co-operative banks in view of the increasing failures, hurting gullible depositors at the cost of borrowers.

Rajiv Magal
Halekere Village, Karnataka

TN pension scheme

Apropos 'The pension 'tap" (January 7), the proposed Tamil Nadu Assured Pension Scheme has sparked unease among a large section of teachers, many of whom remain unconvinced about its long-term value. Their concern is simple and practical: if the mandatory 10 per cent contribution were invested independently through disciplined SIPs, returns could potentially exceed the assured pension promised by the State. This perception cannot be dismissed lightly. While an assured pension offers security, it must also be seen as fair and competitive. The lack of clarity on fund management, expected returns, and how inflation will be fully neutralised adds to doubts. Transparent projections comparing TAPS payouts with realistic market-linked alternatives would help employees make informed judgments. To build confidence, the government should consider offering flexibility, better disclosure, and periodic reviews of returns. A scheme meant to provide security should not leave contributors feeling short-changed.

SM Jeeva
Chennai

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PLI push is paying off

Marked output gains in steel, electronics, pharma

Biplab Kumar Guru
Suryasnata Das

The Production Linked Incentive (PLI) scheme was introduced in April 2020 with the intent of fast-tracking growth and helping the country become a $5 trillion economy. In this regard, the PLI scheme supports domestic companies, encourages international firms to set up manufacturing units in India, and endorses technology use and innovation in manufacturing sector. Initially targeted at three industries — electrical manufacturing, mobile accessories and medical devices — the scheme was expanded to 14 key sectors by February 2022.

STEEL STRENGTHENS

Before PLI came into force, crude steel output and finished steel production showed a gradual upward trend, rising from around 89 million tonnes (mt) in 2014-15 to about 111 mt by 2018-19 (Ministry of Steel data). Finished steel demand also increased steadily, indicating growing domestic consumption. Imports fluctuated but generally declined after peaking in 2015-16, while exports increased up to 2017-18 before moderating.

Turnaround in the steel sector came with PLI push in 2020. Not only did the production and demand of finished steel register strong growth but crude steel output also jumped from 103.54 mt to 144.30 mt between 2020-21 and 2023-24. By 2023-24, robust domestic consumption of finished steel was underscored by steel demand reaching over 136 mt. Notable increase in exports and relatively moderate imports were recorded during the initial PLI years, which later stabilised. All-in-all, India's steel sector performance and the PLI regime indicated a significantly positive association because of growing domestic demand, enhanced production capacity and a more buoyant steel industry especially during the PLI regime.

Coming to mobile phones, their production rose steeply rose from ₹18,900 crore in 2014-15 to ₹225,000 crore in 2019-20 (Ministry of Electronics and Information Technology data). Gross electronics output also grew progressively from worth ₹190,366 crore to ₹546,550 crore during the same period. The share of mobile phones in total electronics production grew from 9.9 per cent to 41.2 per cent.

Further acceleration in this

POST PLI. Steel sector witnesses turnaround ISTOCK

sector ensued mainly due to the PLI nudge. Electronics output nearly doubled from ₹554,461 crore in 2020-21 to ₹952,000 crore in 2023-24. The value of mobile phone production surged to ₹422,000 crore by 2023-24 while its share in total electronics production reached 44.3 per cent. Overall, the PLI scheme coincided with a significant expansion of mobile manufacturing, an increasing share of mobiles within total electronics production, and improved export performance, reinforcing India's position as an emerging hub for mobile phone manufacturing.

India's exports of medical devices also witnessed a sustainable rise during the PLI regime although the sector remains import-intensive. This suggests that the domestic manufacturing capacity is continually improving and approaching export orientation. Based on a Department of Pharmaceuticals survey report, medical devices exports exhibited a firm rise before the PLI era, increasing from $1,868.05 million to $2,292.87 million between 2017-18 and 2019-20. Exports showed faster growth post the PLI push, from $2,531.62 million to $3,785 million between 2020-21 and 2023-24. The generic trend in production, consumption and exports paints a bright picture about the PLI scheme although persistent import dependence of electronics and medical device sector remains a challenge.

PLI has increased international competitiveness, ensured resilience and sustainability in sectoral output and created employment opportunities in sectors like electronics, pharmaceuticals, and steel. The PLI flagship programme can be even more effective by relaxing the stringent eligibility criteria, creating a skilled workforce, and investing in high-end technology.

Biplab is Assistant Professor of Economics, and Suryasnata is Researcher, at Rama Devi Women's University

thehindubusinessline.

TWENTY YEARS AGO TODAY.

January 8, 2006

New cover: Free medicines for BPL families on the anvil

The Centre is mulling a 'passbook concept' to help families below the poverty line (BPL) purchase medicines. A BPL family member should be able to approach the nearest designated chemist with a passbook type of document to record the purchase of medicines up to a limit of ₹5,000 for a year.

After FIPB nod, ByCell plan may hit DoT wall

The Switzerland-based investment company ByCell Holdings AG's move to invest ₹457 crore in setting up cellular network in India could hit rough weather with the Department of Telecom saying that the decision by the Foreign Investment Promotion Board (FIPB) to approve the proposal was despite the department seeking more time for examining the proposal.

SBI hikes domestic term deposit rates

State Bank of India, announced on Saturday a hike in interest rates on domestic term deposits by 0.25-0.50 percentage points on varying maturity from January 9, 2006. SBI is the latest to hike the deposit rates. Bank of Baroda, Bank of India, Union Bank of India and HDFC Bank have hiked the rates since November.

Growth need not generate jobs

The tenuous link between growth and employment has broken down in some parts of the world

MACROSCAN.

CP CHANDRASHEKHAR, JAYATI GHOSH

The idea that economic growth leads to more employment is at one level so obvious that it has become axiomatic among economists and policymakers. After all, higher production will require more inputs, and presumably labour is a crucial input for many, if not most, activities. Therefore, it is common to find that both policymakers and analysts routinely make the promotion of GDP growth their central focus, relying on the perception that this will inevitably generate more employment.

Of course, higher labour productivity (output per worker) is also typically a policy goal. So it is also assumed that within sectors and activities, per unit labour requirements may (and should) decrease, but overall economic expansion will ensure that — until full employment or full capacity utilisation is achieved — aggregate output increases will generate additional employment.

It is recognised that the response of job creation to output growth (or the employment elasticity of output growth) will vary, especially with more labour-saving technological change. Estimates of the employment elasticity of output growth, and how that changes over time, are therefore important. Even so, it is generally accepted that even if such elasticities are low or declining, they will always be positive.

ILO FINDINGS

The ILO's World Economic and Social Outlook Update for May 2025 provides some data for us to assess how this relationship between output and employment has played out in the decade 2014-2024. Chart 1 shows how the aggregate relationship has changed for the world as a whole and across the major regions. Chart 2 shows the employment elasticities of output growth based on these indicators.

While the relationship between aggregate GDP growth and total employment (covering also self-employment, informal employment, part-time employment, etc.) was positive, two features stand out. The first is the quite stark difference in growth rates of GDP and of employment for the world as a whole, explained by labour productivity growth which seems to have been very rapid over this period.

But the second — and possibly more startling — feature is the significant variation across regions, not only in aggregate changes but in employment elasticities.

Thus, the Arab States and the Asia and Pacific region are outliers in opposite directions. In the Arab States, GDP grew more slowly than employment, resulting in employment elasticities significantly greater than one and negative changes in labour productivity. In the Asia and Pacific region, GDP increased very substantially, mostly associated with significant increases in labour productivity, such that the employment elasticity of output was extremely low.

In Africa, employment elasticities were also high, close to unity. In the Americas and in Europe and Central Asia, growth of all the aggregate variables was relatively low, and employment elasticities were moderate.

DIVERGENT TRENDS

Of course, it could be argued that such broad regional groupings are too large and contain very diverse economies, and therefore do not provide sufficient understanding of actual economic processes within the regions. In addition, lumping together aggregate changes over a decade can obscure short-term relationships — and that between output and employment obviously must operate over the short term.

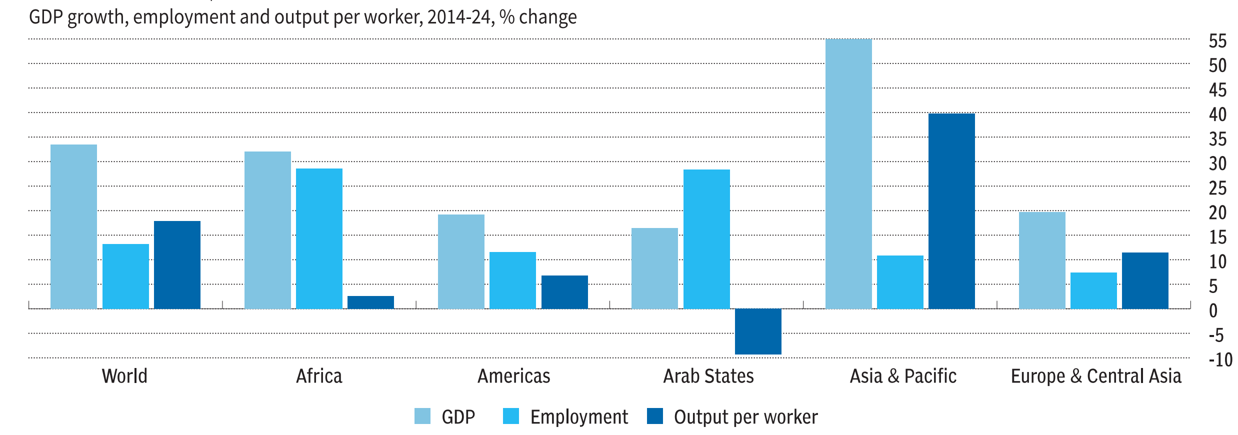


CHART 1

World-wide pattern

GDP growth, employment and output per worker, 2014-24, % change

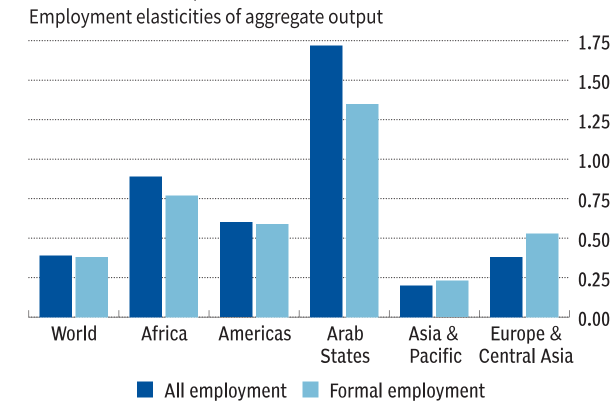


CHART 2

Diversified path

Employment elasticities of aggregate output

CHART 3

Fluctuating scenario

GDP growth and change in employment-population ratio (%): **World**

Source: ILO WESO update May 2025; World Bank WDI database

TABLE

A country-wide profile

GDP growth and change in employment-population ratio (%)

	High income countries		Upper middle income countries		Lower middle income countries		Lower income countries	
	GDP growth rate	Change in empl-pop ratio	GDP growth rate	Change in empl-pop ratio	GDP growth rate	Change in empl-pop ratio	GDP growth rate	Change in empl-pop ratio
2001	1.59	-0.33	4.21	-0.66	4.21	-0.19	2.84	-0.35
2002	1.64	-0.34	4.34	-0.79	4.34	-0.37	4.03	-0.32
2003	2.30	-0.26	4.53	-0.45	4.53	-0.12	5.28	-0.30
2004	3.52	0.32	5.95	-0.11	5.95	-0.01	5.68	-0.19
2005	3.00	0.67	7.11	-0.36	7.11	-0.10	5.71	-0.25
2006	3.24	0.84	6.70	-0.09	6.70	-0.69	6.04	-0.73
2007	2.89	0.84	6.98	0.00	6.98	-0.65	5.27	-0.80
2008	0.69	0.00	6.89	-0.37	6.89	-0.89	5.63	-0.82
2009	-3.35	-2.68	4.59	-0.59	4.59	-0.73	4.99	-0.39
2010	3.05	-0.28	5.97	-0.22	5.97	-0.48	3.29	-0.75
2011	2.04	0.33	6.87	0.12	6.87	-0.74	6.49	0.20
2012	1.48	0.34	4.76	-0.13	4.76	-0.89	-0.13	-0.76
2013	1.61	0.11	5.18	-0.61	5.18	-0.14	-4.40	-0.14
2014	2.16	0.72	5.67	-0.42	5.67	-0.18	2.55	-1.16
2015	2.34	0.56	6.12	-0.38	6.12	-0.32	2.86	-1.26
2016	1.85	0.75	5.92	-0.59	5.92	-0.14	-2.06	-0.83
2017	2.50	0.74	5.69	-0.32	5.69	-0.46	0.50	-0.92
2018	2.38	0.81	5.44	-0.23	5.44	-0.25	1.88	0.00
2019	1.89	0.55	5.42	-0.39	5.42	0.32	2.85	-0.27
2020	-3.89	-3.08	4.06	-3.81	4.06	-2.48	3.01	-2.28
2021	5.85	1.45	-3.98	1.97	-3.98	2.11	-1.15	0.28
2022	3.05	1.83	6.49	0.15	6.49	2.63	1.28	0.82
2023	1.83	0.46	6.24	0.40	6.24	1.54	3.36	3.72
2024	1.95	-0.27	6.04	-0.42	6.04	0.80	-0.21	-0.41

Source: World Bank WDI database

Another approach could be to examine the changes in GDP and in the active worker population ratio in each year, to see if there is any evidence of clear positive relationship. Since the population estimates tend to be relatively stable over time, estimates of the worker population ratio (employed workers to population age 15+ years) can provide a proxy for short-run employment changes. These trends are shown for groups of countries based on levels of per capita income (see Table), using data from the World Bank's World Development Indicators.

Chart 3 shows the trends for the world as a whole since 2000, and it suggests a very different relationship — almost a non-relationship — between GDP growth and employment. It is true that GDP growth has been volatile, with three episodes of crisis (in 2001, 2010 and 2021) when GDP was stagnant or declined. But the employment-population ratio barely budged over most of this period and in fact seems to have declined slightly in most of the quarter century.

Certainly, there is little evidence of a short-term positive relationship with GDP growth. The lags, where they are evident, also do not appear to have much economic rationale.

The picture changes slightly according to income groups. The high income countries (HICs) shown in the Table do indeed show a positive relationship, with changes in employment to population ratios closely tracking GDP growth. The changes in the employment-GDP ratio are much lower than those in GDP, but they are generally in the same direction. Therefore, in high income countries, employment appears to follow the business cycle, as expected.

But the same cannot be said for the other country groupings. Indeed, the lack of correlation between the two variables that can be observed for the world as a whole is really because of these other country groupings.

The Table shows that in both upper and lower middle income countries, employment-population ratios have been mostly stagnant (with the exception of the pandemic year 2020 which showed a significant decline and then a recovery in the following year). But even more notably, the changes in the ratio have been negative throughout this period, barring a few most recent years.

JOBLESS GROWTH

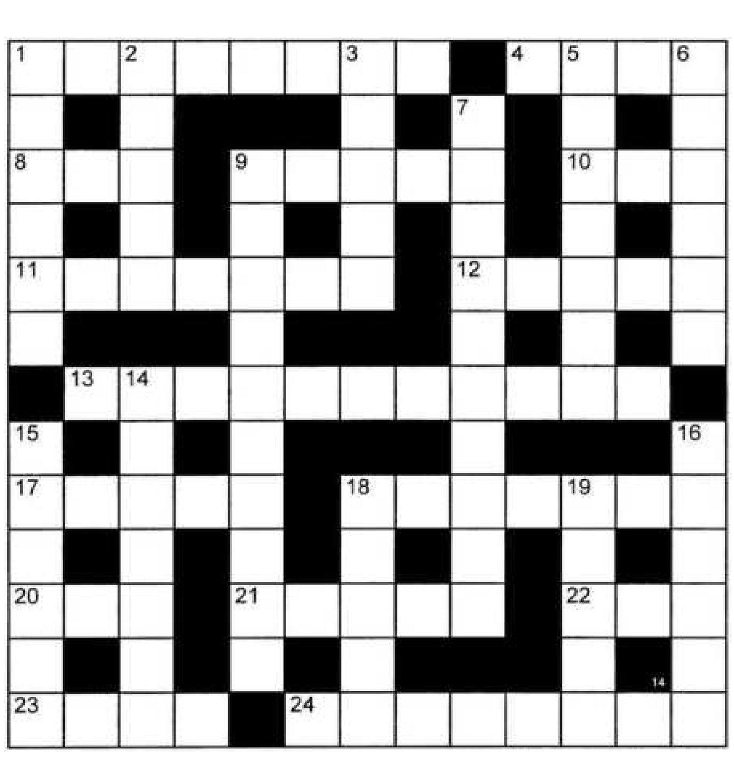
What is clear is that the more rapid GDP growth in these middle income countries (which as a group have the highest GDP growth rates) did not lead to increases in the employment-population ratio either in that year or the following year, or through the period as a whole. In other words, the employment-population ratio has not only been inelastic with respect to income growth, but has in many years been negatively correlated.

The lower income countries described in the Table point to an even more disturbing trajectory, one in which employment-population ratios fell over almost the entire period, until 2022.

Such a pattern definitely calls into question any positive relationship between output and employment in most countries in the world. Clearly, the factors determining employment generation are more complex and deserve to be analysed carefully to put in place the appropriate strategies.

But first, governments and those who advise them have to stop assuming the GDP increases will be enough to create more jobs.

BL TWO-WAY CROSSWORD 2593



EASY

ACROSS

01. Wedding (8)
04. Forehead (4)
08. Indicate agreement (3)
09. Throttle (5)
10. Spirit (3)
11. Rain-bringing wind in Asia (7)
12. Bury (5)
13. Unable to see anything (5,2,1,3)
17. Recess in wall (5)
18. Pull faces (7)
20. Misery (3)
21. The mind (5)
22. Mineral aggregate (3)
23. Over; cheated (4)
24. Helpless, futile (8)

DOWN

01. Notes equalling two crotchets (6)
02. Fieldwork, two faces forming salient (5)
03. Low cry of pain (5)
05. Boating event (7)
06. Bleak, like January (6)
07. A piece for declaiming (10)
09. Make of porcelain (5,5)
14. Reading-desk (7)
15. Chewed as at bone (6)
16. Cuts off (6)
18. Final resting-place (5)
19. Unaccompanied (5)

NOT SO EASY

ACROSS

01. A getting-together may spoil one in fury (8)
04. Top of the hill - second line (4)
08. Show one agrees to the fellow returning (3)
09. Car control associated with throttle (5)
10. It must be set to catch mother's ruin (3)
11. A wind, but not here, Scotsman will get shortly (7)
12. Put one under at home, Michaelmas being endless (5)
13. Venetian, cricketer-like, can't see a thing (5,2,1,3)
17. In Munich eventually space was found to put statue (5)
18. Forbidding winning service, pull a face (7)
20. You and I have swallowed nothing but misery (3)
21. Thinking power comes from one taking bran about (5)
22. Rock with metal, gold and energy (3)
23. Being cooked, it is finished (4)
24. If deck lacks beginners, not so many show want of spirit (8)

DOWN

01. In the chemist's, drops the notes (6)
02. Bit of fortification for revolutionary with an afterpart (5)
03. Unhappy sound proceeding from organ (5)
05. For instance, in desert Terriers find occasion for boaters (7)
06. Gain the attempt like in January (6)
07. A telling performance? (10)
09. China had five bob on a classic (5,5)
14. Read here and learn of a loss, etc, unfortunately in it (7)
15. Used molars, for example, dawn breaking (6)
16. Cuts away from one eternally in Nazi force (6)
18. Serious note to be wildly enthusiastic about (5)
19. On getting in the drink, there's nobody with one (5)

SOLUTION: BL TWO-WAY CROSSWORD 2592

ACROSS 1. Mimics 4. Circus 9. Rumpled 10. Piece 11. Evil 12. Peer 13. Pie 15. Sour 16. Blot 19. Rob 21. Book 22. Bali 24. Extra 25. Torment 26. Spends 27. Cohere

DOWN 1. Market gardens 2. Mummies 3. Cold 5. Imperils 6. Cheep 7, 14 Down. Skeleton in the cupboard 8. Added 14. see 7 17. Trapeze 18. Booty 20. Bathe 23. Trio

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Impressive growth

Maintaining the momentum will be challenging

The first advance estimates (FAEs) of gross domestic product (GDP) for this financial year, released on Wednesday by the National Statistics Office (NSO), show that the Indian economy in real terms is projected to grow 7.4 per cent in 2025-26, broadly in line with market expectations. The Reserve Bank of India had projected a growth rate of 7.3 per cent for the current year. Since the economy grew 8 per cent in the first half of the year, growth is expected to be lower in the second half. Nevertheless, the projected growth of 7.4 per cent is impressive, given the odds, and is significantly higher than last year's 6.5 per cent. The high real growth is partly driven by low inflation. Nominal growth for the year is projected at 8 per cent. Nominal growth in FAEs attracts significant interest because it forms the basis for Budget calculations.

