Indian and foreign

Forcing students to learn at least two Indian languages is not ideal

The controversy over introducing a third language from Class 6 stems from an unresolved contradiction in the National Education Policy (NEP) 2020. At several places, the NEP, rightly, extols the special importance of English, especially in mathematics, science and even legal education, and does not club it with other "foreign" languages such as French or Spanish. At the same time, it advocates the three-language formula, with two languages required to be native to India, one of them ideally the mother tongue, in effect relegating English to the status of a foreign language. The Central Board of Secondary Education (CBSE) has implemented this aspect of the NEP, ignoring other welcome observations that the policy makes on language learning. While introducing three languages from Class 6, it said students in Classes 7, 8 and 9 should also study three languages, of which two should be "Bharatiya". Thus, if a student had taken French as a second language along with English, they would have had to forego French and switch to two Bharatiya languages, one of which would be entirely new to them. This could adversely affect their Class 10 Board examination performance, and render redundant the teaching capacity and resources schools had built in those languages. Following backlash, the CBSE has said that students in Classes 7, 8 and 9 need take only one additional Bharatiya language if they had taken English and, say, Spanish. The third language, moreover, will not be tested in the Class 10 examinations. These are, however, temporary arrangements and the CBSE is going ahead with the three language policy with two Bharatiya languages from Class 6.

Prudence demands that if the NEP is to guide the Union government's decisions, it should ensure language learning that serves the best interests of students. The policy speaks of the need for "high-quality bilingual textbooks and teaching-learning materials for science and mathematics, so that students are enabled to think and speak about the two subjects both in their home language/mother tongue and in English". Here, the NEP places the mother tongue and English on an equal footing if STEM is to be central to India's progress. In the same breath, it speaks of the importance of learning languages such as Japanese and German at the secondary level to enhance students' "mobility". The government's vision is to skill Indians for cutting-edge jobs worldwide, building the human capital needed to drive India's development. Instead of atavistic relapses, education initiatives should look ahead to serve at least this vision, even if that model is open to question. Given that the CBSE often becomes the template for much of India, the better course would be to teach the mother tongue and English and, where resources permit and students desire, offer a third language of their choice.

Data doubts

The latest IIP dataset raises more questions than it answers

India's latest industrial growth figures show that, contrary to global trends and overall perception, the country's industrial output is getting stronger. Notably, the data show a quick bounce-back in industrial performance after the initial hit from the West Asia crisis. However, the new data also raise some important concerns about the composition of the growth, the systems behind the recent data upgrades, and the need for further improvements. Growth in the Index of Industrial Production hit a five-month high of 5.1% in May 2026, up from the 4.9% growth seen in April, which itself was a substantial improvement over the performance in March – the first full month after the West Asia crisis began. Within this, the manufacturing sector grew at a relatively robust 5.5% in May, albeit slower than in April. One view is that this is due to a revival in domestic consumption, since the consumer durables and non-durables sectors also grew at multi-month highs. Consumer durables, especially, have done well in April and May. However, the contrary argument is that domestic demand is in fact not doing well, and it is export growth that is leading to higher production. This is bolstered by the fact that GST revenues from domestic transactions have grown slower over the last six months than in 2025-26 and the year before that. Merchandise exports, on the other hand, hit a four-year high in April followed by an all-time high in May. It would certainly be welcome if India's industry has global demand to fill, but the fact that more of this demand is not coming from within the country is a cause for concern. The economy is already hostage to world events.

The May IIP data were also accompanied by a note from the Ministry of Statistics and Programme Implementation (MoSPI) stating that it had made a major change to the methodology for computing growth for some sectors. It had abandoned the Wholesale Price Index as its chosen deflator to estimate the value of production in favour of the new Producer Price Index. This is a more accurate approach. But it did not, however, answer why this change was implemented belatedly and not when the new series of data was introduced on June 1. It suggests an unusually unsystematic approach by MoSPI. The strong growth in the IIP also does not reconcile with the fact that the Index of Eight Core Sectors – a separate government measure of industrial growth – grew at its second-lowest rate in 21 months in May. The core sector index is still outdated while the other major indices have been recently updated, but such a discrepancy nevertheless raises questions about what exactly is being measured.

India's 'Israel habit' meets West Asian realities

Vinay Kaura

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A changing West Asia demands strategic imagination, flexibility, and diplomatic balance from India

When leaders make foreign policy decisions, each may appear reasonable in isolation. However, their cumulative impact can be strikingly different from what was originally intended. As Iranian President Masoud Pezeshkian invited Prime Minister Narendra Modi to the funeral of former Supreme Leader Ayatollah Ali Khamenei, India's deepening engagement with Israel perhaps falls into that category. What was once a mutually beneficial partnership between New Delhi and Tel Aviv seems to have become more of a habit than the product of serious strategic deliberation. Yet, sound policy cannot be guided by the momentum of habit, for habit and strategy often pull in opposite directions.

A reconfigured region

For one thing, it is important to acknowledge the gains from the partnership between India and Israel. India has received considerable military technology and know-how from Israel, as well as expertise in intelligence gathering derived from their extensive counter-insurgency experience. However, the more important question is not only what this relationship provides today, but also what it forecloses over time. Judged on those terms, the picture is not particularly encouraging.

West Asia has been undergoing one of its most intense geopolitical reconfigurations in years, and this one is different in scale. For the past decade, the region's regional arithmetic has rested on the assumption that Iran was a wounded, sanctions-strangled actor whose reach could be curtailed and ambitions contained. That assumption has now been tested and found wanting. American and Israeli military strikes on Iranian facilities have not produced the strategic calm that Tel Aviv had hoped for at the outset of this costly campaign. Iran responded with retaliatory missile and drone salvoes and, more importantly, demonstrated that any blockade of the Strait of Hormuz could not be easily overcome by the rhetoric of carrier groups. Once again, the geography of energy has become the geography of coercion. The terms of the final agreement quietly confirm that Iran was not broken.

The last three months have made it clear that the United States-Iran confrontation is not a distant geopolitical contest for New Delhi. It has had a direct impact on India's economy. Most of India's oil imports pass through routes vulnerable to any prolonged conflict in the Gulf. Whenever the Strait of Hormuz becomes a flashpoint, the consequences are felt directly in Indian households. It is here that the strategic canvas becomes more complicated, with every diplomatic choice carrying economic consequences. Strategic flexibility requires shunning comfortable alignments.

Many strategic analysts have long believed that Washington's policy towards Israel is fixed and unchanging – a constant around which all regional policy revolves. That assumption now needs to be revised. The public differences between Washington and Tel Aviv, reflected in U.S. President Donald Trump's frequent outbursts against Israeli Prime Minister Benjamin Netanyahu, are no mere diplomatic squall. They appear to be genuine, notwithstanding Mr. Trump's well-known idiosyncrasies, because Washington's strategic calculus in West Asia has changed faster than expected.

The U.S. urgently needs off-ramps, while Mr. Netanyahu, whose political survival is bound up with escalation, has little interest in de-escalation without achieving his maximalist objectives. The friction becomes evident when the patron and the client are at odds, and the once-blank cheque starts to float.

Iran cannot be ignored

Thus, the perception of a shift towards Israel, reflected in Mr. Modi's unexpected visit to Tel Aviv (February 25-26, 2026) just before the U.S. and Israel launched their coordinated attack on Iran (February 28, 2026), becomes riskier when it is made more explicit, as it could place India on the wrong side of a regional reconfiguration that neither Israel nor any third party can control. While Mr. Modi's personal absence from Ayatollah Ali Khamenei's funeral is unsurprising, the choice of India's representatives is itself a deliberate signal. Pairing Minister of State for External Affairs Pabitra Margherita with Bihar Governor Lt. Gen. Syed Ata Hasnain (retired) – himself a soldier-scholar shaped by counter-insurgency experience – may be read as a calibrated posture of political reassurance, while also subtly reflecting India's religious pluralism.