In absolute terms at current prices, the economy is projected to attain the size of ₹357.14 trillion, which is marginally higher than the level assumed in the 2025-26 Budget. Thus, there is no surprise here. However, containing the fiscal deficit at 4.4 per cent of GDP may still be challenging owing to tepid revenue growth. Since the government is slated to adopt debt-to-GDP as the fiscal anchor from next financial year, nominal growth will now attract more interest. The inflation rate is expected to move up in the coming quarters from its current lows, which should help improve nominal growth. In fact, it is worth highlighting that the NSO will release a new GDP series next month with a revised base. Reportedly, it will address some of the concerns raised by economists and analysts over the years about the current series. The statistics department will also release a new series for the consumer price index. Thus, overall, there could be significant changes in the way economic activity and prices are gauged in India.

However, irrespective of the change in the base year and the methodology used to measure GDP, it is not difficult to argue that next financial year could be more challenging. How the government intends to approach the year ahead will become clear in the Budget, due in a few weeks. The challenges are largely emanating from the external front. Despite months of negotiations, a trade deal with the United States (US) remains uncertain. Much will depend on how quickly a mutually beneficial agreement is reached. India is also hoping for an early closure of a free-trade agreement with the European Union. These two deals are extremely important. If the trade deal with the US is delayed, challenges could emerge on the balance of payments front, which is getting reflected in the pressure on the rupee. If India is at a significant disadvantage in exporting to the US, it could also affect foreign investment, both direct and portfolio. Foreign portfolio investors, for instance, sold Indian stocks worth over $18 billion in 2025.

One of the factors driving growth in recent years has been high capital expenditure by the government. While it is believed that moving to the debt anchor will give more flexibility in terms of the size of the deficit, it remains to be seen whether the level and growth in capital expenditure can be sustained. Further, on the domestic front, there are renewed signs of a reform push. More efforts will be needed to maintain the growth momentum next financial year.

Empower local bodies

They are best-positioned to provide basic services

India is urbanising at an unprecedented speed and scale, with nearly 60 per cent of Indians, close to 800 million citizens, expected to live in cities and towns by 2050. Yet the economic returns to this urban transition remain weak, and urban local bodies are unable to perform effectively as vibrant democratic units. Globally, there are hardly any examples of well-functioning cities that developed without empowered, accountable local governments. In a democratic country, timely elections are the foundations of empowerment and legitimacy. However, that is not the case on the ground. As a recent report in this newspaper showed, polls to major urban bodies in Maharashtra, including the Brihanmumbai Municipal Corporation, are being conducted after delays of nearly four years. Karnataka presents an even starker picture. Elections to Bengaluru's civic body were last held in 2015; since the council's term ended in 2020, elections have been postponed repeatedly. As of 2020-21, the average delay in conducting municipal elections after the expiry of councils was 22 months.

The situation with rural local bodies (RLBs) is only slightly better. In fact, elections to several block and zilla panchayats across Maharashtra and Karnataka and gram panchayats in Tamil Nadu are delayed. This clearly hinders development work and governance, as RLBs are eligible for Finance Commission grants only if they are duly constituted. The 73rd and 74th Constitutional Amendment Acts were explicit in their intent to entrench democratic decentralisation. Articles 243E and 243U mandate that elections to RLBs and municipalities, respectively, be completed before the expiry of their five-year term or within six months of dissolution, while Articles 243K and 243ZA vest the superintendence, direction, and control of RLBs and municipal elections in State Election Commissions (SECs). In practice, these provisions are routinely flouted. A central cause lies in the systematic weakening of SECs. The Supreme Court has repeatedly attempted to address these problems. It has held that SECs enjoy powers comparable to the Election Commission of India within their domain; that elections must proceed in the existing wards or on existing electoral rolls if revisions (in the ward boundaries or rolls) are not completed in time; and that SECs may approach constitutional courts if states fail to cooperate. Yet delays persist.

The political disempowerment of local bodies is compounded by lack of financial autonomy. The data compiled by the Reserve Bank of India shows that municipal corporations generate only modest revenues of about 0.6 per cent of gross domestic product (2023-24), and are heavily dependent on state transfers. Meanwhile, only 1 per cent of the revenues of panchayats come from their own sources. Delayed elections weaken the legitimacy and trust in representative democracy, while weak finances constrain capacity and service delivery. Although state governments often invoke federalism to argue against central overreach, the same cannot be denied to governments below them. It is important to accept that local bodies are best-positioned to provide basic services to citizens, and can be an engine of growth and development. It is thus critical to empower local bodies both politically and financially. It will be interesting to see the observations of the Sixteenth Finance Commission on the issue.

Why Section 29A needs calibration

The IBC must not conflate business failure with malfeasance, or an unfortunate entrepreneur with a fraudulent one

ILLUSTRATION: BINAY SINHA

The first resolution plan under the Insolvency and Bankruptcy Code (IBC), 2016, approved in August 2017, triggered widespread disquiet. A related party regained control of the company while creditors took a 94 per cent haircut. This outcome appeared commercially imprudent and morally indefensible, exposing the vulnerability of the nascent insolvency regime to abuse. The IBC could not be a route for errant promoters who had run a company into the ground to shed debt and reclaim assets. The government responded swiftly, inserting Section 29A to restore confidence in the regime.

Nearly a decade on, the twin balance-sheet syndrome that motivated early interventions has largely receded. In the changed landscape, Section 29A increasingly risks impeding the IBC's objective of value-maximising resolution by excluding precisely those actors who may be best placed to revive distressed assets. The question is whether Section 29A in its present form still continues to serve its purpose without imposing disproportionate collateral costs.

M S SAHOO & RAGHAV PANDEY

Clause (c), for instance, disqualifies a promoter of a company that has a non-performing asset (NPA) account for at least one year before the commencement of the corporate insolvency resolution process (CIRP) of a company from submitting a resolution plan to take it over. This provision produces anomalous outcomes. A promoter of several companies, each with substantial NPAs for decades, retains control of those companies so long as none of those companies is admitted into CIRP. By contrast, a promoter of a single company with a relatively small NPA for a year loses the company if that company enters insolvency. Disqualification thus turns not on the existence, magnitude, or persistence of NPA, but on the happenstance of admission into CIRP, an outcome often shaped by creditor strategy rather than promoter conduct.

The distortion runs deeper. A person with modest defaults to banks is disqualified, while someone else with massive defaults to non-bank creditors over decades remains eligible. By treating all *de jure* NPAs alike and ignoring *de facto* NPAs altogether, the provision privileges form over substance and classification over conduct. This asymmetry militates against equality, with no rational nexus to culpability.

Fundamentally, clause (c) disregards business reality. NPA classification may reflect systemic or sector-wide shocks, rather than promoter delinquency. Entire industries, notably thermal power and steel, experienced acute stress in the mid-2010s, triggered respectively by coal block cancellations and global steel price collapse, developments largely outside the promoter's control.

The provision sits uneasily with the dynamics of a market economy, where business failure is not aberrational but an inevitable by-product of competition and innovation. If bankruptcy law fails to distinguish honest failure from fraud, affording a second chance to the former while sanctioning the latter, it risks chilling entrepreneurship and, in turn, undermining the economy's growth trajectory.

Business cycles rarely conform to a one-year timeline. An account rendered NPA by a cyclical downturn may not recover within 12 months, even when the promoter is diligent and beyond reproach. *Force majeure* events such as the Covid-19 pandemic underscore this point. Acknowledging its extraordinary impact, the law itself excluded Covid-era defaults from triggering insolvency proceedings.

By barring promoters based solely on the duration of NPA, the law excludes the stakeholder with the deepest institutional knowledge of the asset. Strategic buyers may be unwilling to assume the complexity of a turnaround without the promoter's involvement, while financial investors may lack operational capability. The result is often a failed CIRP and eventual liquidation, destroying value and harming creditors.

The breadth of disqualification compounds the problem. It extends to persons acting in concert and to connected persons, casting an exceptionally wide net. While the intent was to prevent promoters from using proxies or fronts, the provision has the unintended effect of deterring genuine white knights who might otherwise partner with promoters to rescue distressed assets. A white knight who formed a consortium with a promoter who was eligible yesterday risks becoming ineligible across the market if that promoter attracts any ineligibility under Section 29A today.

It is sometimes argued that little turns on keeping just one person out. This understates the effect of Section 29A, which operates globally. Once disqualified, a person and all its connected persons are excluded from every insolvency proceeding, irrespective of the asset, the sector, or the circumstances. This materially shrinks the pipeline of resolution applicants, adversely affecting insolvency outcomes system-wide.

Section 240A exempts micro, small, and medium enterprises (MSMEs) from the rigours of clause (c). By permitting MSME promoters to re-enter despite NPA status, the legislature acknowledges that NPA classification is not, in itself, a marker of moral turpitude or managerial incompetence. The disqualification is situational, not character-based. Morality cannot reasonably depend on the size of the balance sheet. A promoter of a large steel plant, buffeted by global headwinds and guilty of no fraud, is arbitrarily barred, while an MSME promoter in comparable circumstances is welcome. This is jurisprudentially untenable. If MSME promoters merit a conduct-based assessment, large corporate promoters are equally entitled to one, rather than a blanket prohibition.

This analysis of clause (c) illustrates a broader problem. Section 29A is simultaneously over-inclusive and under-inclusive. It excludes promoters whose failure is honest and contextual, while allowing continued eligibility elsewhere until culpability is authoritatively established. Clauses (b) and (g), which address wilful default and avoidance transactions, quintessentially malafide conduct, disqualify only upon a final determination. Until then, even culpable actors may participate in the process. The resulting regime penalises the unfortunate while, at times, accommodating the suspect.

This is not an argument for dismantling Section 29A or returning to an era of promoter impunity. The moral hazard is real, and the law must guard against it. But the guardrails must be calibrated. Promoters who have stripped value or acted fraudulently should be barred at the threshold, based on credible forensic evidence. Promoters who have merely fallen victim to business cycles but continue to enjoy creditor confidence should not be treated as pariahs.

Section 29A was a necessary intervention at a particular moment in the evolution of India's insolvency framework. Today, the challenge is nuanced: Curbing misconduct without extinguishing value. The IBC will realise its full promise only when it sharply distinguishes fraud from failure, discipline from over-deterrence, and moral culpability from commercial misfortune. Calibration, not blunt exclusion, is the imperative.

The authors are, respectively, a former distinguished professor and an assistant professor at the National Law University, Delhi

Budget 2026 must boost R&D activity

Innovative activity is widely recognised as a key driver of competitiveness and economic growth. Its importance has only increased in the context of the artificial intelligence (AI) revolution and the compulsions of net-zero. Hence, India's underperformance in gross research & development (R&D) expenditure (GERD) as a proportion of gross domestic product — stagnating at around 0.7 per cent, much lower than the global average of 1.93 per cent — has attracted much debate. Other countries like China spend a far higher proportion on R&D, at about 2.6 per cent.

The output indicators of innovative activity — for example, India's rank improving from 81st to 38th between 2015 and 2025 in the World Intellectual Property Organization's Global Innovation Index — present a more encouraging picture. Patents filed in India have also surged, from 24,326 in 2020-21 to 68,176 in 2024-25. ISID's India Industrial Development Report 2024-25 finds India's GERD to be underestimated and projects it at around 1.25 per cent — more respectable than 0.7 per cent, but still low.

NAGESH KUMAR

Another concern about GERD is that over 60 per cent of it is spent not by business enterprises, where it could help sharpen their competitive edge, but in government laboratories, including those run by the Council of Scientific & Industrial Research, the Defence Research and Development Organisation, and the Indian Council of Medical Research, among others. While mission-oriented R&D organisations such as the Indian Space Research Organisation have achieved considerable success, government laboratories often face challenges in commercialising their innovations.

The bulk of business R&D is conducted by a handful of large companies and is heavily concentrated in the pharma and auto sectors. Benchmarking the R&D activity of Indian firms against their global counterparts, industrialist and economist Naushad Forbes, in his column in this newspaper, makes a case for expanding business R&D activity by a factor of five.

The neglect of R&D activity by Indian industry is curious, especially given its role in driving competitiveness. This can be explained by the market failures inherent in innovative activity, which do not allow investors to reap the full rewards due to its public good-like nature.

Recognising the market failures and its strategic importance, governments in the United States and other industrialised countries spend billions of dollars on subsidies and R&D contracts awarded to national enterprises, including through agencies such as the Defense Advanced Research Projects Agency, NASA, and the National Institutes of Health. Public funding has been an important source of industrial innovation in Western countries; for example, Tesla received substantial support from the US government — in addition to tax credits and contracts — while developing its innovative electric vehicles.

Advanced countries also built an exception for R&D subsidies to the tune of 50 per cent of project costs in the World Trade Organization Agreement on Subsidies and Countervailing Duties, which debarred all other forms of industrial subsidies.

In India, until 2017, R&D activities in industry were encouraged mainly through weighted tax deductions at the rate of 200 per cent, and 150 per cent during 2017-2021. Since 2021, only a 100 per cent deduction is allowed. In 2024, the government established the Anusandhan National Research Foundation (ANRF) to mobilise ₹50,000 crore over five years to promote academia-industry linkages for high-impact research. In November 2025, the government launched the Research, Development and Innovation (RDI) Scheme with a corpus of ₹1 trillion to boost private sector-driven innovation, focusing on strategic sectors such as AI, quantum, energy, and biotech, by low-cost loans and equity through a two-tiered structure managed by the ANRF. The ANRF and RDI are clearly important and desirable initiatives to foster innovative activity. Yet, they need to be complemented by other incentives and policies to realise the Viksit Bharat and Aatmanirbhar Bharat visions.

The finance minister in the Union Budget 2026-27 may consider restoring 200 per cent weighted deduction for R&D expenditures. Weighted deductions provide greater freedom to firms for undertaking R&D to respond quickly to emerging market needs or other strategic considerations.

While the weighted deduction may be provided based on an audited statement, there could be a provision for reporting the activities undertaken under the scheme, the processes and products developed, foreign exchange saved or earned, patents filed, and licensing fees earned. This will ensure that tax benefits are not claimed as routine and that they actually lead to innovative activity.

Another policy to promote local innovation could be to protect minor innovations through the so-called petty patents, as practised in Japan, South Korea, Taiwan, and China. The patent system fails to encourage minor innovations because the criteria for inventiveness tend to look at novelty. India could consider adopting a petty patents regime that provides limited protection for three to five years to minor incremental innovations, especially those by micro, small and medium enterprises.

To sum up, therefore, the Union Budgets of the past few years have taken major initiatives to foster innovative activity. The 2026-27 Budget should build on these initiatives by restoring weighted tax deductions and creating a petty patents regime to foster incremental innovations needed to realise the Aatmanirbhar and Viksit Bharat visions.

The author is director, Institute for Studies in Industrial Development, New Delhi, and a member of the Monetary Policy Committee. The views are personal.
nkumar@isid.org.in

CG Power's revival, Bachchan-style

JYOTI MUKUL

The Insolvency and Bankruptcy Code (IBC) has been one of the defining legislation for the Indian corporate sector ever since it was enacted in 2016. Especially in sectors such as power and steel, IBC put on the block a number of companies that had been declared bankrupt. While lenders took control, choosing the suitor for the beleaguered company was the task delegated to resolution professionals under the Code. Companies in distress due to financial frauds, sectoral down-cycles or huge debt found themselves being recast and sold to new buyers. CG Power, however, followed a different route when financial problems broke out in the company.

Natarajan Srinivasan, who was appointed managing director and chief executive officer of CG Power in 2020, has put together a chronicle of the journey of turning around the distressed company. The Great Revival tells this story with all the nuance of a corporate leader who has been involved in reviving distressed companies.

The saga begins with the Ministry of Corporate Affairs ordering an investigation of CG Power and its subsidiaries in December 2019. It had earlier sought reopening and recasting CG Power's financials by an independent chartered accountant firm. By March 2020, the book value per share of the company declined to a negative ₹31.21 from ₹55.2 in March 2012. There was no working capital to pay interest or repay loans.

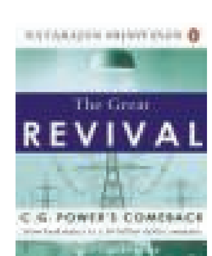
CG Power was put through a resolution process under the Reserve Bank of India' Prudential Framework for Resolution of Stressed Assets and not through the IBC, which came into effect from December 2016. This resolution scheme functioned under RBI's circular of June 7, 2019. So, the approach was different in many ways. Nonetheless, a new ownership took control after a Swiss Challenge bidding mechanism was used to sell the company. Tube Investments of India had on August 7, 2020, submitted a binding offer to acquire a 54 per cent stake in CG Power. On November 26, 2020, its parent Murugappa group issued a press release announcing the acquisition of a majority stake in CG Power.

The new promoter infused ₹687.50 crore of net worth and CG Power mobilised a term loan of ₹600 crore from State Bank of India. Considering that all this was happening during the Covid year, it is remarkable to see how strategies were worked out even when "the Murugappa group leadership was on trial" by stakeholders for taking a "bold" diversification call after being in the business of manufacturing bicycles and auto components for more than 50 years.

The Great Revival offers an insight into these strategies. Foremost in this was asking senior managers to work out a Dream Battle Plan instead of being given a diktat from above. As Mr Srinivasan puts it: "The holistic word was 'regain'; regain production, regain customers, regain market share and regain corporate respect."

The author goes into details of strategic productivity initiatives, which prioritised two strategies: Project Mudra and Project Lean. "We were not merely playing the game for profit; we were playing for pride," he writes. There are certainly lessons to be learnt.

One of the key challenges that the new management had to deal with and which is elaborately described in the book is the multiple investigations. While this demanded considerable effort on the part of key officials, the company invoked the principles in Section 32 of IBC, which protects the acquirer in any form of resolution whether it is through a debt recovery tribunal, or under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFESI) Act or under the RBI stressed asset mechanism.



The Great Revival
by Natarajan Srinivasan
Published by Penguin
225 pages ₹799

One of the unique features of this turnaround story is that it not only captures Mr Srinivasan's perspective and view of CG Power's journey from being fraud-ridden to the revival of its balance sheet, but also those of the senior management team who played a crucial role in the revival. There are, therefore, accounts from Susheel Todi, chief financial officer, Ramesh Kumar N, president of the motors and drives business, and Mukul Shrivastava, president, power systems. Besides, there are also notes from Dinesh Khara, former chairman, State Bank of India, Vellayan Subbiah, chairman, CG Power, and P S Jayakumar, independent director and chairman, Audit Committee. These versions present a holistic perspective to the overall revival story.

For instance, Ramesh Kumar N recollects how holding a dealer convention in Hungary in November 2019 came with a dilemma since by then question marks on the company's financials had already been raised. An out-of-the-box approach helped. A 20-minute film on Amitabh Bachchan's ABCL and the transformation in the Bollywood actor's fortunes with the television show *Kaun Banega Crorepati* was screened at the convention. "CG Power is no less than Amitabh Bachchan. If he could do it, so will we." It seems the CG Power revival did play out like a blockbuster script where the right intentions helped regain the lost ground.

The reviewer is a former journalist

OUR VIEW

MINT

Railway finances: Let us get them firmly on track

The deregulation of India's oil sector offers a useful precedent on how to slowly move away from subsidies for rail travel. This is a must for Indian Railways to get its finances in shape

The recent decision of Indian Railways (IR) to raise fares on all classes of travel, other than suburban rail, season passes and short-distance second-class ordinary, reflects a dilemma that has long dogged IR and underpinned its fare decisions: Should IR be run as a commercial enterprise, albeit state-owned, or as a departmental undertaking with social objectives placed above profit? Historically, all governments, both before and after India's 1991 embrace of market principles, have veered towards the latter view. Sadly, political calls have shaped almost everything about IR, including track expansion, stops along routes and, of course, train fares. Fare revisions have always had a populist angle. They have mostly been confined to higher-priced classes, with suburban fares virtually untouched. The last time the latter were revised was in 2014, only to be partially rolled back in the face of protests.

The latest revision, effective 26 December and the second in 2025-26, is no exception. Not only are the hikes moderate, they are largely limited to dearer classes. Travel in AC coaches and non-AC coaches aboard mail and express trains is now costlier. But fares for suburban services and monthly season tickets, which cover the largest segment of passengers, remain the same. Ordinary-class travel has also been spared—there is no hike in fares for up to 215km. Even where fares have been raised, the increase is nominal: just two paise per kilometre for higher classes in mail and express trains, and about one paise for ordinary-class travel beyond 215km. As estimated, IR will earn about ₹600 crore extra in 2025-26 from the revision. The additional revenue is welcome. But it is too little to count for much. The Fifth Report of the Parliamentary Standing Committee on Railways (of August 2025) offers a telling commentary on IR's poor finances. It points to how its Operating Ratio (OR)—or its gross working expenses as a percentage of its gross traffic earnings—has stayed above 98% since 2022-23. Almost a rupee spent for every rupee earned leaves little by way of internal cash generation for capital investments, so a weak OR forces IR to depend on either budgetary support or borrowings, adding to its interest bill. The panel's report of December 2024 had suggested a better alignment of fares with operational costs. This must be done for all classes, including suburban travel. Consider how low our fares are. A seat on *Vande Bharat* from Delhi to Varanasi is about $21-40. In contrast, an Amtrak ticket from Washington DC to Boston, covering a slightly shorter distance, costs $200-$500.

Admittedly, IR must not be viewed only through the lens of profitability. It acts as the country's lifeline, carrying around 20 million passengers daily, with this count going up to 30 million on festive occasions. Beyond its role in transporting both freight and people at affordable rates, IR has also been a powerful force for national integration. Moreover, we cannot overlook its role in facilitating diverse economic activities. It will also not be easy to wean a country long accustomed to subsidized rail travel off what are essentially 'freebies.' But it should be done. Let us not forget, even when its OR is under 100%, IR soaks up taxpayer funds at the cost of causes that may be more deserving of subsidies. The oil sector offers a parallel; its gradual withdrawal of freebies could serve as a guide on how to proceed. Reforms might be difficult to sell politically, but IR needs to be financially sound.

MY VIEW | OTHER SPHERE

Barmer is a crucible of humanity that radiates hope for everyone

We see unsung examples of empathy everywhere but this arid part of India is special in many ways

ANURAG BEHAR
is CEO of Azim Premji Foundation.

Why are you going to Barmer? Carrying the risk of severe bleeding from the smallest of cuts—because of the strong blood thinners you are on." So I was asked. But even when there was no such risk, I would be questioned repeatedly, "Why do you go to Barmer?" in incomprehension of what could pull someone to this barren desert land.

As the country was roiled by the second wave of covid in June 2021, we drove 12 hours to reach Barmer. Everything was shut along the route other than two fruit sellers near Jalore.

Ravi was waiting for Gautam and me in a makeshift ICU, 60km before Barmer. A body was being shifted. Ravi's right foot had a fracture, but you couldn't tell from what he was doing. For two days, we followed our team, which was immersed in Barmer's grief, trying to ameliorate everything—from the ICU to isolation and quarantine centres to oxygen plants and villages with no food.

Disbelief dripping at my folly, on returning, I was asked, "You went to Barmer, now?"

Two weeks later, flames were leaping over the high boundary wall of the field where I once played cricket as a child. I knew what it was, but could not resist going in. The funeral pyres were end to end. Raging because no fire could be allowed to die down. Rows of bodies waited beside each pyre to be consumed. With no loved ones holding their hands in the end, just the PPE-clad workers and volunteers, drenched in sweat from the flames and blazing June sun. As in Barmer, here too our team was out every minute, helping tackle the scourge with no fear and no respite.

I was witnessing my beautiful Bhopal, my home town, in the grip of death for the second time after 1984. After two days, Abhishek said, "Let us go to Sagar tomorrow. If this is the state here, we must see what our team is dealing with there." We left Bhopal at 8.30am. At noon, as we were nearing Sagar, Alok called and said, "Why don't we go to Damoh, there is even less support there." He joined us in the car, and we were near Damoh by about 2pm when Kriti called and said, "How about going to Hata, it's even harder there." At Hata, Upendra joined us and said, "No oxygen, no doctors, only the mercy of God if you get infected here." He added, "Imagine the edge of Hata. There you are not even a death statistic. So, let's go there." So, on we went another 25km. We reached that rocky terrain on the edge of a wildlife sanctuary. How could covid have reached here?

It was 4pm. We sat in the open with a few people from the village and heard stories of breath diminishing to gasps and death. A slight man wanted to hold my hand and hug me for what our team was doing for them. I let him; infection be damned. We were there for 10 minutes. Bhopal was 8 hours away, so we were forced to leave. We went back the same route, reaching Bhopal by 1am.

I was asked incredulously, "You drove 16 hours to chat for 10 minutes?"

In those darkest of days when our world was awash with grief, I was suffused with wonder. From Hata to Barmer to places too many to be listed, what possessed so many to embrace the line of fire without any command or obligation? Providing succour and solace to complete unknowns, tied only by the bond of elemental humanity.

Covid merely brought into sharp relief an unrelenting reality—the darkness of poverty, neglect and exploitation. But it is in this darkness that humanity shines brightest. Those who put themselves in the line of fire do so not only during brief cataclysms like covid, but join battle every day—each small and seemingly inconsequential, fated to remain unsung. Yet, in the long arc of history, nothing else is more consequential than the cumulation of these human acts of courage and empathy.

It was in Barmer that a 26-year-old teacher who cycles 13km to his school, teaches three subjects everyday to 48 children across 5 classes and cooks for them too, told me "*Mushkilen ginaanen se kum nahin ho jaati* (difficulties do not reduce by recounting them)."

It was in Barmer that two elderly women sprinted down a 100-metre sand dune to pick me up, a stranger, as I was rolling bloodied on the tar of the road.

It was in Barmer's 48° Celsius temperature that a 14-year-old girl ran 200 metres barefoot across the sand to pump water for 15 minutes for unknown goats who had drifted into the school. And her teacher told me "*Ganit nahin padhaa sakte, lekin achcha insaan toh banaa sakte hain* (I can't teach math but can help them develop into good human beings)." Why did I drive 16 hours to Hata for a 10-minute chat? Why do I keep returning to Barmer?

Barmer and Hata are luminescent metaphors for me. Where the terrain is so hard, the heat so scorching, the poverty so wrenching and the water so absent, all that is left is the human spirit. And that fills every breach, tends every heart and keeps people together. A crucible in which humanity is forged every day. If you go there, you will not leave willingly. When you do, it will be with a bit of faith in humanity restored.

She knew my risks, but also knew me best. So, she said, "Go, because it nourishes your soul." And so, I write this from Barmer. Finding a Barmer can help make life radiant.

10 YEARS AGO

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ENVIRONMENT: A prayer for the crocodile

ENTERTAINMENT: Hollywood's revenue in India jumps over 92% to ₹437.79 cr

COMPANIES: A long way to go for Netflix in India

CORPORATE: MakeMyTrip gets funds from China's Ctrip.com

SENSEX 24,851.83 ▼ 554.50 | NIFTY 7,568.30 ▼ 172.70 | DOLLAR ₹66.93 ▲ ₹0.10 | EURO ₹72.72 ▲ ₹0.84 | GOLD ₹25,960 ▲ ₹310 | OIL $33.39 ▼ $0.84

NDA woos Congress afresh on GST

RIPPLE EFFECT

Sensex shudders as China stocks plunge

Risk aversion may lead to more selling by foreign investors and exert pressure on Indian markets

CHINESE CONTAGION

VULNERABLE SEGMENTS OF THE INDIAN MARKET

Quikr buys CommonFloor in match made by Tiger Global

QUICK EDIT

Bears in control

TERMINOLOGY MATTERS

IMD declares an end to droughts in India

INSIDE

J&K chief minister Sayeed dies at 79

Pollution watch

JUST A THOUGHT

If we want our regulators to do better, we have to embrace a simple idea: regulation isn't an obstacle to thriving free markets; it's a vital part of them.

JAMES SUROWIECKI

THEIR VIEW

Indian aviation and telecom: A tale of two disruptions

RAJAT KATHURIA

is dean, school of humanities and social sciences, and professor of economics, Shiv Nadar University.

Unlike Charles Dickens' fabled expression, it isn't the best or worst of times for us in India; we have seen better and we have seen worse. Inspired, however, by the title of the celebrated work from which these lines are taken, I am going to tell a tale—not of two cities, but of two disruptions, both of which arrived on India's scene with a bang, promising the consumer escape from mediocrity and even delivering on that promise for a while.

This is a tale of IndiGo in aviation and Vodafone in telecom. Both injected competition into sectors long accustomed to limited choice and uneven service. For a brief period, they expanded our access, brought prices down and forced sluggish incumbents to respond. And then, as so often happens in India, the novelty wore off. The firms grew large, the market structure shifted and, most importantly, policy became the whipping boy for all that went wrong.

IndiGo launched in 2006 as an efficient low-cost air carrier and forced a massive transformation; domestic passenger traffic grew from about 25 million in 2005-06 to over 152 million by 2024. Its obsessive focus on lowering the cost per available seat kilometre compared to full-service rival airlines contributed to a decline in real airfares. IndiGo's market dominance in recent years has been staggering; today, it controls over 60% of India's domestic market with a fleet of over 350 aircraft to support its high-frequency network of routes.

Vodafone's story began earlier. Hutchison Max started operations in 1994 in what was then Bombay. When UK-based Vodafone acquired Hutch in 2007, Indian telecom tariffs were already among the lowest in the world. Vodafone's innovations such as low-value prepaid packs drove prices steadily down. A phone call that cost more than ₹16 a minute in 1999 fell below ₹1 by 2010. Eight years later, it merged with Idea Cellular, another success. Tele-density rose from 2.3% in 1999 to nearly 86% by 2024, though this was aided by the 2016 entry of a low-cost player, Reliance Jio. Vodafone was not the largest telecom operator, but it was part of a competitive market equilibrium that delivered the consumer significant value.

Sustaining success, though, is not easy. And institutions often play a major role, especially in licensed market categories. At the heart of IndiGo's recent regulatory run-in lies a simple question: Did the airline assume that regulatory orders could be ignored because enforcement would be selective? History suggests that many businesses see India as a soft state.

India opened telecom to private competition in the 1990s and such was the market's attraction that by that decade's end, many firms were bidding commercially unrealistic sums for licences to enter it. When they predictably failed to meet their obligations, pressure on the regulator to bail them out led to a 1999 grand deal that converted fixed licence fees into a revenue sharing arrangement with the government. Telecom firms survived, but regulatory credibility was weakened.

The IndiGo and Vodafone nosedives both underscore regulatory weaknesses we are familiar with

For IndiGo's current troubles, the trigger was the regulator's enforcement of revised flight duty time limitations. These rules, designed to reduce pilot fatigues, had long been announced. IndiGo, however, continued with its tight-schedule model that relied on maximizing aircraft utilization. But once the new norms kicked in, its system broke down: large-scale flight cancellations followed and airfares surged. The regulator was forced to intervene with capacity cuts and fare controls. This was not ignorance of the new rules, but possibly a strategic response that assumed accommodation by the regulator.

Vodafone's decline is inseparable from India's policy and regulatory weaknesses. In 2019, the telecom firm was called upon to pay the government massive dues on the basis of a wider definition of 'adjusted gross revenues' than it had been operating on; so heavy was the burden that Vodafone never recovered.

At the other extreme sits IndiGo, which is alleged to have bet that our need for aviation market stability would let it carry on the way it had been operating. The lesson is not that firms act opportunistically—markets assume they will—but that a state that oscillates between indulgence and strictness gives up some of its credibility as a rule enforcer. If blame is to be assigned, it should be borne as much by faltering businesses as a government that selectively enforces its own rules, since a profit-motivated business will always opt for what suits its interests. Policy, therefore, is not just what translates into rules. It also includes how those rules are enforced. Regulation means nothing in the absence of a mechanism to uphold it. Observe the current state of the World Trade Organization, a rules-based organization that has unfortunately been stripped of its enforcement power by the US, rendering it toothless as a body.

Meanwhile, the frailty of Indian policy is on full display. Vodafone is now half owned by the government, while IndiGo is so systemically important that the Centre cannot let it fail even if it remains private.

If all this sounds familiar, it is because we have seen versions of it before: liberalization opens the door, private enterprise rushes in, competition flourishes and then market concentration, ironically often as a result of rivalry, creates new fragilities. Markets, as I wrote earlier for *Mint*, need boundaries; they rarely set limits on their own. In that sense, market self-regulation is a myth propounded by oligarchies in their self-interest.

MY VIEW | ACUTE ANGLE

Word of the year: Hazard a wild guess on the big winner of 2025

'Tariff' dominated the world but the pick of India would have to be a word for an event that occurs only once every 144 years

SANJOY CHAKRAVORTY
is a professor of geography, environment and urban studies and director of global studies at Temple University.

AP

An amusing ritual happens in the word business at the end of every year. Some publishers and other cultural busybodies with too much time to kill (like myself) choose a 'word of the year' that is meant to capture something important in the zeitgeist, a word that distills the twist-and-shout gyrations of culture and society into a single expression, a time capsule (or soap bubble) of communication. The choice is made through some form of fan voting or editorial discretion. This annual exercise takes place in many languages, including Danish, Dutch, French, German, Japanese, Mandarin, Norwegian, Portuguese, Spanish, Russian, Ukrainian and, of course, English. Note what's missing.

English is the *lingua franca* of many countries and most have their own words of the year. England leads with choices from heavyweights like the Cambridge Dictionary, Collins English Dictionary, *The Economist* and the bossy Oxford Dictionaries, which anoints separate words for the UK and US and even had the short-lived gall to do it for Hindi. Imagine! America must have its own of everything (not just sports) and is represented by the American Dialect Society, *Dictionary.com* and Merriam-Webster. Australia is almost as insistent on its uniqueness and offers us choices from the Australian National Dictionary and Macquarie Dictionary. Okay, we get it: word meanings are culturally specific (like 'pass out' or 'backward' in Indian vs American English).

Some of the winning words have lasted. The American Dialect Society has been doing this from 1990 and seems to be quite good at picking durable ones: *information superhighway* (1993), *weapons of mass destruction* (2002), *truthiness* (2005, also chosen by Merriam-Webster) and *fake news* (2017, also chosen by Macquarie and Collins). Collins has other solid ones with staying power: *photobomb* (2014), *binge-watch* (2015) and *lockdown* (2020; variants like *covid*, *quarantine* and *pandemic* were chosen by others that year). Oxford got a few good ones, like *carbon footprint* (2007) and *selfie* (2014).

Most chosen words, however, turned out to be ephemeral—tiny attention bubbles that popped like most pop culture fads. Who remembers Oxford winners like *chav* (2004), *bovvered* (2006), *locavore* (2007), *hypermiling* (2008), *youthquake* (2017) or *rizz* (2023)? Much of this impermanence comes from the tendency to magnify the impact of words that are new and therefore connected to technology or social media or rich-world youth. Most of these words don't stay relevant for long.

For 2025, Collins considered *aura framing* and *biohacking* and chose *vibe coding*. Oxford also shortlisted *aura farming* and *biohack* before choosing *rage bait*. The most popular choice for the year was *AI slop* (picked by *The Economist*, Macquarie and Merriam-Webster). Do you know what these words mean? Will anyone remember what they mean after five years? From trendy to obscurity is a very short cycle for most of these words.

Meanwhile, the word that roiled the world in 2025, one that I suspect is understood in all countries and languages, went almost unnoticed. It is *tariff* (the "most beautiful word" according to US President Donald Trump). Only *Dictionary.com* had it in its shortlist but it ended up selecting *67*, which is not really a word, but some Gen Alpha slang that selectors themselves are "still trying to figure out exactly what it means." Similarly, for 2012, the year of the Arab Spring, the chosen words were *phantom vibration syndrome*, *omnishambles*, *bluster*, *#hashtag*, etc. As if a new phenomenon that created a new term and affected the lives of millions had simply never happened. As if the world ended at the navels of barely pubescent *brats* (word of the year, 2024, Collins) endlessly scrolling through whatever. Just because the selection process is arbitrary and unscientific doesn't mean that we can't have any standards.

I suggest that the time has come for a global word of the year. There may not be an obvious choice every year (thank goodness), but too often there are years that spawn words that rattle and shake the world. *Pandemic* in 2020, *tariff* in 2025. *Gaza* is an honourable mention, but I nominate *tariff* as the global word of the year.

We also need an Indian word of the year—not Hindi or English, but Indian. Earlier, I had mentioned Oxford's brief colonial excursion into selecting Hindi words. For the unnaturally curious, they were: *Aadhaar* (2017, selected over *notebandi*), *Nari Shakti* (2018), *Samvidhan* (2019, to mark the abrogation of Article 370), and *Atmanirbharta* (2020, not lockdown or *mahamaari*). Then, for reasons unknown to me, it stopped. It's up to us to plant our flag on this now unoccupied land.

Following my own arbitrary methodology (which is roughly in line with the standards of this game and pretty much all ranking games of beauty, colleges, restaurants, movies, *et al*), I nominate four candidates in the following order.