In other words, it reflects a posture that has internalised the war's central lessons without yet being willing to say aloud that Tehran's coercive capacity, demonstrated through the Strait of Hormuz and the missile exchanges, cannot be managed through the optics of Tel Aviv alone. This choice conveys an important diplomatic message of reassurance to Iran, which has demonstrated that it remains a regional heavyweight.

Moreover, Iran is a civilisational state with deep-rooted political and ideological networks across Iraq, Lebanon, Syria, and Yemen, as well as the proven capacity to generate economic pressure that can bypass conventional military deterrence.

A nation that can dictate ceasefire terms to Mr. Trump after absorbing punitive strikes from the U.S. and Israel is not a nation that can be casually discounted. China also appears poised to expand its strategic and economic footprint in Iran, making it imperative for India to exercise greater caution. Greater alignment with Israel risks pushing Tehran further into the China-Pakistan strategic embrace.

There is also the matter of Europe, an underutilised and undervalued element in India's economic planning. India must recognise that Europe's political landscape has turned against Israel's actions in Gaza and Lebanon in ways, and at a pace, that would have been unimaginable two years ago.

More than sentiment, electoral arithmetic is at work. And electoral arithmetic often shapes trade policy and, eventually, the tone of bilateral negotiations. India's status-seeking desire to be seen as a responsible international actor, rather than merely a rising market, and its economic ambitions in Europe – including the operationalisation of the India-European Union Free Trade Agreement – may come under closer scrutiny in the context of its West Asia policy than New Delhi anticipates.

What is unusual about the present moment is that India has no option but to act strategically, independently, and decisively. It has leverage because it has maintained good relations with many Arab Gulf states, from which millions of Indian workers send remittances home. Although Saudi Arabia may once again have found tactical reasons to accommodate Rawalpindi (Pakistan), India's relationship with the United Arab Emirates has grown even stronger.

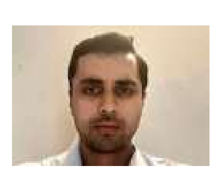
New Delhi's historical ties with Tehran, though constrained by shifting regional dynamics, have not been completely severed. More fundamentally, India's sheer size combined with its geostrategic attributes makes it an indispensable stakeholder in any emerging regional order. What India needs now is the political will to wield its leverage effectively in pursuit of clearly defined national objectives.

Beyond binary choices

India needs a sufficiently ambitious strategic imagination. But that does not mean choosing between Israel and Iran, for that would be far too simplistic, and history rarely rewards such simplifications. Herein lies the distinction between an adaptive, alignment-driven foreign policy – the kind that follows and adapts to alignments forged by others – and an architectonic foreign policy, which seeks to shape its own strategic environment.

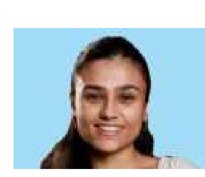
For a country that claims to be 'Vishwabandhu', it is important to recognise that the credibility of such a claim will be tested in moments such as these, when the world is watching India's words and actions. New Delhi's most valuable strategic asset in the coming multipolar decade is its authentic voice as a champion of the Global South, and every visible alignment with Israel in a conflict in which the Global South overwhelmingly sympathises with the Palestinians risks putting that precious capital in jeopardy. The defence technologies provided by Tel Aviv are undeniably valuable. But the strategic price of appearing aligned in a conflict that has reshaped West Asia is no less real.

Reimagining sovereign AI for India's strategic future



Vivan Sharan

Partner, Koan Advisory



Vedika Pandey

Manager, Koan Advisory

India must leverage global AI while reducing strategic technological dependence over time

The United States government recently directed American Artificial Intelligence (AI) behemoth Anthropic to suspend access to its most advanced Fable 5 and Mythos 5 models for foreign nationals on national security grounds. A U.S. Presidential order also creates a voluntary mechanism for the U.S. federal government to access such models up to 30 days before trusted partners can. The Trump administration is simultaneously considering equity stakes in leading AI companies, ostensibly to redistribute the supernormal profits expected from technological advances.

These policy shifts are the latest and most dramatic in a series of sovereign actions demonstrating that governments are increasingly shaping AI policy around national advantage. Europe is moving away from its "regulate first, ask questions later" approach by investing in AI compute and promoting "Buy European" public procurement. Meanwhile, in keeping with President Javier Milei's swashbuckling style, even Argentina aims to attract AI investment by offering a regulatory safe harbour.

Navigating AI geopolitics

Aggressive AI policy is the new normal. As a large IT services economy that does not have its own frontier AI systems – those requiring upwards of ten septillion floating-point operations to train – India must review global developments and articulate a coherent policy response that allows it to benefit from frontier technology without letting its economic capabilities depend on policy decisions made elsewhere.

India's IT and app companies are well positioned to scale the everyday use of AI, raising domestic productivity and competitiveness. But rapid diffusion and model dependence pull in opposite directions: using foreign AI models today is the only way to build the economic surpluses needed to depend on them less in the future. Businesses must use the best AI available to outcompete rivals. They cannot, however, manage the geopolitical risks that accompany dependence on those technologies. This is where public policy must step in. India's discourse is stuck in a false binary between globalisation and industrial policy. India's industries must benefit from both at the same time.

The lesson is already visible in another strategic industry: Indian pharma is deeply dependent on ingredients from China, and at the same time, navigates wavering policy regimes for market access in the U.S. A Production-Linked Incentive promotes domestic manufacturing of bulk drugs but NITI Aayog's latest assessment finds that India still sources 65% of critical ingredients from China. Industrial policies can create footholds, not instant resilience.

Building strategic AI linkages

Frontier AI presents the same strategic dilemma, but on a much larger scale. India's spends 0.6% of GDP on research and development, and the private sector accounts for a third of this. OpenAI alone projects its compute spending at $50 billion this year, over six times India's annual private R&D spend. The implication is straightforward.

India cannot outspend frontier AI investment, so it must instead deepen its backward linkages to frontier AI through government action while strengthening its forward linkages to global markets for its products and services. This starts with a whole-of-government approach, in which ministries such as external affairs coordinate closely with commerce and it, and perhaps even defence, energy, and telecom, to better serve the technology industry.

Coordination alone, however, is insufficient. Firms can manage commercial risk through contracts and diversified supply chains. They cannot insure themselves against geopolitical risk or concentrated technological dependence; that is the sovereign's role. Like export credit and hybrid-annuity infrastructure models, the government should help underwrite risks that private firms cannot efficiently bear alone. Export credit recognises that firms cannot shoulder geopolitical risks on their own and insures them against disruption. Hybrid-annuity contracts do the same for long-gestation infrastructure by having the state fund part of a project and make fixed payments over time, rather than leaving private capital to bear the full risk.

Industry must step up

And while the government can create the conditions for success, competitiveness must ultimately come from firms themselves. For its part, the Indian tech ecosystem needs to pay attention to quality and innovation that makes services and products valuable to the world.

There is less room for complacency than India's technology industry often assumes. The Philippines generates $40 billion in IT exports –already nearly a sixth of India's IT exports – and is growing faster than the global industry.

Similarly, Indian app companies have barely made a dent abroad. No Indian app features among the top 10 by downloads, in-app purchase revenue, or monthly active users. This calls for greater ambition from the industry itself.