SIR (Special Intensive Revision of electoral rolls) began in late October and is still both underway and generating headlines; along with *Bangladeshi*, it is in the early running for word of the year in 2026. This is not SIR's year.

Operation Sindoor lasted only about four days but has since become a potent political symbol and the source of a Nobel Peace Prize nomination. It could have won in most other years but only receives an honourable mention for 2025.

Tariff needs no further *taareef* (praise) as a candidate. But, since I have already awarded it global word of the year, I must look elsewhere.

The winner is a once-in-144 years (or multiple lifetimes) event. It ran for about 45 days, and if official sources are to be believed, was visited by 660 million people, which would make it the largest festival of any kind anywhere in human history. Because it is something that happens only in India and could happen at this scale only in India; my Indian word of the year is *Mahakumbh*. Eat your heart out, *AI slop*.

MINT CURATOR

The failure of Latin American leaders led to US intervention

Regional leaders should have confronted Venezuela's dictatorship

JUAN PABLO SPINETTO
is a Bloomberg Opinion columnist covering Latin American business, economic affairs and politics.

That Maduro 'stole' Venezuela's election of 2024 is widely acknowledged. REUTERS

Removing Venezuela's dictator introduced 'Trump's Corollary' in Latin America with an exclamation point.

The White House's updated take on the Monroe Doctrine had its baptism of fire on Saturday, when US forces captured Nicolás Maduro at his Caracas stronghold, decapitating the Chavista regime responsible for bankrupting one of the world's richest oil nations. Less than a month after Washington unveiled a new National Security Strategy pledging to restore American pre-eminence in the Western Hemisphere—by force if necessary—Maduro and his wife were on their way to New York to face "narco-terrorism" charges. Capped by Donald Trump's subsequent vow to temporarily run Venezuela outright, that day will feature in history books for decades.

For Latin America, this is a blunt reminder: When divided regional leaders fail to produce homegrown solutions to their gravest crises, the risk that the US will step in—and act alone—is ever present. That risk is heightened by the return of great-power competition and Trump's transactional, spheres-of-influence world-view. The region now faces the uncomfortable prospect of the US remotely administering a mid-sized South American country bordering Brazil and holding the world's largest oil reserves, with little regional input.

Reactions among the region's leaders split along predictable ideological lines. Leftist governments in Brazil, Chile and Mexico joined Cuba in condemning the intervention that violated Venezuela's sovereignty. Right-leaning leaders in Argentina and Ecuador welcomed the departure of the hated moustachioed dictator. Yet, both positions can be true. Trump acted with evident disregard for international law in pursuing unilateral regime change—but Maduro and his cronies also tempted fate. They had multiple opportunities to negotiate a political transition. Instead, Maduro chose to brazenly steal the 2024 election. He is now likely to follow the path of Panama's Manuel Noriega nearly four decades ago: ending his days in an American jail, ruing having overplayed his hand.

Rather than strongly protesting this intervention, the region's governments might reflect on the many chances they missed to confront the region's worst political catastrophe of the century. Cynically focused on domestic calculations and commercial ties with Chavismo, leaders from Brazil's Lula to Argentina's Fernández and Mexico's López Obrador were, at a minimum, complicit as a gangster kleptocracy entrenched itself in Venezuela and then metastasized into a destabilizing regional force. The times Maduro was treated as a peer—as Lula did by rolling out a red carpet for him in Brasília in 2023—or when governments played dumb as millions of Venezuelans fled across borders, should stand as reminders of a region that failed to act in its broader interest.

Some will argue that the US risks losing legitimacy by assuming control of a sovereign nation, echoing its imperialist past. That will depend on Trump's next steps and on whether he is committed to forcing a democratic transition now that he 'owns' the problem. That would require respect for the will of Venezuelan voters and honouring the results of the country's last election, which showed opposition candidate Edmundo González Urrutia winning roughly 70% of the vote.

Don't underestimate the regional popularity of Trump's move. Latin America is shifting decisively to the right and Maduro is deeply despised. While anti-Americanism persists, societies increasingly consumed by insecurity, corruption and narco-trafficking may—at least temporarily—applaud the American cowboy for imposing some order, even on questionable premises. In this context, Cuba's derelict dictatorship may loom as the next domino to fall in a region that's changing at remarkable speed. Latin America's heavy electoral calendar this year will also test the impact of Trump's intervention.

Chief among the many unknowns is how Venezuela will be governed in the coming weeks. Latin American governments can redeem themselves by helping to shape a democratic exit that enables recovery, limits Trump's influence and avoids repeating past US mistakes in the region. Instead of immolating themselves in defence of a regime that has effectively collapsed, Lula and fellow leftists such as Mexico's Claudia Sheinbaum and Colombia's Gustavo Petro should embrace the historic role they could still play in steering a peaceful and positive transition. There is much Latin America can do—from supporting economic reconstruction, which will be demanding, to supplying humanitarian aid and facilitating the return of millions forced into exile in the past two decades.

Venezuelans will remember who helped—and who did not.

GUEST VIEW

The AI race is fast being reshaped by energy sufficiency

VITTORIO QUAGLIONE

is a teaching assistant at Bocconi University and the founder and editor of MOPS, a newsletter on macro-finance, technology, and policy.

Data-centre investments hint at a shift in the AI race. Soon, reliable and affordable electricity will confer a decisive advantage in this sector. As Albert O. Hirschman argued in *National Power and the Structure of Foreign Trade*, an economy's true power lies in its ability to manage the choke points that affect its industries. In the AI ecosystem, the US has been leveraging its dominance in chip design by strategically limiting exports to China, while Beijing has exerted pressure on the US through its control of rare-earth materials needed to make chips, magnets and other components of advanced technology.

But as the scale of the AI industry and its reliance on computing power grows, the bottleneck will move from chips to electricity because all the data centres in the world will not help if they lack a continuous supply of affordable energy. The International Energy Agency estimates that roughly 20% of planned global data-centre capacity will be at risk by 2030, owing to grid bottlenecks and interconnection queues. And as energy supplies are constrained, costs will rise, eventually trickling down to households and firms.

Which country will dominate this next leg of the race? China has certainly made a statement with its massive build-out of energy supply and distribution infrastructure, much of which focuses on renewables. According to the *Financial Times*, Chinese investments in clean energy cover everything from solar and hydropower to the hardware needed to move cheaper inland power to coastal demand centres, thereby lowering costs and improving reliability. China has also invested massively in manufacturing, driving down the price of a solar panel by a factor of 20. All told, it is now capable of adding between 500 gigawatts and one terawatt of capacity per year.

Moreover, China has matched its carefully planned industrial policy with equally strong local execution. To offset the higher cost of using domestic chips, for example, local governments offer electricity subsidies for data centres under their jurisdiction. If these facilities are powered by domestic chips, they can cut their power bills by as much as 50%.

The US effort is rather unimpressive by comparison. According to the *Financial Times*, "China installed 429GW of new power generation capacity in 2024, more than six times the net capacity added in the US during that time." Even as America's locally planned grids face vast around-the-clock demand from data centres, US industrial policy is failing to give electricity the attention it deserves.

> America has clearly been complacent on electricity for AI while China has taken an enviable lead

For example, OpenAI and its partners are planning to build data centres that will require 10GW of capacity, which is on the order of New York City's summer peak load electricity usage. But, while data centres can be built in a couple of years, researchers at the Deloitte Research Center for Energy & Industrials point out that completing the transmission infrastructure needed to move energy takes almost a decade. Such time frames are woefully misaligned with the blistering pace of private capital expenditure. A *Bloomberg* analysis of tens of thousands of pricing nodes already shows signs of distress in US energy markets. Wholesale electricity in some US regions near large data-centre hubs is up to 267% more expensive than it was five years ago. To keep its data-centre build-out on track, the US will need a structural overhaul of its energy policy, its grids and their interconnections.

Nor is the race down to just the US and China. The bottleneck that could set America back might represent an opportunity for Europe, which is running out of time to claim a seat at the AI table. Europe's energy infra is a potential strategic asset in the sense that Hirschman identified. Among the EU's core strengths are clean energy hardware and knowhow. Over one-fifth of all clean and sustainable technologies globally are developed in the EU. The bloc also has deep engineering capacity in grid equipment and storage, and its electricity system is among the world's most interconnected. Europe's energy policy cites grids as a strategic asset for autonomy and security, and its factories making net-zero technologies are to meet "at least 40% of [the EU's] annual deployment needs by 2030."

That said, Europe's decarbonization has run into obstacles. With high energy costs threatening to hinder growth, energy generation and grid capacity must be ramped up. The European Network of Transmission Systems Operators for Electricity has advanced a useful proposal. But while planning is done at the European level, execution remains locally bound. As a result, the average grid project takes more than 10 years, half of which is spent on permitting. The European Parliamentary Research Service says current projected grid investments are a mere 10-15% of what's required, and more than 500GW of offshore projects in the EU is stuck in the queue.

The next leg of the AI race will be about energy. By fostering domestic chip production and consumption while improving electricity infra, China's strategy addresses every dimension that matters. Meanwhile, the US is failing to look ahead, complacent in its current position as the designer of first-in-class chips and AI foundation models. And though Europe is uniquely positioned to make AI's energy demand cleaner and more secure, it may lack the institutions needed to accelerate progress. For Europe to be a challenger, it too must direct its energies toward energy for AI.

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EDITORIALS

In coming elections, the Tribune Editorial Board will be endorsing problem solvers

SCOTT STANTIS/FOR THE CHICAGO TRIBUNE

> ***While midterms typically aren't as dramatic as presidential cycles, there's more at stake in this year's campaigns than is usually the case two years after a president is elected.***

After a breathless 2024 general election season in which the Democrats sidelined their incumbent from running for reelection with just months before votes were cast and Donald Trump was the target of an assassination attempt, many voters have welcomed the break from elections.

That's over, folks. Time to focus and think about what you soon must do in the polling station.

There's lots of evidence that Americans, both nationally and in Illinois and Chicago, are no happier now than they were in the lead-up to Nov. 5, 2024. So, while midterms typically aren't as dramatic as presidential cycles, there's more at stake in this year's campaigns than is usually the case two years after a president is elected.

Congressional races, of course, will serve as a referendum on Trump 2.0, which has been considerably more, ahem, intense than the early stages of Trump's first presidency. Illinois, in particular, will witness a true changing of the guard in terms of its representation in the nation's capital, with senior Sen. Dick Durbin retiring after this term and five veteran Chicago-area Democratic House members opting not to stand for reelection, either, for various reasons.

We look forward to new blood in D.C., whoever emerges from the primaries in March, where voters in these open seats will struggle to keep all the players straight. We'll try and help there.

Broadly speaking, from our vantage point the challenges for Democrats and Republicans both involve Trump, who sucks up most of the political oxygen, but they diverge after making that basic point. For the many Democrats vying to succeed veteran House members Jan Schakowsky, Danny Davis, Robin Kelly, Raja Krishnamoorthi and Jesus "Chuy" García, it won't be sufficient to assert that they'll oppose Trump. Of course they will. What we'll seek are lawmakers who have practical ideas for overcoming the crippling partisan warfare on many crucial policy fronts long crying out for action. Think immigration reform, taxes, entitlement reforms, energy policy, health care. That's for starters.

The same holds true in the race to succeed Durbin, where Krishnamoorthi and Kelly seek to move to the upper chamber along with Lt. Gov. Juliana Stratton.

For Illinois Republicans hunting long-shot victories in the blue districts that are up for grabs, as well as in the race for Senate, the challenge will be convincing voters they'd be problem solvers and compromisers rather than rubber stamps for Trump. Independence from an unpopular administration — and the governmental chaos that comes with the Trump presidency — is paramount.

That doesn't mean Republicans shouldn't stand for traditional conservative policies. After all, the last major immigration law was signed nearly four decades ago by a certain rock-ribbed Republican named Ronald Reagan. In many respects, traditional conservatism is just as "anti-Trump" as the prescriptions coming from Democrats.

As we begin our endorsement process leading to the March 17 primary, we'll be looking for problem solvers rather than fire-breathers.

Shifting to state and local races, our views mirror our feelings about what's at stake in the nation's capital.

Gov. JB Pritzker is running for a third term, but his evident ambitions for the White House (assuming he wins this third term as governor) looms large over the race. Illinois under Pritzker has made fiscal progress in terms of clearing the massive backlog of unpaid bills left from the 2010s and strengthening the state's credit.

But Illinois' economic performance remains underwhelming, and even reasonably popular governors often struggle in third terms as voters simply begin tuning them out. In what has become a Groundhog Day experience, Illinois faces a budget deficit topping $2 billion for the fiscal year that begins July 1.

Along with Pritzker, the Democrats who dominate Springfield with supermajorities in both chambers, have plugged recent deficits mainly with a hodgepodge of taxes (sports gambling has proved a highly popular pot of cash for the Dems) that have enabled the ruling party (so far) to evade tapping more of ordinary Illinoisans' incomes.

We believe Springfield Democrats need to think beyond the endless quest for new revenue sources about solutions to the state's fiscal problems. The supermajorities — kept in place largely through gerrymandered districts that keep Republicans underrepresented in the Land of Lincoln — aren't serving the state's best interests. House Speaker Emanuel "Chris" Welch's informal rule that nothing significant will be brought to a vote in the chamber he oversees unless Democrats alone can pass it keeps cost-cutting options and pension reform from getting serious consideration.

The election of more Republicans and more centrist Democrats in Springfield could force Welch to scrap that absurd requirement. He might not say so out loud, but we suspect even Pritzker would welcome more pragmatists in the legislature.

Locally, a pair of Cook County races is generating far more heat than they normally do. Cook County Board President Toni Preckwinkle, seeking a fifth term, is getting a spirited challenge from Chicago Ald. Brendan Reilly, 42nd, after cruising to reelection in her past campaigns. And Cook County Assessor Fritz Kaegi, seeking a third term, faces Patrick Hynes, nephew of former Assessor Tom Hynes. Hynes has the backing of the Cook County Democratic Party, much of the real estate industry and some influential unions while the independently wealthy Kaegi can bankroll his own race.

Anger over property taxes — particularly in Chicago, where tax bills soared late last year in some of the city's poorest neighborhoods thanks to sagging downtown commercial property values — will be front and center in both those races.

Sure, Cook County government under Preckwinkle hasn't raised its property tax levy. But an information-technology contract gone horribly awry on her watch resulted in late bills last year that required school districts throughout the county to borrow and pay substantial interest just to make payroll and cover basic expenses.

Chicago-area residents essentially have hit their limit on property taxes, which is the primary revenue source for most local governments.

State government bears a substantial share of the blame, as Springfield over the past several years has snatched portions of tax revenues it used to share with municipalities in order to balance its own budgets. We suspect these county races will begin to deliver that message of taxpayer anger well beyond the walls of the county building in downtown Chicago.

All of the other contests won't lack for intensity either given how most Illinoisans feel. Just watch.

Illinois should not be punished for fraud in Minnesota

Yes, Mr. President, we know there was massive welfare-related fraud in Minnesota. We've written about it more than once and the beleaguered governor up there rightly has said he now will not stand for reelection and is struggling to survive his current term, given the billions of dollars that have flowed to all the wrong places. Yes, there's an argument that the state of Minnesota was such a poor steward of federal funds that some direct action by the feds was justified. *In the state of Minnesota*.

But that has nothing to do with Illinois.

Nonetheless, the Land of Lincoln (along with Minnesota, New York, California and Colorado) reportedly will collectively be cut off by the administration of President Donald Trump from some $10 billion in federal funding for welfare and social programs such as the Child Care and Development Fund (CCDF), the Temporary Assistance for Needy Families (TANF) program and the Social Services Block Grant program. The New York Post was the first to report the plan, citing "officials."

The sins of these states? Ostensibly it will be that the funds were either inadequately protected or that they were being provided to persons in this country without authorization. But as any sentient being whose reading list goes beyond Truth Social well knows, the actual common denominator here is that all five of these states are controlled by Democrats. Assuming this is something beyond Trumpian posturing, and that's unclear, any such decision would not only be churlish and cruel but poorly targeted. Welfare and other kinds of fraud involving government funds reportedly have been widespread in Ohio and Georgia, to name but two other examples. As we have said several times, fraudsters come in many guises, weak protections know no political flavor and the need for governments to fight back against criminals should not be seen through a partisan lens.

Most of us recall from our youths a time when we were blamed for the actions of others. It led us not to trust those in positions of authority or who controlled the resources we needed for our lives. The perception of fairness and the application of hard evidence to any punishment is a vital part of the compact between the governing and the governed.

This especially applies when the most obvious victims of such a drastic action could end up being genuinely needy kids.

Take off your partisan blinkers, Mr. President, do the work and act responsibly.

ON THIS DAY 6 YEARS AGO DCFS — AND THE REST OF US — HAVE TO DO BETTER

A new report by the Office of the Inspector General of the Illinois Department of Children and Family Services counts 123 children who died within a year of family contact with DCFS. In some cases a state worker, a neighbor or a professional required by law to report suspected child abuse didn't adequately respond. Vulnerable children remained in mortal danger.

Those failures contributed to the highest number of deaths after DCFS contact since the fiscal year ending in 2005, when the number was 139 deaths, Associated Press reported. ...

The report examines 24 deaths ruled homicides between July 1, 2018, and June 30, 2019. ... Thirteen of those victims were children 5 and younger.

Across Illinois, then, children died of beatings, drownings, starvation and cold. Their home lives were scarred by drug and alcohol abuse, mental illness, domestic abuse and severe neglect. The horrors of 2018-19 include the Little Village house fire in which 10 children perished.

Child No. 59 died at age 5 of head injuries and possible hypothermia after DCFS encountered a litany of warning signs that he was in peril. Readers will recognize him as AJ Freund, of Crystal Lake, whose mother has pleaded guilty to his murder and whose father awaits trial on the same charge. Two state employees involved in his case have been fired.

Child No. 56, Ja'hir Gibbons, was beaten to death in Chicago at age 2. ... Despite glimmers of opportunity, nobody rescued these little boys from the violent adults in their lives. Rewind all the way to 1993: The inspector general's letter accompanying the report draws a straight line from AJ Freund back to Joseph Wallace, age 2, who was hanged by his mother.

Both cases are "emblematic of DCFS's failure to look beyond the current crisis to consider the entire history of the family," wrote acting Inspector General Meryl Paniak. ...

There may always be heartbreaking cases of abuse and neglect of children. In some of these cases, though, missed opportunities to report, or respond to, abuse left children dead.

As we wrote in the wake of AJ Freund's death: It took a village to let AJ die. ... No system or society should sit easy with this. Or with the many other child deaths in Illinois that could have been prevented.

Tribune editorial board, Jan. 7, 2020

OPINION

The lawless president launches a lawless war

Steve Chapman

Donald Trump has embarked on one figurative war after another in the past year — with "the radical left," blue state cities, Ivy League universities and even onetime ally Marjorie Taylor Greene. Now he has launched an actual military war, attacking Venezuela, abducting its president and announcing that he will run the country.

This invasion was the latest reminder that Trump never runs out of ways to shock. The same guy who promised to keep us out of debilitating foreign conflicts has volunteered for the job of nation-building in a place about which the great majority of Americans know little and, until recently, cared less.

It may be folly to look for consistency in someone as impulsive and volatile as Trump. But what sets his second presidency apart is a recurrent theme: his refusal to let any laws, domestic or international, stand in his way. He has already distinguished himself as the most lawless president in American history.