Indian technology also needs a more coherent strategic voice. Incumbent IT firms remain preoccupied with visas and market access, while start-ups are consumed by regulatory frictions and fundraising. Yet, both ultimately share the same interest: ensuring that India remains deeply connected to the world's leading AI ecosystems while steadily building greater domestic capability.

The real contest in AI is not simply over who builds the best models. It is about who captures the economic and strategic advantages they create. India's objective should be clear: remain deeply integrated with global AI ecosystems while steadily reducing the strategic vulnerabilities that such integration creates.

LETTERS TO THE EDITOR

Food safety

The Data Point column (June 30), which has highlighted a serious issue that is often ignored — food poisoning cases and food safety — is timely. The mushrooming of food outlets and the proliferation of street food pose a major challenge to food safety. The reported staff shortage of 30% to 40% in the Food Safety and Standards Authority of India reflects gross neglect of a critical area of public health. The statistical data effectively underscore the gravity of the problem.

Balasubramaniam Pavani,
Secunderabad

KV, a disturbing shift

As a former student and the parent of two Kendriya Vidyalaya (KV) students, I am disheartened by the institution's decline. A KV principal recently remarked during a parent-teacher meeting that the school had become a testing ground for the NCERT. Parents are frequently asked to endorse government initiatives, while children are made to recite oaths or participate in online surveys through class WhatsApp groups. Students are also being burdened with new online examinations and are expected to complete the syllabus for the next academic year before the summer break, in addition to their holiday homework. Some teachers promote YouTube channels featuring videos of students without obtaining parental consent. Equally troubling are regressive messages in the classroom. I find this growing politicisation, academic burden, and the reinforcement of gender stereotypes undermining the quality, neutrality, and values that KV once represented.

Dr. Ragi Chandran,
Chennai

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

Need for inclusive, integrated climate action

Aruna Bhattacharya

Medical anthropologist and a public health expert specialising in urban health systems

As Karnataka welcomes a new Minister for Urban Development, there is an opportunity to rethink what makes a city healthy, resilient, and equitable. Much of the public conversation around urban development tends to focus on infrastructure and technology-driven solutions. Yet the true measure of a city's development lies elsewhere: in how its systems support the health and well-being of the people who keep the city functioning.

Among these are sanitation workers, street sweepers, waste collectors, drain cleaners, and others who perform essential services that sustain urban life. Their experiences offer a powerful lens through which to understand urban systems, particularly in an era of climate change.

Climate change is often discussed in terms of rising temperatures and environmental degradation. But these impacts are not experienced equally. They are filtered through housing conditions, employment arrangements, access to healthcare, social protection, and public infrastructure. In other words, climate change is also an urban governance challenge.

Unequal experiences

Across Karnataka's cities, sanitation workers spend long hours outdoors. As heatwaves become more frequent and intense, exposure to extreme heat is no longer an occasional occupational hazard but a routine reality. Heat stress can lead to dehydration, exhaustion, kidney-related illnesses, cardiovascular complications, and reduced productivity.

Moreover, a significant proportion of sanitation workers live in informal settlements where access to basic services remains uneven. Overcrowded housing, poor ventilation, inadequate water supply, and limited green cover amplify exposure to heat. During periods of extreme weather, residents may struggle to secure sufficient water for drinking and cooling, while inadequate drainage can increase vulnerability to flooding and disease outbreaks. The result is a double burden: workers are exposed to climate risks both at work and at home.

What does this say about the health of our cities? Traditionally, public health indicators focus on disease prevalence, mortality, or service coverage. While these remain important, they often fail to capture how urban systems function in practice. A city may have healthcare facilities, social welfare schemes, and climate action plans on paper, but whether these systems reach those who need them the most is another matter. Sanitation workers provide a useful barometer of urban system performance because they sit at the intersection of multiple systems. Their experiences are shaped by municipal governance, labour arrangements, housing conditions, environmental infrastructure, healthcare access, and social protection policies.

Consider healthcare access. Many Indian cities have expanded urban primary healthcare services in recent years. Yet questions remain about whether these services are accessible to workers whose health needs are closely linked to occupational exposures. Are primary health centres equipped to respond to heat-related illnesses? Are workers aware of available services?

Similarly, social protection schemes often exist but remain difficult to navigate. Administrative barriers, lack of awareness, documentation requirements, and fragmented institutional responsibilities can prevent workers from receiving the benefits intended for them.

These gaps become even more significant as climate change intensifies. Cities across India, including Bengaluru, are beginning to develop climate action plans aimed at reducing emissions and building resilience. However, climate adaptation cannot be limited to infrastructure investments alone. It must also address human vulnerability. This requires a shift in how urban development is understood. Health must move from being viewed as the responsibility of the health department alone to becoming a central consideration across urban planning, housing, and labour policies.

A climate-centric urban policy

For Karnataka's cities, several priorities emerge. First, climate and heat considerations should be integrated into occupational health policies for municipal and contracted sanitation workers. Heat action plans need to include worker protections such as access to drinking water, shaded rest areas, modified work schedules during extreme heat, and routine health monitoring. Second, investment in informal settlements is paramount. Improved housing, water access, drainage, and green infrastructure directly influence health outcomes and reduce vulnerability to climate-related risks.

Third, urban primary healthcare systems should be strengthened to respond to climate-sensitive health conditions. This includes training healthcare providers, and ensuring services are accessible to workers. Fourth, cities need better data; evidence on occupational heat exposure, health-seeking behaviour, healthcare costs, and long-term health impacts among urban workers remains limited. Finally, urban governance must become more integrated. Climate resilience, public health, and labour welfare are often treated as separate policy domains. Yet for sanitation workers, such issues are inseparable.

As Karnataka charts its urban future, sanitation workers offer an important reminder: cities are not defined by their infrastructure alone. They are defined by the systems that enable people to live, work, and remain healthy.

Climate and heat considerations should be integrated into occupational health policies for municipal and contracted sanitation workers

Damocles' sword over Kerala's fortunes

The State needs to take steps to increase revenue within its fiscal framework

STATE OF PLAY

Vinod Thomas
C. Veeramani

The high debt of the Kerala government hangs like the sword of Damocles over the State's ability to borrow and invest. The State's fiscal and revenue deficits are above the median for the major 28 States. While the 2026 budget envisages growth-led fiscal repair, the debt crisis requires an immediate solution, since the debt is mainly incurred to finance current expenditure rather than capital investment.

The financial stress is compounded by the autonomous operations of the Kerala Infrastructure Investment Fund Board (KIIFB) and Public Sector Enterprises (PSEs). The resulting losses are glaring. With revenue deficit grants from the Union Government now being cut, covering these losses becomes all the more critical. The massive liabilities, expenditures, and interest payments tie the hands of the government, as a status report to the State Assembly details. Strikingly, the government's capital expenditure is a mere 1.3% of its Gross State Domestic Product, one of the lowest among Indian States.

Immediate results

The government needs to improve the effectiveness of the revenue-expenditure framework urgently. A bigger drawdown of Centrally Sponsored Scheme funds, whose utilisation has been chronically below entitlement, offers immediate financing without incurring new debt. The Special Assistance to States for Capital Investment scheme, which are 50-year interest-free capital loans from the Centre, remains underused. The 16th Finance Commission's urban local body grants offer another avenue, provided municipalities collect taxes that back those transfers.

Moreover, the buoyancy of tax revenue can be vastly improved. Economic growth was almost 10% last year, but taxes grew by only 3%, signifying a tax buoyancy of only 0.3. The State must confront massive revenue arrears and slash off-budget borrowings, as flagged by the Comptroller and Auditor General. Kerala can also strengthen tax compliance by overhauling its Goods and Services Tax (GST) administration, increasing GST registrations, improving targeted tax information systems, and ensuring timely audits. GST revenue growth was 3% in 2025-26 compared with 6% nationally.