He set the tone on Inauguration Day, issuing pardons for more than 1,500 people who had been convicted or charged with crimes committed during the Jan. 6, 2021, mob attack on the Capitol. Several participants who were serving prison sentences had them commuted by Trump. He has also issued assorted pardons to business tycoons and political supporters.

The message is unmistakable: If you break the law or commit a crime that suits his purposes, even a violent crime, you will walk free. No federal judge or jury will be allowed to punish those who enjoy the president's favor.

Every day, Trump exhibits his contempt for laws enacted by Congress — and for the Constitution itself. In an interview about the disregard for due process in his mass deportations, he was asked, "Don't you need to uphold the Constitution of the United States as president?" Trump replied, "I don't know."

President Donald Trump looks on as Defense Secretary Pete Hegseth speaks to reporters Saturday at Mar-a-Lago, his private club and residence in Palm Beach, Florida. TIERNEY L. CROSS/THE NEW YORK TIMES

Whether he knows, however, doesn't matter. What matters is that he doesn't care. He will do as he pleases and dare anyone to stop him.

Numerous federal judges have ruled against Trump, but they are in the position of trying to put out a house fire with bottles of San Pellegrino. Judges have accused the administration of violating their orders in more than 160 cases, The Washington Post reported — and that was in July.

One infamous example is Kilmar Obrego García, who was living here without authorization and was shipped to a prison in El Salvador. Judge Paula Xinis ruled his expulsion illegal and ordered his return. Trump refused, and it took two months for the administration to bring him back, after repeatedly stonewalling the judge.

The disdain for law has been especially conspicuous in the deportation campaign, as Chicagoans know. During Operation Midway Blitz, Border Patrol Cmdr. Greg Bovino and his agents employed brutal tactics and, a federal judge found, lied about them.

Not all of Trump's violations require violence or deceit. His handpicked Kennedy Center trustees added his name to the facility, ignoring the 1964 law naming it as a living memorial for the late president. The administration has not enforced a 2024 law requiring the Chinese company ByteDance to sell the social media platform TikTok or face a U.S. ban.

Trump has refused to spend money appropriated by Congress, which holds the constitutional power of the purse. He closed down the U.S. Agency for International Development, even though, as ProPublica noted, "no president in history has unilaterally shuttered an agency formally enshrined in law."

The Supreme Court encouraged Trump's approach by granting him broad immunity for crimes committed in the exercise of his official duties. That decision allows him to openly violate state and federal laws with no fear of ever being brought to justice. His lavish use of the pardon power gives his aides and allies every reason to think they can do likewise at no risk.

Until this past weekend, Trump's lethal strikes on ocean-going Venezuelan boats for allegedly transporting drugs looked like the extreme of what he would do. These attacks snuffed out at least 115 lives last year. Those were not national defense. They were mass murder. Asked if the attacks constituted a war crime, Vice President JD Vance replied, "I don't give a s— what you call it."

But they were just the prelude to the Venezuela invasion on Saturday, which flagrantly abrogated international treaties the United States has signed. Never mind that the Constitution stipulates that "all treaties made, or which shall be made, under the authority of the United States, shall be *the supreme law of the land."* (My emphasis.) In 2026, the only supreme law of the land is whatever Trump decides.

He and his subordinates are engaged in a relentless effort to demolish the rule of law, which has been the foundation of the republic for 250 years. And so far, there is nothing stopping them.

Steve Chapman was a member of the Tribune Editorial Board from 1981 to 2021. His columns, exclusive to the Tribune, now appear the first week of every month. He can be reached at stephenjchapman@icloud.com.

Panama's warning for a post-Maduro Venezuela

By Cristina Guevara

The facts, familiar though they may be, deserve repeating: On Saturday, Venezuelan President Nicolás Maduro and his wife, Cilia Flores, were captured and removed from the country following a large-scale U.S. military operation involving elite forces and months of planning.

They appeared Monday in a New York court, facing charges including narcoterrorism, drug trafficking and weapons offenses, and both pleaded not guilty. Maduro declared he was still the legitimate president of Venezuela and called himself a "prisoner of war." The hearing ended amid tense exchanges in the courtroom and protests outside, with the next court date set for March 17.

Jan. 3 resonated beyond Venezuela. Thirty-six years earlier, on the same date, Manuel Noriega — Panama's dictator — was taken into U.S. custody after surrendering at the Vatican's diplomatic mission, formally ending the country's military regime.

The coincidence has invited an avalanche of historical analogies. Two authoritarian leaders accused in U.S. courts of narcotics trafficking and organized crime. Two governments subjected to prolonged diplomatic isolation and sanctions. Two interventions framed by Washington as necessary acts in defense of democracy, human rights and the rule of law. Even U.S. lawmakers have leaned into the symbolism, circulating images that place Noriega and Maduro side by side, reinforcing the idea that history is repeating itself — down to the calendar date.

Yet this focus on the moment of capture risks obscuring the more consequential lesson. The meaningful parallel between Panama in 1990 and Venezuela in 2026 is not the removal of an authoritarian leader. It is the governance vacuum that follows externally forced political rupture — and the profound difficulty of filling it.

To be clear, Venezuela is better off without Maduro in power. The removal of an authoritarian leader accused of grave crimes is

Manuel Noriega watches as U.S. Drug Enforcement agents place chains around his waist aboard a C-130 transport plane on Jan. 4, 1990. AP

a necessary condition for democratic recovery — but it is not a sufficient one. The issue is not whether his removal was justified; the issue is what follows.

Noriega's capture came at the end of Operation Just Cause, launched by the United States on Dec. 20, 1989. Nearly 27,000 U.S. troops crossed into Panama in one of the largest military operations since Vietnam. Fighter jets bombed strategic targets in Panama City and Colón, while ground forces dismantled the Panamanian Defense Forces.

The invasion was justified by the George H. W. Bush administration on multiple grounds: protecting U.S. citizens, combating drug trafficking, defending democracy and human rights, and safeguarding the neutrality of the Panama Canal. Noriega himself embodied the contradictions of U.S. policy in the region. A longtime CIA collaborator during the Cold War, he simultaneously cultivated deep ties with narcotrafficking networks, including Colombia's Medellín cartel. Testimony during his later trial in Miami revealed that he received payments for facilitating cocaine shipments and laundering drug money through Panama's financial system.

When Noriega surrendered Jan. 3, 1990, his capture was widely interpreted as the definitive end of Panama's authoritarian era. Symbolically, it was. Politically, it was not.

Democratic reconstruction was slow, and even today, Panama faces clientelism, corruption, low trust in institutions and fragile rule of law. The episode illustrates that externally imposed regime collapse cannot resolve the governance deficits left by authoritarianism.

Maduro's capture follows a different operational script but raises similar structural questions. Operation Absolute Resolve was the result of months of intelligence gathering and interagency coordination. It involved the Drug Enforcement Administration, elite military units and more than 150 aircraft operating in precise synchronization. U.S. officials emphasized the operation's "discreet" and "surgical" nature, contrasting it with large-scale invasions of the past.

It also followed years of legal escalation. Since 2020, the U.S. has accused Maduro and senior figures in his regime of narcotrafficking, money laundering and narcoterrorism, alleging collaboration with a Colombian guerilla group to traffic cocaine into the United States. The U.S. government placed multimillion-dollar bounties on Maduro and other officials, framing the Venezuelan state as a criminal enterprise. His arrest, U.S. authorities argue, represents the culmination of a long-standing law enforcement effort rather than a conventional act of war.

But here, too, the emphasis on operational success risks overshadowing the political aftermath. Venezuela's crisis is not reducible to one man, however central his role may have been. Years of authoritarian consolidation have hollowed out state institutions, politicized the military, weakened the judiciary and fragmented political opposition. The boundaries between political authority, armed actors and criminal networks have become increasingly blurred. State capacity has eroded alongside economic collapse, mass migration and social disintegration.

In this context, the removal of Maduro creates not resolution but uncertainty. Who governs in the immediate aftermath? With what legitimacy? Under what institutional framework? And to what extent will Venezuelans themselves shape the transition, rather than external actors acting in their name?

The key parallel between Panama in 1990 and Venezuela in 2026 is not just the removal of an authoritarian leader, but the governance vacuum that follows externally imposed regime change. When power is taken from the outside, domestic institutions struggle to assert authority, legitimacy is contested and responsibility diffuses just when clarity is needed. Panama's post-Noriega experience shows that while intervention toppled the military, democratic reconstruction was slow and uneven; external forces cannot create institutional coherence or political trust. Early signs in Venezuela suggest similar risks, with U.S. statements hinting at temporary stewardship.

The removal of Maduro was a necessary and long awaited break with authoritarian rule, but democratic recovery depends on what follows: the reconstruction of institutions, legitimacy and political inclusion. Whether this moment becomes a turning point or a prolonged limbo will be decided by how the governance vacuum is filled.

Cristina Guevara is a Latin America policy analyst and writer. She previously served as a policy and legislative adviser in Panama's National Assembly.

OPINION

Nonprofit hospitals and colleges in Illinois should not be exempt from property taxes

By Andy Shaw

The University of Chicago campus is seen June 2 in front of the Chicago skyline. **BRIAN CASSELLA/CHICAGO TRIBUNE**

An annual January ritual, as Illinois lawmakers gather in Springfield to begin a new legislative session, is the search for another basket of politically safe but invariably business- and citizen-unfriendly tax and fee increases to support their bloated government bureaucracies.

That sad scenario is also a perfect opportunity to refloat an idea that needs to emerge in the rarefied Capitol air.

Taxes in Illinois on income, sales, real estate and everything else are higher than 47 of the 50 states, with exorbitant property taxes easily the most onerous.

But what rarely makes it into the script is a serious conversation about who doesn't pay property taxes and why that sacred cow should finally be led into the policy barn.

Illinois grants broad property tax exemptions to nonprofit universities and medical institutions. In theory, that makes sense. These entities serve the public good. But times have changed, and many have become giant profit centers and some of the wealthiest and most powerful landowners in the state.

Northwestern University, the University of Chicago, Rush, Northwestern Medicine and others sit on billions of dollars in tax-exempt real estate while surrounding neighborhoods and local governments strain to fund basic services and the rest of us face ever bigger tax bills.

It's time for the Illinois legislature to take a hard, grown-up look at whether blanket property tax exemptions for these mega-institutions still make sense or whether they should pay a fair share of property taxes, reducing the excessive load on every other taxpaying business and resident.

To be clear, this is not an attack on higher education or health care. These institutions do extraordinary work. They educate students, conduct world-class research, employ tens of thousands of people and save lives.

But they are also sophisticated corporate enterprises with massive endowments, expansive real estate portfolios and executive compensation packages that would make some Fortune 500 CEO's blush.

Northwestern's endowment hovers around $14 billion. The University of Chicago, roughly $11 billion. These universities aggressively acquire property — often removing it from local tax rolls forever — while expanding their hospitals, research parks, hotels and commercial ventures that look, feel and operate very much like for-profit businesses.

Meanwhile, who pays for the police and fire protection that safeguard those campuses? Who maintains the streets, sewers and transit lines that serve their students, patients and employees? Who picks up the tab for the public schools educating the children of their workforce?

You already know the answer: everyone else.

Homeowners in Evanston, Hyde Park, Streeterville and the Near West Side pay higher property taxes because enormous swaths of prime real estate are exempt. Small businesses pick up more of the load. Local governments either raise taxes, cut services or — more often — do both.

This is not just a Chicago problem. Across Illinois, hospitals and universities are often the largest landowners in their communities, yet contribute little or nothing directly to the property tax base. The burden shifts downward, hitting working families and retirees on fixed incomes the hardest.

Some defenders of the status quo argue that nonprofits already "pay back" communities through charity care, scholarships and economic activity. That argument deserves scrutiny.

First, charity care standards are often opaque and inconsistent. Second, scholarships and research benefits flow disproportionately to students and patients who are not local taxpayers. Third, economic activity is not a substitute for predictable revenue that local governments can budget against.

Other cities and states have figured this out. Boston, for example, uses "payments in lieu of taxes," or PILOTs, to require large nonprofits to contribute to municipal services. They're not perfect, but they acknowledge a basic reality: Services cost money, and everyone benefiting from them should help pay the bill.

Illinois lawmakers should consider a similar approach — one scaled to institutional wealth and footprint. No one is suggesting taxing classrooms or charity wards like luxury condos. But research labs, administrative towers, medical office buildings, parking garages and revenue-generating facilities are fair game for a serious reassessment.

The legislature could set thresholds based on endowment size, operating revenue or property holdings. Smaller nonprofits could remain exempt. The biggest players — those with billion-dollar balance sheets — could contribute proportionally.

And let's dispense with the idea that this would somehow drive these institutions out of Illinois. Northwestern isn't packing up in Evanston. The University of Chicago isn't relocating from Hyde Park to Indiana. These institutions are rooted here because Illinois and Chicago are integral to their brand, talent pipeline and mission.

What this debate really comes down to is fairness. Illinois cannot continue to squeeze homeowners and small businesses while shielding some of the wealthiest institutions in the state from contributing to the communities they dominate.

It's driving other struggling businesses and residents out of Illinois and discouraging outsiders from relocating here.

Springfield loves to talk about "shared sacrifice." Here's a chance to mean it.

The question for lawmakers is simple: Will they keep protecting a tax structure that no longer reflects economic reality or will they finally ask powerful nonprofits to help carry the load in a state that desperately needs a reform such as this?

If Illinois is serious about stabilizing local finances and restoring trust in government, this conversation can't be postponed another decade. The exemptions may be traditional. They are no longer sustainable.

Andy Shaw is a retired Chicago journalist and good government watchdog.

VOICE OF THE PEOPLE

Violence intervention

The Dec. 29 Tribune included a lengthy article ("Chicago violence down despite major incidents") attributing the dramatic decline in violent crime in 2025 to the work of local law enforcement agencies. While law enforcement plays a central role in reducing crime, the article overlooks the crucial role of community violence intervention (CVI) organizations.

Today, thanks to the support of the philanthropic and business communities and government at the city, county and state levels, Chicago has a network of more than two dozen CVI organizations active in nearly half of Chicago's 77 neighborhoods. In South, Southwest and West Side communities that account for a disproportionate share of gun violence, CVI organizations have served thousands of high-risk individuals with life coaching, trauma treatment, education and job training. Studies from Northwestern University show these programs are working.

It is also worth noting that, in addition to crime dropping dramatically, arrests are also way down compared to the pre-pandemic era, which affirms that we are not solely arresting and incarcerating our way to greater safety. The only logical conclusion is that thousands of individuals who were caught up in the street life have begun to change their behavior for the better — and that clearly points to CVI.

The article also says we are on track to our lowest crime levels in a decade. In fact, the current homicide total for 2025 is the lowest in 60 years.

As Chicago reflects on positive crime trends and looks ahead to an even better year, let's salute the contributions of everyone involved, including staff, outreach workers and participants in CVI programs. They are a big part of the solution.

— Peter Cunningham, senior adviser, Chicago CRED, Chicago

Mayor's abandonment

Another stunning act of political theater at City Hall.

Mayor Brandon Johnson, the self-anointed "collaborator in chief," refused to sign the 2026 budget that took effect Jan. 1. By neither signing nor vetoing the City Council's $16.6 billion compromise that was created and approved by aldermen who did collaborate, Johnson has abandoned his elected leadership role and his responsibility for the plan he labels "immoral" — without a sound moral or ethical justification for his judgmental characterization.

For months, Johnson pushed for a corporate head tax — arguably a job-killing measure that would punish employers and stifle growth. When the City Council, representing every neighborhood and every walk of life, rejected that tax in favor of a balanced and compromised approach, the "collaborator" withdrew from action. The mayor's refusal to act and sign the budget isn't principle — it's a retreat. A retreat from leading. A retreat from governing. A retreat from accountability. And a retreat from listening to the diverse voices of Chicago — including voices of those "who look like me and my family" — as he likes to say — as well as those who don't look like him and his family.

Violence Interrupters members file into the Sox-35th Street CTA station on Dec. 23. **EILEEN T. MESLAR/TRIBUNE**

Following the presentation of the collaboratively proposed 2026 budget, rather than leading through action, our mayor sat back, preached and pushed rhetoric that deepens division and leaves Chicago drifting into 2026 under a budget without a mayor's leadership and stamp of accountability.

Johnson has chosen his own ideological purity over practical leadership — proving once again that his version of "collaboration" applies only to those who agree with him.

The mayor's style of governance isn't collaboration. It's abdication. All Chicago residents deserve better.

— Joe Bonaccorsi, Chicago

Chicago schools' levy

Never missing a chance to burden Chicago taxpayers, the Chicago Board of Education voted to further increase its property tax levy. Instead of doing the hard work of seeking out difficult budget cuts, the board took the easy route and simply voted to increase its levy to the maximum allowed. There are at least 47 schools in Chicago Public Schools with enrollment at less than 30% capacity.

No one enjoys closing schools, and such measures should be considered only in dire circumstances. But given the budget problems facing CPS and the city, could anyone not consider our financial picture dire? It's high time we address our spending problem and stop increasing property taxes.

— Dean Gerber, Chicago

Jackson, Pritzker deal

The Dec. 21 report "Political ties come to light" about U.S. Rep. Jonathan Jackson is shocking but not surprising.

For decades, the Jacksons have presented themselves as civil rights leaders and advocates for racial equity and justice. However, time and again, they have shown themselves to be opportunistic, publicity-seeking, egotistical, and morally and ethically corrupt.

Jonathan Jackson's endorsement of JB Pritzker for governor, after receiving a lucrative consulting contract, has not resulted in any substantive, verifiable legislative outcomes for African American residents, in the areas of economic opportunity, education, criminal justice and health care.

Indeed, Illinois ranks last in matters of racial equity and justice, according to a WalletHub study.

— Audrey L. Davis, Niles

Clemency from governor

M.K. Pritzker, Illinois' first lady, recently delivered a drawing I made to Pope Leo XIV in Rome, which was a great honor for me. Half of my drawing was in black and white, showing a woman walking away from barbed wire and a prison tower. The other half of the drawing was in bright colors, showing her walking toward flowers and a butterfly.

The pope, who has made the rights of prisoners a priority, told the Pritzkers that when he looked at my drawing, he saw a woman walking toward God.

I am serving a 33-year sentence in the Illinois Department of Corrections. I am 38 years old.

Last August, M.K. Pritzker sent word to women in prison in Illinois that we could submit artwork about how we relate to nature. She showed many pieces of the artwork at the Illinois State Fair. This was the second call for art submissions to those of us incarcerated over the past year. The other show was sponsored by the Women's Justice Institute and focused on art created by incarcerated survivors of domestic violence and human trafficking.

I had the privilege of going around to the women who were submitting art to pick up their submissions, and I talked with many of them. I did not know most of the women, although we are housed in the same prison. Many told me that although they do not feel ready to talk about the abuse they suffered, they experienced a breakthrough in healing while creating their artwork. In many cases, there was a direct link between the violence they experienced and the crimes they were convicted of — in some cases, they acted in self-defense, and, in other cases, they were coerced into committing crimes by their abusers.

The first lady has said that she and Gov. JB Pritzker support programs and policies for incarcerated people. Many of the artists who submitted work to the first lady and to the justice institute have petitions for executive clemency pending before the governor.

It is my prayer in 2026 that the governor will show mercy in these cases and grant clemency, as many Illinois governors before him have done in similar cases.