The government could also explore fee increases across departments to generate more non-tax revenue. Priority sectors would be port management, building permits, mining levies and forest produce. There could be higher user charges for high-end government services such as specialised skill training.

Long-term improvements

Beyond quick fixes, a fiscal reform agenda is in order, as a report from Sacred Heart college outlines. Dealing with the losses of the PSEs should have priority. An independent review is needed for KIIFB-funded projects. It is also high time to implement tested models of private participation in PSEs.

A second area would be sources of finance. As in Indonesia, a professionally governed State intermediary can help attract capital. Private investment can be made less risky by announcing transparency and predictability in policy. The government may lease, and not sell, land for industrial zones and IT parks. Urban local bodies could access capital markets through bonds backed by property tax, user charges, and land lease income. Kerala diaspora bonds could be RBI-compliant instruments through which NRIs can invest in projects.

Third, the expenditure side of the ledger needs a better look. For every ₹100 in revenue, ₹77 are pre-committed to salaries, pensions, and interest payments, cutting the State's governing capacity. There is good rationale to embark on pension reform.

Fourth, errors of commission should be averted. Encouraging mining in fragile hilltops to earn revenue would be self-defeating. Similarly, allowing private participation in sand mining would be destructive as the damage wreaked by environmental destruction overwhelms any taxes gained. While it is tempting to cut welfare programs in the name of fiscal austerity, it would be a mistake to reverse the schemes that give safety nets to the extremely poor.

Kerala's development potential is well-known, but the fiscal crisis is a roadblock to realising it. The State must immediately enact steps to increase revenue within the existing fiscal framework.

Vinod Thomas is a former senior vice president of the World Bank; C. Veeramani is Director of CDS, Thiruvananthapuram.

UN report captures Israel's crimes against Palestinian children

The children killed in the Gaza Strip by Israeli security forces represent around 2% of the region's entire child population

DATA POINT

Sambavi Parthasarathy

What began as a response to the terrorist attack by Hamas on October 7, 2023, has prolonged into a nearly three-year-long aggression resulting in over 73,000 deaths and about 1.8 lakh injuries in the Gaza Strip. Children accounted for 30% of these casualties and 26% of the injuries. Israel's actions have been termed a genocide by the UN Independent International Commission of Inquiry in its September 2025 report.

Though Israel has denied such allegations, the Commission's new report released on June 18, 2026 has offered further evidence of Israel's violence. The report observed that several acts of the Israeli forces amounted to "war crime of wilful killing and the crime against humanity of extermination." The Commission's inquiry conducted in the Occupied Palestinian Territory and Israel examined violations and crimes affecting Palestinian children. It noted how Israeli soldiers mocked and weaponised symbols of childhood in Gaza. The report has captured various cases, showing how a systematic and deliberate infliction of harm has been imposed on the children in Gaza. The report highlighted that the children killed in Gaza represented around 2% of its entire child population. As per the report, the conditions of life imposed by Israel in Gaza has deprived the children access to schools and food, resulting in malnourishment among children.

The Commission concluded that Israel has deliberately carried out acts inflicting bodily harm on thousands of children. It stated that much of this harm was not incidental but "intended to destroy the existence of Palestinians in Gaza". To read more about the report, please see this link newsth.live/justiceinterview

Acts of Genocide

The data was sourced from UN's ' "The essence of childhood has been destroyed": Israel's deliberate targeting of Palestinian children in the Occupied Palestinian Territory since 7 October 2023'

Table 1: The nearly three-year-long aggression by Israel on Palestine has resulted in mounting casualties. About one-third of those killed were children

Children killed and injured (as of February 2026)		
Killed	21,289	30% of those killed
Injured	44,500	26% of those injured

Children who were killed under the age of five	
Under 5	5,031
Under age 1	1,029
Newborns	420

Additionally, 5,160 children are estimated to be buried under the rubble

Table 2: Indicators related to amputation and disability among children in Gaza

Gaza now has the highest concentration of child amputees per capita in the world	
One or more limbs amputated (Oct-Dec 2023)	Over 1,000
Children disabled during the conflict (as of September 2025)	21,000
Hearing loss (as of June 2025)	10,000
Severe hearing loss (as of June 2025)	5,000

Table 3: Thousands of children have been orphaned or separated since October 7, 2023

Orphaned and unaccompanied children	
Children who lost one or both parents (Oct 7 2023 to Oct 7 2025)	58,554
Unaccompanied or separated (Between Oct 7 2023 – Oct 7 2025)	17,000 & 18,000
Families led by a child under 16 (as of June 2024)	One in 4
Families reportedly caring for non-biological children (as of Jun 2024)	>40%

Table 4: Select indicators that show the impact of the conditions of life imposed by Israel in Gaza

Indicators related to health	
Children aged 6-59 months admitted for malnutrition treatment	>3,200
Children identified with acute malnutrition (by 2025)	95,000
Children under five at risk of malnutrition (as of Dec 2025)	~ 320,000
Confirmed child deaths due to malnutrition (as of Oct 2025)	151
Children aged 6–59 months expected to suffer acute malnutrition	~101,000
Severe cases of malnutrition	31,000
Decline in birth rate compared to 2022	41%
Percentage increase in miscarriage rates since October 2023	300%
Share of surveyed children who felt their death was imminent	96%
Children needing mental health and psychological support	~all of 1.2 mn

Indicators related to education	
School-aged children without sustained access to formal education	637,475
Children under five at risk of severe developmental delays (as of Jan 2026)	Over 335,000
School buildings requiring full reconstruction or major rehabilitation	~93%

The UN identifies hate speech as a "precursor to atrocity crimes, including genocide," in cases like the 1994 genocide against the Tutsis in Rwanda. The phrases used by a section of political leaders and members of security forces in Israel, shown in the graphic below, reveals how their language stereotypes Palestinians to normalise brutal violence against even children

Hanoch Milwidsky, Knesset member, February 21, 2024: ***"You will die, your children will die, your grandchildren will die - there won't be a Palestinian state, there won't be"***

Nissim Vaturi, Deputy Speaker of the Knesset, Oct 9, 2023: ***"Erase Gaza. Nothing else will satisfy us... Do not leave a child there, expel all the remaining ones at the end, so that they will not have a resurrection"***

Nissim Vaturi, January 30, 2025: ***"Gaza is full of terrorists and every child born there is already a terrorist, from the moment of his birth"***

Merav Ben-Ari, Knesset member, October 16, 2023: ***"There is no equality with Gazan children [compared with Israeli children]. Children in Gaza brought [their own killing] on themselves"***

Moshe Feiglin, former Knesset member, May 2025: ***"Every child, every baby in Gaza is an enemy... We need to conquer Gaza and colonise it and not leave a single Gazan child there. There is no other victory"***

An Israeli soldier, in a video he posted: ***"In my childhood, I've always dreamed of blowing up my school. Today I'm blowing up a school. Wow!"***

Decisions are made by the ***"appreciation of the commander on the ground."*** – Israeli soldiers, as captured in Breaking Ranks: Inside Israel's War documentary by ITVX. They stated they ***do not worry about international law*** because they believe they will be shielded from prosecution

On shooting Palestinians: ***"The first shot is directly to the head."*** – an Israeli soldier, in the same documentary

On seeing children shot: ***"We saw two teenagers pushing some sort of cart and the first shot was directly to head."*** – an Israeli soldier, in the same documentary

"Obviously, fingers are light on the trigger." – an Israeli soldier, at a Gaza Humanitarian Foundation (GHF) aid site

On shooting children at aid sites: ***"Around 1 AM, there were a couple of teenagers just sprinting away, two [Israeli] soldiers ran after them, took two shots and the two kids just snapped backwards and dropped."*** – a GHF truck driver, who spent seven weeks in Gaza, recounted

"For all those asking why there is no education in Gaza, oops a missile fell on you, that sucks, too bad. That is how you will not be engineers anymore." – an Israeli soldier, in a video posted to social media

On shooting a 10-year-old boy (January 28, 2025): ***"I am the one who shot your son. God willing, he will die."*** – an Israeli soldier, said to the boy's father. The boy died.