— Yesenia Diaz, Logan Correctional Center

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COMMENT

Editorials

Solidarity and cooperation needed to uphold intl law in face of lawless US

The United States' forcible seizure of Venezuelan President Nicolas Maduro and his wife, followed by the US administration's brazen threats against five other countries, marks a deeply alarming escalation of its unilateralism and militarism that strikes at the very foundations of the postwar international order.

Having launched what Washington dubbed "Operation Absolute Resolve" against Venezuela, US President Donald Trump went on to warn that further military action could be taken against Colombia, Mexico, Cuba, Iran and even Denmark, an ally and NATO member, over Greenland. Such rhetoric, coming immediately after a military operation that openly violated another country's sovereignty, raises profound concerns about where the limits of US power now lie.

Beijing is "deeply shocked by and strongly condemns" the US' blatant use of force and its seizure of the Venezuelan leader and his wife. The move is a clear violation of international law, the basic norms governing international relations, and the purposes and principles of the UN Charter. China has called on Washington to ensure the personal safety of Maduro and his wife, release them immediately, stop toppling the Venezuelan government, and resolve disputes through dialogue and negotiation.

In calling the operation in Venezuela "special law enforcement" — so that it does not need the authorization of Congress — and saying the US doesn't care about what the UN said about its actions, US Secretary of State Marco Rubio is actually declaring to the world that the US administration believes that it can do anything it wants as it is not subject to congressional oversight domestically or the restraints of international law.

As Sun Lei, charge d'affaires of China's permanent mission to the United Nations, warned at an emergency meeting of the UN Security Council on Monday, the US, by placing its own power above multilateralism and military action above diplomacy, has seriously undermined the cornerstone principles of sovereign equality, noninterference and the peaceful settlement of disputes that are the foundations of the international order.

History has repeatedly shown that military force only creates chaos, suffering and long-term instability. The cost incurred by the US administration's belief that it can act as the global lawmaker, the world policeman and an international judge will ultimately be paid by the world, including the US itself, in the future in various forms.

The implications of allowing the US action to pass without consequence are far-reaching. If the abduction of a head of state, the bombing of a sovereign country and open threats of further armed intervention are normalized, as Venezuela's UN ambassador warned, adherence to international law becomes optional, and force becomes the ultimate arbiter of international relations. The postwar international order, forged at immense human cost in the aftermath of two world wars, now stands at risk of being dismantled, threatening to usher in a world ruled by the law of the jungle.

The US administration's renewed threats over Greenland vividly illustrate the spillover effects of the risks. To protect Greenland's security is not a pretext but an open threat to Denmark's sovereignty. What truly draws the US to Greenland is the latter's resources. No wonder the US leader's claim that the US "absolutely" needs Greenland prompted rare and unusually blunt responses from European leaders. Jens-Frederik Nielsen, Greenland's prime minister, called the rhetoric "completely and utterly unacceptable", while Danish Prime Minister Mette Frederiksen warned that any US military action against another NATO member would effectively bring the alliance to a halt.

Beyond the immediate international ramifications, the US' lawless behavior also exposes troubling questions about the internal governance of the US itself. The military action against Venezuela was not authorized by Congress, raising doubts about the effectiveness of constitutional checks and balances that are supposed to restrain such use of force. When a single leader can deploy overwhelming military power abroad and threaten multiple countries in quick succession, what safeguards remain to prevent catastrophic miscalculation?

What if the US chariot — powerful, heavily armed, yet seemingly without brake pads — is allowed to race unchecked across the global landscape? The international community cannot afford to look away. Upholding the UN Charter is not a matter of selective interpretation or political convenience. It requires collective action, clear condemnation of violations and concrete steps to ensure accountability. As China has stated, it stands ready to work with the international community to defend international law, fairness and justice.

If the rules-based international order is to survive, sovereignty must not become a privilege reserved for the powerful. Respect for law, not fear of force, must remain the foundation of global governance.

China's innovation power good for world

The Consumer Electronics Show 2026 being held in Las Vegas from Tuesday to Saturday shines a spotlight on cutting-edge innovations, with China's top robotics and AI tech companies once again creating a buzz. For instance, Unitree Robotics has unveiled a new lineup of next-generation humanoid robots that are designed for greater mobility and interactivity. AgiBot, another big Chinese name in the field, is showcasing a portfolio of industry-leading automated solutions for commercial and industrial applications. These demonstrations offer a glimpse into Chinese companies' ability to translate frontier artificial intelligence capabilities into useful real-world industrial applications.

China's embodied AI innovations that leverage the country's combined strengths in AI software and robotics hardware, represented by systems capable of autonomous operation in the physical world — such as autonomous vehicles, drones, industrial manipulators and microbots — are already well recognized globally.

The prowess of Chinese robotics companies is due to many factors, such as the country's huge talent pool, complete industry chain and broad manufacturing base and scale that can help bring down costs drastically, as well as the fierce domestic competition, which means only the best companies survive.

Another factor contributing to the rapid progress in the sector is top-level policy guidance. For example, the Central Economic Work Conference and the 20th Communist Party of China Central Committee's recommendations for the 15th Five-Year Plan (2026-30) both prioritize the development of AI and the expansion of "AI Plus" applications in key sectors, such as the robotics industry.

As China has become one of the fastest-rising economies in terms of innovation capability, innovation and creativity have given rise to new quality productive forces and have made life more colorful.

Indeed, the country has consistently placed innovation at the core of its overall development strategy, emphasizing a "dual-engine" approach that drives both technological and institutional innovation. This has unleashed a continuous surge of innovation vitality. The continuity and stability of policies have provided the much-needed impetus for innovation. For example, China's total R&D expenditure increased from 1.03 trillion yuan ($146.8 billion) in 2012 to 3.63 trillion yuan in 2024, firmly maintaining its position as the second-highest in the world.

According to the 2025 Global Innovation Index Report released by the World Intellectual Property Organization, China ranks 10th globally, marking the first time China has entered the global top 10, climbing a total of 25 positions since 2013. The report also reveals that China now has 24 clusters among the world's top 100 innovation clusters, the highest number globally. Notably, the Shenzhen-Hong Kong-Guangzhou cluster ascended to the top position worldwide in 2025. These innovation clusters have developed into comprehensive ecosystems, bringing together numerous enterprises, universities and research institutions, thereby facilitating the flow of talent, capital and other resources.

China's progress in seeking innovation-driven growth is a boon to the world. It will enable the country to offer more public goods to the world especially the developing countries, while significantly enhancing people's lives.

Unlike certain countries that seek to leverage technology to impose their will and exert control, China believes that technology should serve to foster global connectivity, and enable diverse cultures to share knowledge and collaborate on global challenges such as climate change.

China hopes to work with other countries to bridge development gaps and promote understanding, making sure technology plays a major role in helping build a community with a shared future for humanity.

Instead of focusing on barriers, nations should invest in research and education and engage in collaboration, fostering environments that encourage technological growth and competitiveness on a global scale, rather than relying on knee-jerk protectionism.

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Contact us at:

China Daily
15 Huixin Dongjie Chaoyang District, Beijing 100029
News: +86 (0) 10 6491-8366
editor@chinadaily.com.cn
Advertisement: +86 (0) 10 6491-8631
ads@chinadaily.com.cn
Subscription: +86-400-699-0203
subscription.chinadaily.com.cn
App: www.chinadaily.com.cn/mobile/daily.html

China Daily UK
90 Cannon St, London EC4N 6HA, UK
+44 (0) 207 398 8270
editor@chinadailyuk.com

China Daily Asia Pacific
China Daily Hong Kong
Unit 1818, Hing Wai Centre, 7 Tin Wan Praya Road, Aberdeen, Hong Kong
+852 2518 5111
editor@chinadailyhk.com
editor@chinadailyasia.com

China Daily USA
1500 Broadway, Suite 2800, New York, NY 10036
+1 212 537 8888
editor@chinadailyusa.com

China Daily Africa
P.O. Box 27281-00100, Nairobi, Kenya
+254(0)20 692 0900 (Nairobi)
editor@chinadailyafrica.com
enquiries@chinadailyafrica.com
subscription@chinadailyafrica.com

Cai Meng

Opinion Line

Dangers posed by separatists highlight DPP lawmakers' self-serving petition

The recent attempt by Democratic Progressive Party lawmaker Lin I-chin, along with some others, to push a petition to amend the so-called "Act Governing Relations Between the People of the Taiwan Area and the Mainland Area" of China's Taiwan region once again exposes the DPP's determination to advance "Taiwan independence" through legislative manipulation, regardless of the risks it poses to peace and stability across the Taiwan Strait.

According to Lin, the petition seeks to rename the law as the "Taiwan and the People's Republic of China Relations Act", remove the phrase "before national unification", and proposes the use of the term "region" to refer to cross-Strait relations. She made no effort to disguise the political intention behind the move — to "legally" define an "equal, nation-to-nation relationship" between the two sides of the Strait.

Such rhetoric is a blatant attempt to hollow out the one-China principle from the legislative framework and replace it with a secessionist narrative tailored to the DPP's long-cherished agenda of "Taiwan independence".

Notably, Lin sought to deflect growing opposition within the island by appealing to the DPP's so-called "democratic allies" abroad, urging them to ignore the strong backlash the petition has triggered in the island's legislature. She went so far as to claim that the opposition does not represent the "mainstream opinion" of the public. This attempt to enlist external forces to "legitimize" a secessionist proposal only underscores where the DPP's political loyalties truly lie.

Faced with mounting criticism, Lin backtracked on Monday, but called reports that she had withdrawn the petition fake news spread by the opposition. Yet her justification — that no formal petition had been submitted and therefore none could be withdrawn — only deepened public skepticism.

As several legislators of the Chinese Kuomintang party have pointed out, Lin's actions represent an effort to "institutionalize" separatism by reshaping the legal system to serve the political needs of "pro-independence" separatist forces.

The resistance Lin's proposal encountered — both within and beyond the legislature — clearly reflects a refusal by Taiwan compatriots to allow a small group of secessionist lawmakers to hijack public institutions for their cause. That Lin rushed to seek validation from foreign "allies" while dismissing the local opposition highlights the secessionist-minded lawmakers' reliance on external backing to pursue an agenda that lacks support on the island.

Chen Binhua, spokesman for the State Council Taiwan Affairs Office, rightly described the move as a naked push for "de jure Taiwan independence" that fully exposed the DPP as "out-and-out saboteurs of peace, creators of crises, and instigators of war".

Recent actions by the Chinese People's Liberation Army, including the large-scale "Justice Mission 2025" drills conducted around the island of Taiwan late last month, have already demonstrated Beijing's firm resolve to thwart any secessionist plan. As Chen warned, should the separatists dare to cross the red line, the Chinese mainland will take resolute measures in accordance with the Anti-Secession Law. Those who attempt to split the country will inevitably be held to account according to the law.

It is hoped that Taiwan compatriots will clearly recognize the grave dangers of "Taiwan independence", stand on the right side of history, resolutely oppose separatist activities, and work together with the mainland to safeguard peace and stability across the Taiwan Strait and protect the shared homeland of the Chinese nation.

— LI YANG, CHINA DAILY

What They Say

Smartening public procurement as policy instrument

Editor's note: *Public procurement is a powerful driver of domestic demand. China Daily spoke to Huang Dongru, director of the Public Procurement Research Center, Guangdong University of Finance and Economics, on the role of public procurement in economic development. Below are excerpts of the interview. The views don't necessarily represent those of China Daily.*

The recommendations for formulating the 15th Five-Year Plan (2026-30) aim to eliminate bottlenecks that hinder the development of a unified national market and address long-standing problems in public procurement. Future reforms will therefore focus on unifying market rules, improving the business environment, breaking administrative monopolies, strengthening smart regulation, enhancing project quality and promoting the free flow of production factors. The goal is to ensure that public procurement consolidates the vast domestic market, improves fiscal efficiency and unleashes the innovative vitality of market players.

Procurement policies should be more closely aligned with national industrial strategies. Through measures such as priority procurement and innovation-oriented cooperation, public procurement can provide stable early-stage markets for emerging industries, such as new energy, artificial intelligence and quantum technology. This will help reduce research and development risks for enterprises, accelerate technological iteration and speed up large-scale application.

This demand-driven model of public procurement complements the traditional supply-side policies. Clear signals from the public procurement market will guide social capital and innovation resources toward key areas that are urgently needed by the country.

The focus on digital development will sharpen over the next five years. In the field of public procurement, digitalization is not simply about moving offline processes online, but about a profound transformation in governance. The call to accelerate the development of the digital economy signals that the procurement process will be deeply integrated with new-generation technologies such as blockchain, big data and artificial intelligence.

Blockchain-based tamper-proof traceability will help safeguard integrity in public procurement, big data analyses will enable real-time monitoring of market dynamics and trigger early warnings against bid rigging and collusion, while AI-assisted evaluation will help process complex bids more efficiently and objectively.

A smart public procurement ecosystem featuring end-to-end digitalization, data sharing and intelligent oversight will significantly reduce the possibility of rent-seeking, lower institutional transaction costs and build a robust technological safeguard against corruption, making the procurement process transparent and fair.

The central authorities have also proposed boosting green development and common prosperity, which will affect public procurement. Green procurement standards will become increasingly stringent and widespread, with mandatory or preferential purchasing of energy-saving and environmentally friendly products, and a larger share of procurement allocated to new energy and circular economy products. This will promote coordinated carbon reduction across both production and consumption, guiding the green and low-carbon transformation of the industrial structure.

Meanwhile, the social policy role of public procurement will be further strengthened. An array of new measures will greatly support enterprises from less-developed regions, organizations employing people with disabilities, businesses founded by veterans and micro and small enterprises. In this way, public procurement can serve as an effective tool for promoting balanced regional development, protecting the rights and interests of specific groups, and enhancing social inclusion. It will thus evolve into a policy instrument for fulfilling social responsibility and advancing shared development.

In areas involving national security and core technologies, China will firmly uphold the principle of self-reliance and strengthen relevant management mechanisms. By striking a balance between high-level opening-up and security-oriented development, the aim is to build a procurement and supply chain system that is both globally integrated and resilient.

VIEWS

Koo Chulmo

From visa-free access to smart travel

China's decision to grant visa-free entry to visitors from the Republic of Korea has opened a new chapter in people-to-people exchanges between the two countries and stimulated demand for travel to China among tourists.

Visa waiver is a powerful tool for revitalizing tourism. It lowers the psychological, financial, digital and administrative barriers and makes travel easier and more spontaneous. In the short term, this drives a surge in tourist spending. Over the longer term, it can nurture deeper business ties, cultural familiarity and even trade and industrial cooperation.

That said, visa-free policies are never a simple policy lever but are closely tied to economic, political and cultural considerations. They are significant because they reflect the level of trust between countries.

Against this backdrop, the visa-free policy for ROK visitors has been a spectacular success since its introduction in November 2024. Moreover, according to the Shenzhen border inspection authorities, for the first time in five years, passenger traffic at Shenzhen Airport crossed 6 million by November 2025, marking a year-on-year increase of more than 23.4 percent. Notably, visa-free travelers made up nearly 60 percent of all inbound foreign visitors in 2025, up sharply from about 26 percent in the previous year.

A combination of geographical proximity, good air connectivity and diverse experience options makes China particularly well-suited to short-term travel from the ROK. These trips require minimal planning and lower financial and psychological costs, allowing travelers to enjoy spontaneous short breaks close to home.

Industry observers say Korean tourists see China as both a “nearby, low-burden overseas destination” and a place for quick weekend trips. While visa-free access allows spontaneous travel, the ultra-short stays highlight room for improvement.

MA XUEJING / CHINA DAILY

The next challenge is turning “first-time visits” into “satisfied return visits”. Instead of headline growth figures, the focus should shift from providing easy access to improving the visitor experience. That means understanding who the visitors are, what frustrates them, and what delights them — and then tailoring the tourism environment accordingly. Enhancing tourism experiences and bundling content more creatively will encourage tourists to stay longer, see more and even come back.

For travelers from the ROK, long-standing barriers to visiting China have included language barriers, payment systems and destination image. These issues are now being tackled under the umbrella of “smart tourism 2.0”. Powered by artificial intelligence, this new phase uses data to personalize services, cut costs for tourism businesses, help destination management organizations allocate resources optimally and give travelers real-time, context-aware support.

The results are already visible. Automatic translation services like DeepSeek have reduced anxiety over language barriers. Payment friction has eased as Kakao Pay of the ROK links seamlessly with China's Alipay and WeChat Pay, allowing travelers to make QR-code payments without currency exchange. Social media is amplifying the effect: as positive travel experiences circulate online, perceptions of China among younger Koreans have begun to change.

Tourism has entered an era in which technology directly shapes the journey. During a trip from Seoul to Beijing and Shanghai in August 2024, I relied almost entirely on China's smart tourism ecosystem. By linking Alipay, using WeChat and DiDi, booking trains, navigating subways and shared bicycles, and paying for meals and museum visits through my smartphone, I realized that with just a little preparation, traveling independently in China was entirely feasible. What once felt distant and complicated now feels like a nearby, do-it-yourself destination.

What makes these changes particularly promising is the generational character. Young Koreans now “visit” Chinese cities on RedNote and Douyin before they book a flight; Chinese millennials explore Seoul's coffee shops and vintage stores through Korean travel vlogs. This digital-native generation travels not as passive sightseers but as cultural participants. Their shared language is curiosity, aesthetics and lifestyle, an ideal foundation for deeper mutual understanding.

The visa waiver is only a starting point. Its true success will be determined not by number of visitors alone, but by what those visitors experience once they arrive — and whether they choose to return.

The author is a professor in the College of Hotel & Tourism Management at Kyung Hee University, South Korea.
The views don't necessarily reflect those of China Daily.

Marc Weller

US attacks on Venezuela violate international law

The capture of Venezuelan President Nicolás Maduro and his wife by US forces operating in Venezuela, and his forced transfer to the US for trial, pose a significant challenge for international law.

The US has described the operation as a judicial “extraction mission” undertaken by law enforcement operatives supported by the military. Yet this was a military operation of considerable scale, involving strikes on military targets in and around Caracas, the capital, and the forcible abduction of a sitting president by US special forces. It is clearly a significant violation of Venezuelan sovereignty and the UN Charter.

This fact is compounded by President Donald Trump's announcement during his news conference of Jan 3 that the US will “run” Venezuela and administer a political transition, or regime change, under the threat of further, more massive uses of force. In addition, there seems to be a determination to use the threat of force to extract funds and resources in compensation for supposed “stolen” or nationalized US assets and oil.

It is difficult to conceive of possible legal justifications for transporting Maduro to the US, or for the attacks. There is no UN Security Council mandate that might authorize force. Clearly, this was not an instance of a US act of self-defense triggered by a prior or ongoing armed attack by Venezuela.

The White House asserts that it is defending the American people from the devastating consequences of the illegal importation of drugs by “narco-terrorists” — consequences that could be compared to an armed attack against the US.

> **Overall, this episode further erodes international confidence in the principle, agreed after the horrors of the 20th century's world wars, that states must not enforce their legal claims or political demands through the use of force.**

However, in international law, only a kinetic assault with military or similar means qualifies as a trigger for self-defense.

This leaves the argument of “pro-democratic intervention”. Notably, the US did not use “pro-democratic” action as a “formal legal justification” when it invaded Grenada in 1983 and displaced its government. Neither did it do so when it invaded Panama in 1989 and captured the then president Manuel A. Noriega, with a view to putting him on trial for drugs offenses.