All these quotes have been reproduced as documented in the UN Commission's report

FROM THE ARCHIVES

The Hindu.

FIFTY YEARS AGO JULY 1, 1976

Thanjavur Palace to be preserved

Madras, June 30: The Thanjavur Palace built by the Nayak Rulers in 16-17 century AD, standing on a 50-acre site, will be preserved as an archaeological monument. Necessary repairs will be carried out under a phased programme to protect this historical structure. The renovation will be undertaken by the State Department of Archaeology.

The 90-feet high structure — the Bell Tower with a flight of steps to reach the top will be restored to its original strength this year.

The Palace, in the middle of the town, was maintained by the Public Works Department till 1972 when it reported that the centuries-old building was in a very weak condition which did not permit carrying out major repairs or improvement. The PWD also felt that to take up the repair work at great heights was a hazardous process. The State Department of Archaeology, which has already taken up the responsibility of maintaining the Tirumalai Nayak Mahal in Madurai will now preserve this Palace.

The Maharatta kings who ruled Thanjavur after the Nayaks, evinced very keen interest in the upkeep of the palace and spent large amounts on its improvement.

Part of this mammoth structure now houses the Art Gallery and the world-renowned Saraswathi Mahal Library. Valuable portrait-paintings of the Maharatta rulers adorn the inner walls of the Palace but these have suffered heavy damage in the hands of unscrupulous visitors. The Department will preserve them too.

A HUNDRED YEARS AGO JULY 1, 1926

British claims against Iraq government

Cairo, July 1: In the Commons, replying to Com. Kenworthy, with regard to the British renunciation of the claims against Iraq Government for the repayment of 94 lakhs in respect of public works, Major Ormsby Gore said the ownership of the Iraq railways built at the British cost still rests with the British Government. The question of their future was still being discussed as also the liquidation of certain claims on account of irrigation and other stores.

Text&Context

THE HINDU

NEWS IN NUMBERS

MNREGA funds allegedly unpaid by the Union government

17 in ₹ crore. Congress president Mallikarjun Kharge on Tuesday alleged that the Narendra Modi government was not paying pending dues of ₹17,144 crore to the States and Union Territories towards MGNREGA wages. He also alleged that the government has imposed the VB-G RAM G scheme on States, increasing the financial burden on them by 40 per cent. PTI

Rise in wrong-side driving prosecutions in Delhi in 2026

98 in per cent. Prosecutions for wrong-side driving rose by 98 per cent, and challans for unauthorised parking went up by 36.5 per cent in Delhi in the first six months of 2026 compared with the corresponding period last year, according to official data. The police intensified enforcement after a push from Delhi Lieutenant Governor Taranjit Singh Sandhu. PTI

Bengal govt's package for development of tribal areas in the State

350 in ₹ crores. West Bengal Chief Minister Suvendu Adhikari on Tuesday said his government has asked the Tribal Development department to prepare a special package of ₹350 crore for developing Adivasi-dominated areas in the State, while accusing the previous Trinamool Congress dispensation of neglecting their welfare. PTI

Number of illegal water connections cut in Mumbai

2257 Maharashtra Cabinet Minister Uday Samant on Tuesday said that as many as 2,257 illegal water connections have been cut in Mumbai in the last six months, and more such actions will follow. The issue was raised by BJP MLC Rajhans Singh. These unauthorised connections were being used for construction activities. PTI

Deaths higher than expected during France heatwaves

300 French health officials said on Tuesday that there were at least 300 more deaths than expected during a five-day heatwave in May. Apart from the May heatwave, France experienced a record-breaking heatwave of 11 days earlier this month that scientists link to climate change. REUTERS

COMPILED BY THE HINDU DATA TEAM

The fiscal tightrope for State govts.

Most State government expenditure is on social sectors, such as health and education, and economic sectors, such as agriculture and irrigation. In Kerala, such spending has driven social progress since the 1960s. The gap between expenditure and receipts is usually financed through market borrowings.

ECONOMIC NOTES

Jayan Jose Thomas

Kerala and Tamil Nadu are among the most socially and economically advanced States in India. Yet, the finances of both governments, like those of most other States, are under stress. The White Papers recently released by the two governments described their outstanding debt as alarming. State government debt is often vilified as the result of fiscal mismanagement. But it may, in fact, reflect a mismatch between development aspirations and the limited fiscal capacity of State governments.

The fiscal dilemma

Debts build up over the years with deficits, which arise when the government's expenditure overshoots its tax and other receipts. In India, while the power to raise taxes rests largely with the Union government, a larger share of overall government spending is borne by the State governments. A majority of the State government expenditure is on social sectors, such as health and education, and economic sectors, such as agriculture and irrigation, all of which have a direct impact on people's lives and livelihoods. In Kerala, the high levels of State government spending on social sectors since the 1960s have been a central constituent of the public action driving social progress. Compared with the corresponding average for all Indian States, per capita State government social expenditure was higher in Kerala and Tamil Nadu (by 30% and 20%, respectively). In contrast, it was markedly lower in Bihar and Uttar Pradesh (by 35% and 40%) (for the period 2020-23, according to an analysis based on State Finances: A Study of Budgets, Reserve Bank of India).

States meet their expenditures partly through their own revenues – which mainly include State Goods and Services Tax (SGST) and sales tax – and through fiscal transfers, grants, and loans from the Union government. Kerala has a sufficiently good record of mobilising own-tax revenues, which, on a per capita basis, are 1.5 times the average for all Indian States and Union Territories. However, its share in the Union government's tax devolution to States was 1.92%, lower than its 2.6% share of India's population in 2023-24.

The excess of expenditures over receipts has been met through market borrowings by the States, on which the States pay interest **(Charts 1 and 2)**.

Of the limited financial resources at its disposal, Kerala has been able to direct only 10% towards capital expenditure to enhance future production capabilities. The rest was spent on revenue, or day-to-day expenditure. Approximately a fifth of the State's budget expenditure was on the salaries of government employees, mainly teachers, nurses, doctors, and police personnel. Pensions accounted for 15.3%, while interest on market borrowings accounted for 16.5% of the total budget expenditure **(Chart 2)**.

The investment challenge faced by Kerala

Kerala is thus caught in a fiscal dilemma. If it tries to create more fiscal space by reducing revenue expenditures – cutting pensions, retrenching employees – it risks eroding its strengths in the social sector. At the same time, Kerala urgently requires large-scale, State-directed investments in infrastructure, higher education and research, and public transport, if it is to realise its potential in modern, knowledge-intensive economic sectors. Educated young people are leaving Kerala in large numbers because the State is unable to create educational and employment opportunities that meet their aspirations.

In Kerala, the government's weak fiscal capacity contrasts with unmistakable signs of private affluence (lavishly built houses, expensive cars, and a high density of gold shops), threatening to exacerbate inequalities.