Washington avoided doing so because it feared creating a precedent that would justify “pro-democratic” interventions by other countries which it might oppose. Instead, it relied on an unconvincing claim to self-defense.

In the case of Venezuela, the US alleges that Maduro “stole” the presidential poll of 2024, that opposition candidate Edmundo Gonzalez Urrutia was the true victor, and that Venezuelan authorities falsified the result of 2025 parliamentary elections.

But in classical international practice, those who exercise effective control over a country's population and territory will be treated as the government. Considerations of legal or political legitimacy matter less. Accordingly, most governments have abandoned the practice of formally recognizing newly established governments, however they come to power. If they are effective, they are the government.

However, in the 1990s, with the end of the Cold War, the doctrine articulated by the Universal Declaration of Human Rights gained in currency.

In 1990, Jean-Bertrand Aristide was elected president of Haiti. But he was soon displaced in a coup mounted by a military junta. In 1994, after many failed diplomatic attempts to restore the democratic outcome of the elections, the UN Security Council formally authorized a US-led force to facilitate the departure of the generals. Faced with the imminent US invasion, they gave in and power was restored to Aristide.

This doctrine cannot be invoked in cases of creeping authoritarianism or in response to claims that elections have not been free and fair. It only applies in cases of counter-constitutional coups or where there is an election result that remains unimplemented by a sitting government.

The doctrine is generally only applied where the UN Security Council, or at least a credible regional organization, has granted a mandate — to avoid individual states seeking regime change in pursuit of their own agendas. Clearly, in this instance, there was no mandate from the UN or the Organization of American States.

Maduro and his wife will however find little comfort in the fact that they were removed from Venezuela by way of an internationally unlawful intervention. US courts consistently apply the so-called Ker-Frisbie doctrine, which holds that they will exercise jurisdiction, irrespective of the means by which the body of the defendant was procured for trial.

The US will also refuse to extend Maduro the immunities that automatically apply to a serving president when travelling abroad. This too, is legally controversial. But as Noriega experienced before him, the US authorities are unlikely to be deterred by this fact.

Overall, this episode further erodes international confidence in the principle, agreed after the horrors of the 20th century's world wars, that states must not enforce their legal claims or political demands through the use of force.

The fact that the US now claims to “run” Venezuela and to put in place its future government under the shadow of the gun, along with the demand to dominate the oil sector and extract compensation, will reawaken uncomfortable memories of previous US dominance in the region.

The UN Secretary-General has noted that the rules of international law have not been met in this instance, calling it a “dangerous precedent”. Many other governments and international institutions are speaking out in a similar vein, though some others have expressed support.

It will be interesting to see whether the UK and other European US allies will be able to overcome the recently developed sense of diplomatic deference to President Trump and stand up in defense of the international rule of law. This may well be the moment when Western Europe realizes that the US has decisively abandoned the core values that united them for the past century.

The author is a professor of International Law and International Constitutional Studies in the University of Cambridge. The original version first appeared on the website. https://www.chathamhouse.org/2026/01/us-capture-president-nicolas-maduro-and-attacks-venezuela-have-no-justification
The views don't necessarily represent those of China Daily.

Zhou Shuchun

The author is chief researcher at the China Watch Institute, China Daily.

Spirit of the Long March guides nation in quest for socialist modernization

Late in 2025, a symphony concert featuring top Chinese musicians was staged in Beijing to commemorate the 60th anniversary of the premiere of *The Long March Suite — The Red Army Fears Not the Trials of the Expedition*, a classic work of 20th-century Chinese music. It was a major event in the music scene, but its symbolism went far beyond music, highlighting the unique historical significance of the period from 2025 to 2026 in the journey of the Chinese nation.

From a historical vantage point, this is a moment to salute victory. In 2025, China marked the 80th anniversary of victory in the War of Resistance Against Japanese Aggression (1931-45) and the World Anti-Fascist War. That war represented the first complete victory against foreign invasion in modern Chinese history. In 2026, the country will celebrate the 90th anniversary of the victory of the Chinese Workers' and Peasants' Red Army's Long March. A monumental feat in war history, the Long March signified the turning point where the Communist Party of China transitioned from setbacks to triumphs, symbolizing a rebirth forged through blood and fire.

This period is also a pivotal relay point in China's development planning. In March, the National People's Congress will review the recommendations for formulating the 15th Five-Year Plan (2026-30) for National Economic and Social Development, making 2026 the inaugural year of the new five-year plan, which holds a special position in the national development calendar.

Official assessments have described 2025 as “extraordinarily remarkable” and “of great significance in the process of Chinese modernization”. The year witnessed the successful conclusion of the 14th Five-Year Plan (2021-25), making a promising start for the journey toward the country's second centenary goal — building a modern socialist country in all aspects.

> **Supply-demand imbalances, particularly with employment, continue to put pressure on businesses and individuals.**

At the end of 2025, the Political Bureau of the CPC Central Committee summarized China's achievements over the past five years as significant enhancement in hard power encompassing economy, technology, defense, and soft power including culture, institutions, diplomacy. Such a balanced progress in both soft and hard power is rare, and 2025 provided a vivid illustration.

Despite external headwinds unseen in decades, China's GDP is expected to grow by around 5 percent, with the total economic volume reaching 140 trillion yuan ($20.02 trillion) in 2025. A series of mega-projects, including the opening of the world's highest bridge in Guizhou, the commissioning of China's first electromagnetic catapult aircraft carrier *Fujian* and the first asteroid exploration and sample return journey with the Tianwen-2 mission, showcased the nation's spectacular advancements in technology.

The popularity of DeepSeek and the rise of the humanoid robot industry partly reflect what critics describe as a breakout phase for tech innovations. In an article widely circulated in the Chinese media, The Economist asked How China Became Cool, and found answers in artificial intelligence models, electric vehicles, drones, and original games. Coincidentally, according to a report by the World Intellectual Property Organization, for the first time China ranked among the top 10 countries in the Global Innovation Index, being one of the fastest-improving economies in innovation over the past decade.

Other developments during 2025 were equally significant. On Dec 18 — exactly 47 years after the epoch-making third plenary session of the 11th CPC Central Committee — the Hainan Free Trade Port launched island-wide customs closure, signaling the Party's determination to advance reform and opening-up. And 120 years after China began to build its first self-designed railway between Beijing and Zhangjiakou, the Xi'an-Yan'an high-speed railway began operations in the holy land of the Chinese revolution. With this, China's high-speed rail network spans over 50,000 kilometers, exceeding the combined length of the rest of the world.

The year 2025 was a landmark for the rise of China's soft power. According to Brand Finance Global Soft Power Index 2025, China surpassed the United Kingdom for the first time, rising to second place during the year. Concurrently, a US media outlet proclaimed “The Dawning of the Age of Chinese Soft Power”. China's “new trio” of cultural exports — online literature, games, and dramas — accelerated their global reach. *Ne Zha 2* topped the global box office for animated films, the AAA game *Black Myth: Wukong* became a sensation, and the trendy toy Labubu was a hot seller in the European and US markets.

Even so, formidable challenges lie ahead. Besides the external risks facing the country, the Central Economic Work Conference in December emphasized “stabilizing employment, enterprises, markets, and expectations”, reminding people of the difficulties faced by the economy. Supply-demand imbalances, particularly with employment, continue to put pressure on businesses and individuals. In the longer term, uneven and insufficient development, the transition from old to new growth drivers and the tasks of overcoming bottlenecks amid intensifying international competition remain challenging.

As pointed out by the top leadership, achieving modernization is a lengthy process of progressive and continuous development. Therefore, the Long March must continue, enduring new hardships and overcoming new challenges to achieve new heights and reach new horizons. Seventy-five years ago, China drafted its first five-year plan, and 10 years from now, marking the 100th anniversary of the Long March, the country would have basically realized socialist modernization.

The FT View

FINANCIAL TIMES
'Without fear and without favour'

ft.com/opinion

Iran needs to help itself and change course

Facing mounting domestic protests, the Islamic regime should seek an off-ramp

Days after protests erupted across Iran, Donald Trump interjected with a warning to the Islamic republic's leaders. If the regime killed those taking to the streets, he said, the US was "locked and loaded" and ready to come to the protesters' "rescue". The president repeated the threat after his extraordinary military operation to capture Venezuelan leader Nicolás Maduro.

The images of Iran's main Latin American ally being seized and shackled in a night-time assault should have proved to the Islamic republic's leaders that Trump's threats cannot be taken lightly. They underscore the Iranian regime's precarious state as it faces intensifying external and domestic pressures. Iran should heed Trump's warnings, not use force to crush the protests and work to address the legitimate concerns of its people.

The republic has been gripped by angst and uncertainty since Israel launched its devastating 12-day war against Iran in June, and the US joined the attack to bomb nuclear facilities. And Israel is probably not finished. At that time, Iranians, shocked by a foreign assault, rallied around the flag, not out of support for the regime but because of a sense of nationalism and patriotism.

The fleeting unity, however, could not mask the deep fissures in society. Many Iranians loathe their oppressive leaders and are intensifying calls for change. A worsening economic crisis has fuelled the malaise, with the rial losing about 40 per cent of its value since the war, pushing runaway inflation ever higher. The economy's woes are due partly to swingeing US sanctions, but also to gross mismanagement and corruption.

The protests — the biggest unrest since the 2022 Women, Life, Freedom movement — began when storekeepers in Tehran shuttered their shops over anger about rising prices 10 days ago. They have spread to smaller cities and towns, where inflation bites harder and people feel they have less to lose. In some cases they have turned violent, with at least 14 people killed, according to Iran's state media.

It would be premature to predict the regime's demise, with no credible organised opposition inside or outside Iran. It has decades of experience in managing unrest, and no qualms about brutally crushing it. A regime born of revolution also understands the risks of protest, and can be calibrated in its response.

But a decaying system is facing a highly unpredictable environment as domestic and foreign pressures converge like never before. The parlous state of the economy, and subdued oil prices, means it has fewer tools to ease the social pressures.

This should be a moment for the regime to bite the bullet and genuinely pursue a nuclear deal with Trump, without preconditions. An agreement that brings sanctions relief and eases hostility is the only strategy that will enable Iran to begin to address its external and internal crises. Trump has repeatedly said he is ready for an agreement; Tehran should appeal to his penchant for deals.

> An agreement that brings sanctions relief and eases hostility is the only strategy that will enable the country to begin to address its external and internal crises

For their part, the US and Israel would be misguided to try to force regime change. Iranians are a proud society that recoils from the notion of foreign intervention — as their reaction to Israel's June war showed. Iranians also witnessed the carnage wrought by civil war in Syria and the US-led invasions of Iraq and Afghanistan, and many fear the dangers of their 90mn-strong nation descending into civil conflict.

The regime must realise it has to change course — starting by managing the protests peacefully and convincing Trump it can be a credible negotiating partner. Its instinct is always to project defiance and "resistance". The pragmatic path would be to seek a deal.

Opinion Technology

No, you cannot tell when something's written by AI

María Hergueta

Elaine Moore

It's easy to tell when something was written by artificial intelligence, isn't it? The text is so generically bland. Even if it seems superficially impressive it lacks edge. Plus there are the obvious tells — the em dashes, the "rule of three" examples and the constant use of words like "delve" and "underscore". The writing, as one machine learning researcher put it, is "mid".

Yet every single one of these apparently obvious giveaways can be applied to human writing. Three consecutive examples are a common formulation in storytelling. Words like "underscore" are used in professional settings to add emphasis. Journalists really love em dashes. None of it is unique to AI.

Read the "how to spot undisclosed AI" guides from the likes of Wikipedia and you'll receive a lot of contradictory advice. Both repetition and variation are supposed to be indicators. Even AI detection tool providers acknowledge that, because AI models are evolving and "human writing varies widely", they cannot guarantee accuracy. Not that this has stopped a cottage industry of online "experts" declaring that they can just tell when something apparently written by a person was really generated by AI.

> The idea that we have an innate ability to sense human depth in words is an illusion

The idea that we have an innate ability to sense human depth in words is an illusion. I know this because last year I was fooled into spending 15 minutes of my life talking to a chatbot posing as an estate agent on WhatsApp. Looking back, maybe their chirpy interest in my flat hunt should have been a giveaway. But there was nothing unusual in their words. In fact, the only reason I knew it was a chatbot is because it told me — something that induced such rage I immediately blocked them.

Here are a few stats I found to make myself feel better about all those wasted minutes. An Ipsos poll of 9,000 people published last month found that 97 per cent of people couldn't tell the difference between an AI-generated song and a human one. And last year, a University of Pittsburgh survey of more than 1,600 people asked to read poetry written by humans and AI found they were more likely to guess the AI-generated poems had been written by people.

These studies run counter to the idea many of us have that we can instinctively tell when something is AI.

It's true that the best writing has a tangible warmth or strangeness that would be hard to replicate. But a lot of writing is not like this. The world is full of bland text, much of it used to train large language models. Generative AI text is just reflecting that reality back at us.

This doesn't mean that LLMs aren't writing strangely smooth sentence lengths and using certain words a lot. They are. But not enough for these to be dependable giveaways. An editor at a local Canadian newspaper went viral this year for exposing a freelancer who apparently used AI to make up articles. While he claimed their "rote phrasing" should have been a giveaway, what actually raised his suspicion was the fact that someone with New York media bylines claimed to live in Toronto. It was context, not content.

Early AI-generated text was far more obvious. For one thing, it was often wrong. Now we are at a confusing point where AI-generated work is more polished and is encouraged in workplaces yet has such low status that its undisclosed use is regarded as shameful.

Despite this, there is little appetite for watermarks that would clarify matters. Tech companies have done an excellent job of convincing the world that any sort of restriction would come at the cost of "winning the race". The EU has postponed the implementation of part of its AI Act. President Donald Trump wants to block state AI laws.

That leaves us in a bind. If you suspect something was written by AI you can ask "Grok is this real?" on social media or paste it into AI detection tools like GPTZero, Copyleaks and Surfer. Neither is infallible. Surfer even has a tool that will "humanise" your AI work. When I fed AI text into the humaniser and then back into Surfer's AI detector it told me that the words were 100 per cent written by a human.

That leaves context. If you know someone's communication style is sparse and they produce 800 words of florid text, it was probably AI generated. If a nice estate agent tries to chat with you on WhatsApp, then ask them if they're real. Errors like spelling mistakes probably mean something was human generated, too. But don't get complacent. Haven't you noticed that AI companies pulled back on em dashes once people started to see them as a warning sign? If spelling mistakes are all it takes to generate trust in AI text, it'd be easy enough to program them.

elaine.moore@ft.com

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The scandal is Trump uses force like a raider not a statesman

The editorial board's view on Venezuela ("A reckless intervention in Venezuela", The FT View, January 5) reads less like analysis than a sermon to a self-satisfied congregation. It mourns the collapse of "rules" as if they were self-enforcing, not a hard equilibrium enforced by power. Yes, enforced selectively, inconsistently, and sometimes brutally.

Vice-president JD Vance and his allies will be delighted, no doubt. This kind of soft-power moralising lets them shrug and get on with power politics.

The FT rightly condemns unilateral action but offers no account of what enforcement mechanism remains in a multilateral system built around vetoes and delay. It treats sovereignty as sacred while describing the Maduro regime as criminal, corrupt and catastrophic. Should we act surprised when someone treats it accordingly.

By reducing the episode to personality and petroleum, it reaches for the oldest comforts of commentary ("it's all about oil", "it's all about one man") and dodges the harder question: in a repeated game, what do serial violators learn when indignation (we are reminded of Barack Obama's "red line") is the only sanction?

The scandal isn't that Washington used force; it's that it wielded it like a raider rather than a statesman: executing the operation, boasting about the spoils, improvising the peace. That turns a potentially stabilising act of deterrence into a signal of predation. Whatever we tell ourselves about hearts and minds, we're in a world choosing guns over butter.

Daniel Plant
Toronto, ON, Canada

Maduro's get-out-of-jail card

The Trump-stacked US Supreme Court issued a clear (albeit contested) judgment conceding immunity on a head of state for actions (however criminal) taken during their time in office ("US legal case against Maduro to test limits of presidential power", Report, FT.com, January 4).

Nicolás Maduro's counsel are probably familiar with it. The US attorney-general's task is to show that this immunity does not apply to the head of state of Venezuela without undermining the immunity due to the head of state of the US.

Meanwhile Maduro's counsel can apply for a writ of habeas corpus.

Anthony Murray
London KT2, UK

In today's world, EU can be a beacon of democracy

The rampant misadventure of Vladimir Putin's Russia in Ukraine and now Donald Trump's action in Venezuela, as well as President Xi Jinping's sabre-rattling against Taiwan, hold two lessons.

First, as historian Harold James succinctly put it in an article in Quillette online magazine "imperialism is for losers".

Putin's revanchist fervour in striving to undo the collapse of the Soviet Union, and Trump's alleged intent to "make America great again" are both hapless responses to relative industrial and economic decline.

Putin and Trump are resorting to the same "high-handed and botched old-style exercise in western imperialism" that, in James' words, characterised the Suez crisis of 1956.

The second lesson pertains to Europe. For in a world marred by state violence and insecurity, the EU can become a larger version of Switzerland — or Norway for that matter. A political and economic confederation marked by the rule of law, the protection of civic liberties, and peaceful exchange with other countries. A beacon of democracy that cherishes its diversity and cultural heritage. A somewhat boring and prosperous place. And, for anyone who has visited Florence, Dubrovnik, Erfurt or Lisbon, clearly the most beautiful region of the world.

Achieving this requires steadfast adherence to the rule of law, even against adversaries — which is why the EU rightly opted not to confiscate Russia's foreign currency reserves.

It requires unequivocal support for the UN charter. It requires digital sovereignty, which will entail harshly taxing and restricting US tech companies. It also requires establishing a military autonomy, separate from that of the US.

The right choices must be made. But as poet Arthur Rimbaud wrote: "At dawn, armed with a burning patience, we shall enter the splendid cities."

Christian Kopf
Member of the Euro50 Group, Bad Homburg, Germany

UK should try Swiss model of European cohabitation

Thank you for a serious report on Switzerland, a much underrated and almost completely unreported European state and nation (The Big Read, December 22).

I worked there for 15 years before becoming an MP in 1994 and came to admire the hidden qualities that other European nations, especially the UK, could learn from.

My favourite Swiss saying remains "what is not compulsory is forbidden" and the way competing religions, languages and cultures have found a modus vivendi over the centuries is impressive. Mention is made in the article of Switzerland's minaret ban, voted in a referendum in 2009. The Swiss swerved round this openly Islamophobic measure by giving mosques permission to build heating chimney turrets that allowed a call to prayers for the new Swiss citizens not of Christian faith.

The share of immigrants in the Swiss population is twice as high as in Britain — 31 per cent compared with 16 per cent per cent — and while the Swiss, in common with all of Europe, have anti-immigrant politicians, the debate does not attain the heights of open hate and contempt for immigrants now promoted in Britain by the party leading current opinion polls.

Finally, as Britain now accepts that the near decade-long experiment of isolation from Europe has made us poorer and less important in the world, the difficult but in the end productive relationship the Swiss have established with European partners after a referendum in 1992 rejecting joining the European Economic Area, the antechamber to EU membership, might serve as a model for the UK government, the ruling Labour party and other parties who realise that the simplistic anti-European nostrums of the Brexit era can be dumped in the dustbin of history.