The ratio of credit to deposits of scheduled commercial banks in Kerala is only around 66%, compared with the national average of 76% and ratios exceeding 100% in Maharashtra and Tamil Nadu (2023). The excess of bank deposits over bank credit is one indicator of the volume of unutilised savings in Kerala. Between 2016 and 2026, the State government's capital expenditure could have been at least doubled if Kerala had been able to channel at least part of its surplus savings into investment **(Charts 3 and 4)**.

The borrowing opportunity for China's local governments

In China, the bigger chunk of the massive investments that have boosted economic growth has been undertaken by provinces and lower-level local governments. Local governments borrow heavily to finance these investments, drawing on the large pool of domestic savings held by Chinese banks, while their efforts are coordinated through central government planning. China's local governments raise resources through the sale of local government bonds (LGBs), land sales, and off-budget borrowing via local government financing vehicles (LGFVs), supplementing fiscal transfers by the central government.

In India, not only have there been limits on borrowing by State governments, but the cost of their debt has also been markedly high. State governments pay interest of 6.5% to 7.5% on the securities they issue, known as State Development Loans (SDLs), to borrow from the market. This is 0.25 to 0.75 percentage points higher than the rate at which the Union government borrows and significantly more expensive than the cost of borrowing by Chinese local governments from their banking system (around 2%).

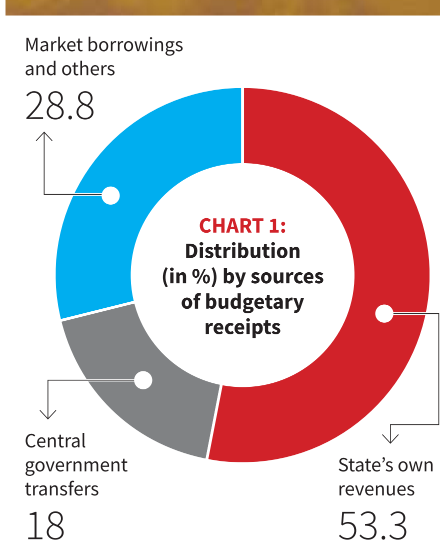
The high interest burden further tightens the debt noose around State governments.

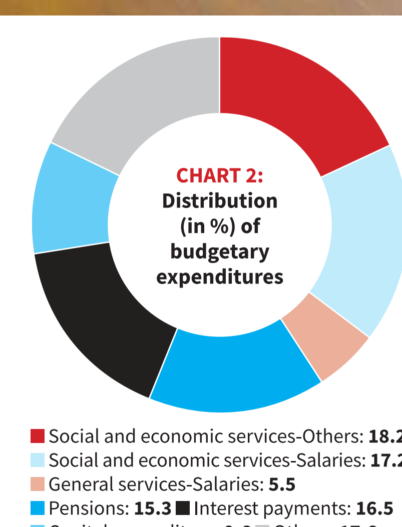
The State and Union government bonds issued in India are largely purchased by domestic financial institutions, including commercial banks and insurance companies, which deploy the savings they mobilise from the public to support government finances. In effect, the debt the government owes is a debt to its own people. A government that borrows to fund projects that expand welfare and opportunities is serving a far greater cause than a tight-fisted government.

A family would prefer that its savings, rather than being wiped out to send their child to study in a distant land, be used to establish a public university in their district.

We need fiscal structures that enable State governments to access domestic savings more easily and at a lower cost to fund meticulously planned development projects.

(Jayan Jose Thomas is a Professor of Economics at the Indian Institute of Technology (IIT) Delhi and a visiting researcher at the South Asia Institute of the Heidelberg University.)





Note: Kerala's total budgetary receipts = total budgetary expenditures = ₹1,924.6 billion. That amount was 13.5% of Kerala's Gross State Domestic Product of ₹14,271.5 billion.

Source: *Revised Budget in Brief 2026-27, Finance Department, Government of Kerala*

CHART 3: **Deposits mobilised in excess of credit disbursed in Kerala by scheduled commercial banks**

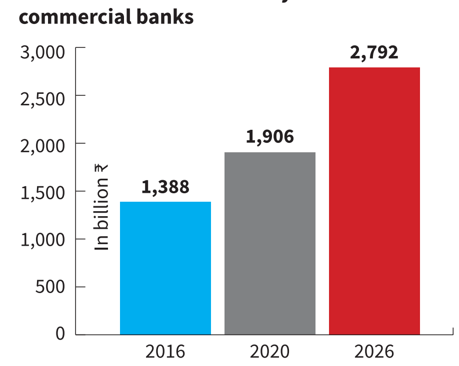
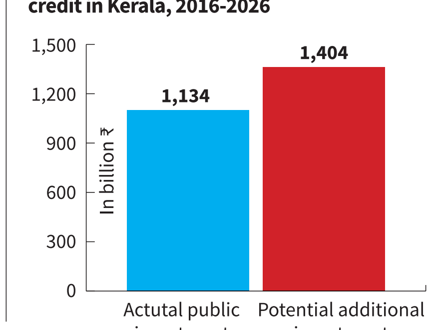


CHART 4: **Actual investment and potential additional investment that could have been financed with bank deposits in excess of credit in Kerala, 2016-2026**



Sources: *Economic Survey, Government of India; Budget documents, Government of Kerala*

THE GIST

- State government debt builds up over the years when expenditure exceeds tax and other receipts. While the Union government raises most taxes, States bear a large share of public spending.
- States meet their expenditures partly through their own revenues, including State Goods and Services Tax (SGST) and sales tax, and through fiscal transfers, grants, and loans from the Union government.
- The excess of expenditures over receipts has been met through market borrowings by the States, on which the States pay interest.

SCIENCE

India seeks clarity as 'tipping points' rock Bonn climate talks

At the Bonn climate talks, when India urged caution on how the term 'tipping point' is defined and used, the European Union said that amounted to 'misinformation'

Rishika Pardikar

At the Bonn climate talks in Germany on June 8-18, alongside the usual laundry list of contested themes such as climate finance, tipping points became an unexpected source of debate and controversy.

According to the Earth Negotiations Bulletin, India urged care and clarity in using terms like "tipping points", which it said would present challenges around defining the idea and cautioned against mis-communicating or oversimplifying the science.

However, the European Union muddied the waters by raising concerns about "coordinated misinformation" and "obstruction".

Scientists study the Atlantic meridional overturning circulation, a movement of warm and cold waters that stretches from around Greenland to beyond the tip of Africa and into the Indian Ocean. The risks that tipping points carry are significantly larger than routine climate-induced disasters. AP

Complexities, uncertainties

A climate tipping point is a threshold in the earth's climate system beyond which a part of it jumps into a new state.

Once such a tipping point has been crossed, changes can happen faster or harder to reverse on human timescales, even if the original cause of the change is removed.

For example, say warming in the Arctic melts enough sea ice to expose large areas of dark ocean. These waters could absorb more heat, causing more warming and even more melting. With enough heat, this cycle may be able to continue on its own, rendering recovery very difficult.

However, it is difficult to project tipping points in the climate because of complexities in the climate system and uncertainties in the input data.

Climate communicators also struggle with this concept: some see it as a catalyst for urgent action while others have argued that its inherent uncertainties undermine its value for policymaking.

In fact, climate-related drivers of directly experienced disasters, such as extreme rainfall or heatwaves, are sometimes seen as more effective for raising public awareness of climate change and the need for climate action than the relatively abstract concept of climate tipping points.

However, the risks that tipping points carry are significantly larger than routine climate-induced disasters, and thus raise larger questions about how people can adapt to the effects of a breached tipping point.

Multiple thresholds

Tipping points have non-linear behaviour. This means they don't increase at the same pace or intensity at which greenhouse gases accumulate in the environment. Instead, even small increases in temperature can trigger large, self-amplifying feedback loops.

Aside from warming in Arctic, potential climate tipping points include a 'dieback' of the Amazon rainforest (i.e. the risk of the forest reverting to being a savannah), the collapse of an ocean current called the Atlantic meridional overturning circulation (AMOC), the mass-bleaching of coral reefs, changes in the monsoons over India and West Africa, and the disintegration of the Greenland ice sheet.

While human societies will be better off not threatening any of the climate tipping points, there are also positive social tipping points in the climate space – such as the adoption of renewable energy. Once these technologies win a critical adoption level, some experts have argued, they will be on track to large-scale adoption.

Contesting tipping points

That said, many experts have also said tipping points raise more questions than provide answers.

Scientists also still struggle to project when the AMOC will collapse or when the Amazon rainforest will transition into a savannah ecosystem.

One reason is that scientists have to work with projected emissions and temperature ranges in future and, based on that, they have returned with indications that certain climate systems will change slowly rather than suddenly to new states.

For example, one *Science Advances* paper in April noted that AMOC could slow down by 51%, rather than altogether collapse, by 2100 in a medium-emissions scenario.

This conclusion also depends on the model context because it is not a direct forecast: the paper only aimed to identify which model projections were more credible than others. In other words, uncertainties are implicit in the data and cannot be removed using more data alone.

In fact, research suggests that scientists may be able to identify fixed tipping points clearly only in *post facto* analysis from a historical lens. Meaning, in hindsight.

And in the case of complex ecosystems like the Amazon rainforest, whose fate is closely tied to millions of tribal and urban community members and numerous artisanal enterprises, a projection of

Many scientists and science communicators agree that clearly communicating scientific uncertainty is a good thing because it builds trust

tipping points based only on changes in the climate would miss influences due to, say, cattle-ranching and human deforestation – and underestimate the implications of a change to a savanna.

That said, some scientists have also contested whether tipping points will be abrupt. For example, ice sheets deplete over thousands of years – which is far from abrupt for human observers.

A faux threshold

There is a popular notion that the earth's surface warming beyond 1.5 degree Celsius is a tipping point. The confusion persists even among participants in climate negotiations, research published in 2019 found.

However, negotiators adopted this number as well as 2 degrees Celsius at the COP21 climate talks in 2015 as a political target based on scientific evidence that warming beyond 1 degrees Celsius, 1.5 degrees Celsius or 2 degrees Celsius will increasingly disrupt the climate. The temperature goals are not tipping points in and of themselves.

At the Bonn climate talks, when India urged caution on how the term 'tipping point' is defined and used, the European Union said that amounted to "misinformation".

Specifically, India argued that the term 'tipping point' entails "definitional challenges". This much has been acknowledged in independent scientific research and in state-led efforts. For instance, the U.K.'s national meteorological office is working on a project titled 'An Up-HILL Battle: Building consensus on terminology for high impact climate events and tipping point risks'.

According to a project document: "Unclear and inconsistent terminology for high impact climate phenomena, including concepts such as tipping points, irreversibility, 'collapse' and 'shutdown', presents a substantial barrier to clear understanding of Earth system risks."

Way from here

Many scientists and science communicators agree that clearly communicating scientific uncertainty is a good thing because it builds trust.

Both false alarm and a false sense of hope can affect credibility when, say, a projection or a forecast doesn't come to pass. The risk – rather than the certainty – implicit in tipping points is also significant enough to warrant climate action.

In one 2025 article in *Nature Climate Change*, researchers from Canada, Switzerland, the U.K., and the U.S. criticised the 'tipping points' framework for "oversimplifying the diverse dynamics of complex natural and human systems and for conveying urgency without fostering a meaningful basis for climate action."

They also called for more clarity, especially on the degree of abruptness, the reversibility of changes, and feedback-driven self-amplification.

"Climate change is already causing demonstrable and obvious harm around the world," the researchers wrote. In tipping point discourse, on the other hand, "there is no specific increment of temperature increase that science can identify as the boundary between our current, already-dangerous climate and a future catastrophic climate, and no justification for doomism and paralysis while the world continues to warm."

(Rishika Pardikar is a freelance journalist. rishika.s.pardikar@gmail.com)

THE GIST

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India urged care and clarity in using terms like "tipping points", which it said would present challenges around defining the idea and cautioned against mis-communicating or oversimplifying the science

It is difficult to project tipping points in the climate because of complexities in the climate system and uncertainties in the input data

BIG SHOT

Women miners wearing plastic bags over their clothing, to protect themselves while searching for gold particles at an artisanal mining site in Mongbwalu, Ituri Province, on June 16. The latest Ebola outbreak in the Democratic Republic of the Congo, has mainly affected Ituri, with health officials struggling to enforce containment measures. AFP

WHAT IS IT?

Rescuing a space telescope

Agence France Presse

On June 30, NASA launched a daring robotic rescue mission — a long shot to prevent one of its ageing telescopes from vanishing into dust. The $30-million operation is set to last several months, kicking off with the launch of a robot designed to rescue the Swift space telescope, which is currently falling towards the earth.

At the time of writing, the rescue spacecraft developed by the U.S. startup Katalyst was slated to lift off on June 30 at 10:23 GMT from a Pacific Ocean atoll aboard a small rocket named Pegasus.

"Everything about this mission is so crazy," said NASA astrophysicist Regina Caputo. She projected the chances of success at "maybe 50-50."

After it reaches an orbit near that of the telescope, the robot must locate Swift, manoeuvre around it, and latch on with three 'arms'. It will then try to tow Swift into a stable orbit over at least a month.

NASA launched the Neil Gehrels Swift Observatory in 2004, originally for a two-year mission to study gamma-ray bursts. Ms. Caputo likened these bursts to a supercharged version of a supernova, which is the explosive death of a star.

An artist's redition of the Swift spacecraft observing a gamma-ray burst. FILE

Swift was placed at a roughly 600-km-high low earth orbit so it could remain in touch with researchers. At such an altitude, the device without its own propulsion would eventually drift closer to the earth and burn up in the atmosphere.

For feedback and suggestions for 'Science', please write to **science@thehindu.co.in** with the subject 'Daily page'

The Indian EXPRESS
~ FOUNDED BY ~
RAMNATH GOENKA
IN 1932
BECAUSE THE TRUTH INVOLVES US ALL

Road ahead is electric, but it isn't easy

THE DELHI government's decision to make electric mobility the default choice for significant sections of its transport system could be a watershed in the environmental governance of a city that has been dogged by persistent pollution problems. Most EV policies in the country have primarily relied on subsidies, tax concessions and awareness campaigns. Delhi's new framework does not totally discard the path of persuasion and affirms a phased approach to the transition. But significantly, it introduces clear deadlines. From April 2028, electric vehicles will be the only option for residents seeking to purchase a new two-wheeler. Commercial three-wheelers will undergo a mandatory transition beginning January 1 next year. Urban transport worldwide is moving towards electrification, and cities that prepare early are likely to enjoy competitive advantages, especially in investment. The Delhi government's decision to establish firm timelines, therefore, demonstrates a welcome willingness to move beyond incrementalism.

While studies may differ on the exact pollution burden imposed by vehicles, there is near unanimity that tailpipe emissions are among the major reasons for Delhi's poor air quality. The policy's immediate focus on two-wheelers is salient given that these vehicles comprise two-thirds of the capital's vehicle fleet. At the same time, the policy also uses incentives to nudge four-wheeler users to give up fossil-fuel-driven vehicles. Given that EVs currently comprise about 15 per cent of the total vehicles registered in the capital, the Delhi government's push for a greener fleet by 2030 might appear ambitious. But the city is among the fastest-growing EV markets in the country. According to the research and advocacy group, Envirocatalysts, Delhi saw record growth in electric vehicle adoption during January-May — e-bike registrations increased 70 per cent compared to the same period last year, while those of private e-cars went up by 95 per cent.