Denis MacShane
Former Minister of Europe and Former Chair of the All-Party Swiss-UK Parliamentary Group, London SW1, UK

Data delays ought to fuel bubble worries

The article by Myles McCormick and Claire Jones ("Delayed data offers limited clarity on state of US economy", Report, December 16) reminds me of how Jeff Bezos, at a tech conference in Turin, referred to the extraordinary rise of AI stocks as a "good" bubble ("Bezos hails AI as 'good' bubble with lasting benefits for globe", Report, October 4).

However as Tim Bradshaw noted in the same article, this bubble has echoes of the dotcom crash all over it. It is not just this one sector that is concerning, but the multiple circles of bloat that appear linked in ways that mimic dominoes. So aside from AI there is the stratospheric levels of cryptocoins, gold, the stock market and property.

As Katie Martin pointed out in early October ("Trump's attacks have a chilling effect on Wall Street analysis", The Long View, October 4) analysts' reports on everything from employment to incomes are under the shadow of threats from the White House.

Put this in the context of the various accounting schemes and problems like that associated with the First Brands bankruptcy, where it appears assets were assigned to multiple loan provisions and the extent of other off-balance-sheet special purpose entities (SPEs), could result in massive liquidity problems ("Chanos highlights 'red flags' in private credit boom", Interview, October 4).

So we are surrounded by "good" bubbles, skyrocketing cryptocoins, metals, commodities and private credit booms at a time when the data to use to manoeuvre is locked up or "cooked".

So it seems like investors are flying blind.

Niccolo Caldararo
Department of Anthropology, San Francisco State University, San Francisco, CA, US

Keats and insomnia

Miranda Green's column "Insomnia: the productivity hack for 2026" (Business Life, January 5) gives various suggestions for dealing with the problem.

After a lifetime of insomnia in the early hours, I have finally found the perfect remedy — the spoken word.

Lying in the dark, eyes closed, earbuds in so as not to disturb the other occupant of the bed, I listen to programmes downloaded from the radio, BBC Radio Four is a favourite, podcasts, stories and novels on Spotify, language tapes.

No matter what, very soon "a drowsy numbness pains my sense" and makes me fall asleep.

Try it. You may end up better informed, entertained, with new language skills. More likely it will send you back to sleep as surely "as though of hemlock [you had] drunk".

Vidya Borooah
Belfast, Northern Ireland, UK

Shakespeare's three spectacular investments

William Shakespeare was both a stellar investor and surprisingly focused on getting rich.

So when Toby Nangle gives him only a brief word in his otherwise excellent article "Which genius from history would have been the best investor?" (FT Alphaville, December 24) he does not do him justice.

Shakespeare made three spectacularly successful purchases: in shares in his theatrical company, the Lord Chamberlain's Men, in 1594; in the Globe Theatre, in 1599; and in the Blackfriars Theatre, in 1608. Shakespeare wisely both invested in what he knew, and did not lose his nerve in market setbacks: he stayed the course when the theatres were closed down due to the plague, and even when the Globe lost its lease. As a result, at his peak, he was probably bringing in over £200 a year, about 20 times a teacher's salary, and was able to buy New Place, one of the most impressive houses in his home town of Stratford-upon-Avon. Meanwhile, Ben Jonson intermittently wound up in debtors' prison, and John Lyly eked out extra pennies in admin.

Once he had built his balance-sheet, Shakespeare accumulated a portfolio of hard assets, such as land, tithes and properties, which provided diversification. Shakespeare would truthfully have been able to say, like Antonio in *The Merchant of Venice*, "My ventures are not in one bottom trusted,/Nor to one place".

But here's "the rub": Shakespeare had such a marked desire for financial gain that it occasionally led him to push the boundaries, drawing him into actions that seem in the plays to incur opprobrium. In the 1590s, at Stratford, he hoarded grain in a time of shortage, for which he may have been prosecuted.

Compare the words from *Coriolanus*: "They ne'er cared for us yet: suffer us to famish, and their store-houses crammed with grain." In 1604 Shakespeare took Philip Rogers, a Stratford publican, to court for a little over a pound, an amount that for Shakespeare was negligible. Such inflexibility might perhaps suggest Egeus' in *A Midsummer Night's Dream*, and Angelo's in *Measure for Measure*.

David Crook
CEO, Tail Wind Advisory & Management, London WC2, UK

Who will provide the musical cheer for Gen-Zers?

With reference to your editorial "Reasons for youthful cheer" (The FT View, December 31) Ian Dury and the Blockheads' happy anthem "Reasons to Be Cheerful, Part 3" always brings a smile to the face of this baby boomer. Have a listen.

Who is providing the musical cheer for Gen-Zers?

Andrew McMahon
Pasadena, CA, US

Opinion

Don't be fooled — everything has changed for the global economy

Gita Gopinath

Twenty twenty-five was a year when everything changed — yet, somehow, nothing did. The US raised tariffs to their highest level in almost a century, China retaliated and global policy uncertainty intensified. And still, global growth is projected at 3.2 per cent, exactly what forecasters expected a year earlier when none of this turbulence was on the horizon. It would be a mistake, however, to think the global economy is unaffected by tariff fights and policy chaos.

We have seen this movie before. When the Brexit referendum passed, despite the sharp increase in uncertainty, the economic impact was initially minimal. But a decade later, the UK is estimated to have lost between 6 to 8 per cent of GDP relative to its pre-Brexit trajectory. The lesson is simple: structural damage reveals itself slowly, and always too late to be reversed.

So why hasn't the world felt the sting of tariffs yet? The answer lies partly in actual tariffs being around half of what the US announced thanks to numerous exemptions. Yet at 14 per cent this remains a sharp escalation, the consequences of which had two offsets. First, AI spending and the stock market surge powered by AI optimism have propped up US growth and buoyed economies like Taiwan and South Korea that export AI-related goods. Second, fiscal policy has been more expansionary, not only in the US, but even more so in Germany and China. These forces masked the drag from American tariffs and Chinese retaliation. They also made 2025 look far more stable than it actually was.

The global economy is more fragile than headline numbers suggest, starting with the fragility in the AI sector. Investors have finally begun to question the gap between sky-high AI valuations and actual AI returns. Companies like Meta, which have signalled massive increases in AI spending without corresponding revenue streams, have been punished. And they are not alone. AI companies will soon have to confront a harsh challenge: prompts cost money, which means subscriptions will need to rise. $20 a month won't cover the prompt-costs or sustain the infrastructure arms race against new challengers.

This is not a statement about AI's potential, which is in all likelihood transformative. It is a statement about profitability. With competitive pressure both seen and unseen, the risk of a dot-com-style correction is real.

> Damage from tariffs will grow more visible as the resilience afforded by frontloaded imports fades

Meanwhile, the celebrated "resilience" to tariffs is deeply misleading. Tariffs have been costly, and especially so for Americans. Roughly 95 per cent of tariff costs have been absorbed by US firms, with only some passed on to consumers. That "some" matters: tariffs alone have added 0.7 percentage points to inflation. Without them, inflation could have been 2 per cent this year — exactly the Federal Reserve's target. Instead, tariffs have made the typical US household $600 poorer.

The damage from tariffs will grow more visible in 2026 as the resilience afforded by frontloaded imports fades and companies pass through a higher share of costs to consumers.

China also needs to face up to some uncomfortable truths. Continued reliance on export-led growth is untenable, and Beijing's new five-year plan, which prioritises allocating resources to technology sectors over shoring up social safety nets and boosting consumption, risks deepening structural imbalances.

Europe, for its part, has played the adult in the room by defending a rules-based global system, but it still needs to pursue internal reforms on its own account. The EU must deepen its single market, raise productivity and position itself as an attractive destination for global capital seeking diversification.

And the US is not helping. Unfriending the EU — its largest economic partner — is poor economic strategy. While nothing catastrophic happens overnight, Europeans are trying quietly and gradually to decouple from US financial infrastructure, as they question their reliance on Visa and Mastercard. Just a year ago this would have been unthinkable.

The reality is that 2025 *was* a year when everything changed. The question now is whether 2026 will be the year we correct course. There is an opportunity: the US holds the G20 presidency and France the G7 presidency. Together they can spur action to restore stability to an uncertain and increasingly fragmented global system.

If we fail to act, living standards everywhere will decline and the inward-looking policies that command popular support today will become unpopular. But by then it may be too late.

The writer is the Gregory and Ania Coffey Professor of Economics at Harvard University and formerly First Deputy Managing Director and Chief Economist of the IMF

Europe does not need driverless cars

David Zipper

Get ready, Europe. The robotaxis are coming. This year, Londoners could see driverless cars from China's Baidu and Waymo, the self-driving subsidiary of Google's Alphabet. Tensor Auto and GreenMobility are planning to launch autonomous cars in Copenhagen while Stellantis and Pony.ai want to do the same in Luxembourg. European Commission President Ursula von der Leyen has voiced her support: "Self-driving cars are already a reality in the United States and China. The same should be true here in Europe."

She is right about the first part. Autonomous rides are available in Chinese cities like Beijing and Wuhan and in the US, where I live, driverless cars from Waymo, Zoox and Tesla navigate the streets of cities like San Francisco, Los Angeles, Phoenix and Austin. Waymo is reported to provide 450,000 paid trips per week.

Driverless journeys can be pleasantly private, albeit too expensive for most people to take them regularly (Waymo rides often cost around a third more than Uber taxis). But to win over regulators and the general public, American robotaxi companies have also presented themselves as an urgently needed solution to the country's abysmal record of crash deaths.

Such messaging is of dubious relevance to Europe, however, where roadways are already much safer than those in the US. Furthermore, Europeans are more likely to bike and ride public transportation — travel modes that are vulnerable to a deluge of self-driving cars.

> By inviting robotaxis into their narrow, busy streets, continental cities risk worsening congestion

So why, exactly, does Europe want robotaxis? Driverless cars are often perceived as an embodiment of innovation and their developers have long claimed that computers can operate vehicles more safely than humans. They will not drive inebriated, exhausted or distracted.

Unaffiliated experts, such as Phil Koopman at Carnegie Mellon, say it is still too soon to know whether robot drivers are really safer. But a technological fix for crashes would be a godsend in the US, where the death count rose by over 25 per cent between 2010 and 2023. An American is more than twice as likely to die in a crash as a Canadian or Korean and more than three times as likely as an Israeli or Spaniard.

Europe is in a different situation. Smaller cars, higher transit use and more pedestrianised areas make roads safer. In 2023, the European Union averaged roughly 4.5 crash deaths per 100,000 residents, less than half the American equivalent. Roads in non-EU member states like Britain and Norway were even safer. A handful of Nordic cities like Helsinki have almost eliminated fatal crashes by slowing cars down.

This means the upside of robotaxis in Europe is lower. And there are considerable downsides to introducing autonomous cars into transportation networks that do not revolve around motor vehicles. Robotaxis have caused relatively few problems in car-centric American cities like Phoenix. But in San Francisco they have blocked bike lanes and obstructed transit vehicles. Such mishaps should be a warning for European leaders not to let their cities become beholden to the automobile.

Technological marvels they may be, but robotaxis are still cars and cars are a uniquely inefficient means of moving large numbers of people when space is at a premium. By inviting robotaxis into their narrow, busy streets, European cities risk worsening congestion. In California, data shows that Waymos spend almost half their time "deadheading" — driving around empty — which increases traffic. Gridlocked cities would undermine the quality of life and economic productivity that European leaders like von der Leyen want.

Robotaxi deployment has been compared to a race — one European carmakers have yet to start. If so, this is a race Europeans should skip altogether.

The writer is a senior fellow at the MIT Mobility Initiative

Greenland could be next for Trump

POLITICS

Edward Luce

Though a teetotaller, Donald Trump has an "alcoholic's personality", according to Susie Wiles, his chief of staff. Addictive personalities tend to be compulsive risk-takers. Doing what makes you feel good suspends the pain.

In Trump's case, that pain is increasingly domestic and the cure foreign. The more dire his situation at home — his poll numbers are bad and show no sign of improving — the greater the temptation of getting a fix abroad.

That almost every US president shifts to foreign policy as their time wears on offers little guidance on Trump. He has learned that it is far easier to skirt the polite fiction of international law than US court rulings. In explaining why he ordered the abduction of Venezuela's Nicolás Maduro last Saturday, Trump cited a US warrant. He sent the sheriff into the jungle to retrieve a fugitive from American justice. It worked like a charm. As long as the target is outgunned, success is assured.

Trump is increasingly confident of his unchecked control over America's war machine. Denmark's anxiety is thus justified. Without prompting, he raised Greenland at his post-Maduro appearance last Sunday. He has several times since then affirmed that "we need" Greenland. Denmark's prime minister, Mette Frederiksen, says "it makes absolutely no sense to talk about the need to take over Greenland". To which Trump simply repeats that Greenland is essential to US security.

"You know what Denmark did recently to boost up security in Greenland?" he asked. "They added one more dog sled."

Such is Trump's fixation that he appointed a Greenland envoy — the Republican governor of Louisiana, Jeff Landry — just before Christmas. "It's an honour to serve you in this volunteer position to make Greenland a part of the US," Landry said. Last year Trump dispatched his vice-president, JD Vance, uninvited to Greenland to survey the territory. Anyone who is confident that Trump is merely trolling should book a holiday in Caracas.

But why Greenland? First, because it would be easy. Much like "Operation Absolute Resolve" in Venezuela, Trump could annex Greenland from the performative comfort of the situation room (he created a look-alike in Mar-a-Lago). It would take an hour or two and risk no US casualties. That way Trump can keep emulating Barack Obama, those iconic pictures of whom watching the 2011 killing of Osama bin Laden he so envies. Though Danes are no pacifists, resisting the superpower would be suicidal.

Second, adding Greenland to his column would be lucrative. Trump's libertarian friends have been eyeing it for some time. Peter Thiel, who wants to set up crypto-empowered "network states" on undeveloped territory, has invested in Praxis, a start-up that aims to do just that and which has scouted Greenland. Trump's ambassador to Denmark, Ken Howery, was a co-founder with Thiel and Elon Musk of PayPal. Silicon Valley is awash with billionaires invested in one kind of networked venture or another. Greenland is high on most lists. Unlike Mars, occupying Greenland is doable.

On top of pleasing the libertarians, taking Greenland would go down well with Maga ideologues, since it would kill Nato in one swoop. Denmark could invoke article V in which an attack on one is an attack on all. Since America leads Nato, the treaty would be void. No ally would come to Denmark's defence. Were Denmark to accept the fait accompli, the result would be the same. Either way, geography, not law, would do Trump's explaining. Though a slice of Greenland sits in the eastern hemisphere, most of it lies in the western.

> The president is increasingly confident of his unchecked control over America's war machine

It is plausible that developments in Venezuela could keep Trump's focus on the Caribbean rather than the Arctic. A strike on a Colombian coca plantation, or a Mexican fentanyl site, would not be a shock. Cuba, likewise, should watch its back. Though Trump also covets Canada as America's 51st state, he has largely stopped airing that ambition since Mark Carney replaced Justin Trudeau as prime minister last year. On the spectrum of Trump's public musings, Canada is at the trolling end. The stars and stripes, on the other hand, could rise over Greenland at any time.

The betting among Trump's domestic opponents is that he will risk more as his fortunes decline. Trump's lawlessness is inversely related to his political woes. Democrats are expected to retake the House of Representatives in November. The pressure to release the unredacted Jeffrey Epstein files will not abate until Trump has done so, which he has made clear he never will. No good publicity can come from the impression that he is hell-bent on suppressing what he is legally obliged to make public.

Even the normally pliant US Supreme Court could deliver bad news soon if it strikes down the bulk of Trump's tariffs. Courts regularly block his deployment of the US military in American cities. So far Trump has largely complied with judicial rulings. By contrast, there is no court that can realistically check his use of the US military overseas. Nor, as in his first term, are there any voices around him counselling restraint.

As a source of shock value, mission accomplished and moneymaking, Trump always has Greenland. His temptation is only likely to grow.

edward.luce@ft.com

Ukraine's military holds lessons for its postwar future

Tymofiy Mylovanov

Whether our war with the Russian empire ends in weeks, months or years, all Ukrainians know that the big question for our future is this: how do we build a new Ukraine that is stronger, freer and more prosperous than the one that Vladimir Putin invaded in 2014 and 2022? How do we avoid the pitfalls of corruption and cronyism, bureaucracy and inefficiency, that made us vulnerable to a tyrant's aggression?

The answer is simple to describe but will be difficult to deliver. We will need to harness the same approaches that have enabled the Ukrainian armed forces to resist a full-scale invasion by one of the largest and best-equipped armies in the world over the past couple of years.

First, we need to spread a start-up culture throughout the government and civilian economy. In wartime, it has been military units like Khartiia and the 3rd Assault Brigade that have transformed the methods and morale of the Ukrainian military and made it a world leader in technological innovation and tactical agility.

After the war, government departments and state-owned businesses must institutionalise the same approach. They should create small and agile teams with the authority to bypass bureaucracy and deliver quick but effective fixes to problems. We need ministers to follow the example of defence minister Mykhailo Fedorov, former minister of digital transformation, and treat policy challenges like engineering, adopting "tech" methods of decomposition — breaking down a problem into smaller parts — prototyping and rapid testing.

Second, we need to copy the armed forces' relentless focus on results. Commanders in Ukraine's best battalions are assessed against a range of measures — the value of enemy equipment destroyed per mission and the efficiency of strikes by type of equipment used. The results are translated into electronic scores which are then used to support procurement, resource allocation and personnel promotions.

After the war, the government should adopt a set of deliverables (energy resilience, defence output, investment inflows, school recovery, anti-corruption enforcement) and publish regular progress reports on each measure. Ministers and officials should be promoted and rewarded based on the outcomes they deliver. Budgets and procurement should be open and subject to independent audit. A focus on results combined with intense accountability and radical transparency can apply the shock treatment that lethargic bureaucracies need to become dynamic and productive.

> Government too should create small and agile teams with the authority to bypass bureaucracy

Third, we need to invest in our natural strengths: people and innovation. We didn't hold off the invaders because we had bigger tanks or more artillery. We did so by being cleverer and more creative. We designed new drones for both airborne and maritime deployment, developed experimental methods and tactics in applied laboratories and trained our troops to exploit the possibilities offered by artificial intelligence and big data.

After the war, we need to increase the amount we spend on the education of the maths, science and engineering students who will become the authors and enablers of the technologies of the future. At the Kyiv School of Economics, we spend $10,000 per student while most publicly funded Ukrainian universities spend far less than $3,000 by my estimation.

We need to accompany increased spending on students' education with investment in laboratories and research infrastructure to underpin our burgeoning military, health and agritech sectors.

There are few places in the world where the new possibilities of AI have been put to faster or more practical use than in Ukraine's fight against Russia. We must make our country a centre for the rapid application of AI to civilian purposes too.

If we tear up the old Soviet ways of doing things and embrace a culture that values people who innovate and achieve results, we can build a new Ukraine. Like the people of West Germany after 1945, and the people of South Korea after 1953, like our neighbours in Poland after 1989, we can become an example to the free world. As a member of the European Union, and a close ally and partner of the United Kingdom and the United States, we can build a fortress of freedom and prosperity out of the rubble of war.

In 2022 the Ukrainian people discovered within themselves the capacity for greatness and astonished the world. We can do it again.

The writer is president of the Kyiv School of Economics and a former minister of economic development, trade and agriculture in Ukraine