If implemented well, the capital's EV policy could offer pointers to green mobility in the country. It will face challenges. An EV-dominated fleet will require an adequate charging infrastructure. The transition will also be confronted with the limitations of India's battery supply chain, especially its dependence on imported lithium cells and critical minerals. Geopolitical uncertainties, fluctuating commodity prices and concentration of mineral processing capacities in a few countries could expose manufacturers to supply disruptions. The transition in Delhi will require making economic adjustments, adapting to logistical challenges, and enhancing technological capabilities. The national capital's endeavour will be closely watched.

New FCRA rules shrink space for civic action

THE FOREIGN Contribution Regulation (Amendment) Rules, 2026 mark a troubling expansion of executive control over civil society by deepening a regulatory framework that has steadily transformed the FCRA from a law governing foreign funding into an instrument for supervising and constraining the functioning of voluntary organisations. The rules require NGOs to classify their activities under narrowly defined categories, specify geographical areas of operation, submit more granular disclosures, and face stricter compliance obligations. They also expand oversight of organisations engaged in activities with religious dimensions, with the government citing concerns over the misuse of foreign funds and unlawful conversions. Transparency in the use of foreign contributions is necessary to address large-scale violations and infractions. But a compliance regime that increasingly allows the executive to shape the scope and character of an organisation's work reinforces a governance model that treats independent civic action as a source of potential risk rather than a democratic asset.

The FCRA was originally enacted in 1976, during the Emergency, to prevent foreign intervention in India's political processes. It was substantially revised in 2010, introducing stricter registration and reporting requirements, and amended again, most consequentially, in 2020, prohibiting the onward transfer of foreign contributions to partner organisations and capping administrative expenses at 20 per cent of foreign funding, among other changes. Each successive amendment has increased compliance burdens while widening executive discretion over who may receive foreign funds and on what terms. The cumulative effect has been considerable. As of March 2026, nearly 20,000 organisations had lost their FCRA licences in the last 12 years.

Whether in education, healthcare, environmental conservation, legal aid or advocacy for vulnerable communities, civil society organisations fill gaps that governments cannot or do not. A regulatory framework that demands ever greater disclosures while expanding official discretion risks shrinking the space in which such organisations can function with confidence. It reflects a troubling assumption that the state alone should determine the boundaries of legitimate public engagement — the new rules, for instance, demand disclosure of social media accounts and all publications by key functionaries. Instances of misuse undoubtedly warrant investigation and punishment. They cannot, however, justify subjecting every organisation to expanding layers of surveillance and procedural control.

At World Cup, a power shift in football

IN A space of five hours, across Boston and Monterrey, two European giants were sent packing in the Round of 32 by two earnest challengers. Four-time champions Germany and three-time finalists Netherlands were shown the door by Paraguay and Morocco.

German captain Joshua Kimmich admitted that when he was growing up, "it always seemed to be semis or finals for Germany". But this World Cup, the edifice of a football powerhouse always in control crumbled. That Manuel Neuer was forced to take goalkeeping responsibilities at 40, a dozen years after winning the World Cup in 2014, points to a paucity of talent. The young attack of Havertz, Sane, Wirtz and Musiala flopped — Bundesliga isn't offering any better. The Netherlands were a far cry from Cruyff's total football — their attacking talent was wasted by a conservative manager, Roeland Koeman.

The story from the WC knockouts is that the 48-team format gives genuinely improving teams like Morocco the space to advance. Europe, with its cash-rich legacy leagues, seems to have helped — perhaps inadvertently — footballers from around the world by giving them a platform. On a manic Monday night, some of its national teams failed to step up.

The Indo-Pacific is here to stay, with or without Washington

RAJA MANDALA
BY C RAJA MOHAN

JAPANESE PRIME Minister Sanae Takaichi's visit to India this week highlights one important fact — the Indo-Pacific as a geopolitical construct will live on. Whatever Washington's reasons are for restoring the name Pacific Command, the logic of the Indo-Pacific will continue to drive key regional actors like India and Japan.

Prime Minister Narendra Modi's visit later this month to Indonesia, Australia and New Zealand will reinforce the proposition. In sum, the Indo-Pacific will remain a critical theatre of India's national economic and security strategy.

It was the Trump administration that officially adopted the Indo-Pacific lexicon in 2017, during its first term. At the time, many in India's strategic community viewed the concept with deep suspicion. Was Washington trying to lure India into an anti-China alliance? Was this another attempt to compromise India's strategic autonomy? Today, the anxiety has simply reversed. If Washington no longer emphasises the Indo-Pacific, does it mean America is abandoning Asia? Is it preparing to build a condominium with China?

Both reactions overestimate Washington's power to define India's strategic environment. What they reveal is a self-generated anxiety in Indian strategic discourse that swings wildly between concerns about American "entrapment" and fears of American "abandonment".

The Indo-Pacific construct, when it emerged in the early 2000s, reflected the changing distribution of economic and military power in Asia driven by China's rise and assertion. What Americans call that reality matters less than the fact that Beijing's neighbours have no option but to deal with it — with or without American support.

In any case, the Indo-Pacific was not an American invention. Its modern political articulation came from Japan. In August 2007, during his historic address to the Indian Parliament, the late Shinzo Abe spoke of the "Confluence of the Two Seas". His argument was both simple and profound: The destinies of the Indian and Pacific Oceans had become inseparable, and the democracies along their littorals needed to work together to preserve an open regional order.

For Abe, this was not diplomatic rhetoric. It reflected Japan's assessment that China's rise had fundamentally altered Asia's strategic balance. The old Cold War alliance system centred exclusively on northeast Asia would no longer suffice. Japan needed stronger partnerships with India, Australia, Southeast Asia and Europe while reinforcing its alliance with the United States. The Indo-Pacific became the organising principle for that broader strategy.

Nearly two decades later, Prime Minister Takaichi has become the principal custodian of Abe's vision. Rather than retreating in the face of Washington's change of emphasis, Tokyo has doubled down. Speaking at Vietnam National University in Hanoi in May, Takaichi unveiled an updated "Free and Open Indo-Pacific" strategy, reaffirming the concept's validity despite shifts in American policy. Her updated framework places new emphasis on resilient supply chains, critical minerals, economic security, maritime cooperation and stronger partnerships across the region.

> Delhi need not become captive to American enthusiasm or indifference. The Indo-Pacific ultimately rests not on terminology but on Asian geography and Asian power politics

Japan's credibility rests not merely on its diplomacy but on the transformation underway at home. Under Takaichi, Tokyo has accelerated the most ambitious expansion of Japanese defence capabilities since World War II. Defence spending crossed the 2 per cent of GDP threshold ahead of schedule. Long-range strike capabilities — including Tomahawk cruise missiles and extended-range indigenous missiles — are being deployed. Japan is reorganising its maritime forces, expanding its space capabilities, strengthening defence-industrial cooperation with partners, and building new security networks with Australia, South Korea, the Philippines and India. Tokyo's message is clear: Preserving a stable Indo-Pacific requires Japan to become a stronger strategic actor in its own right, not merely a dependent ally of the US.

The outcomes from Takaichi's visit will reflect that strategy. Tokyo and Delhi are preparing a joint declaration on economic security that, according to Japanese officials, will register their shared opposition to economic coercion. The two sides are expected to identify priority sectors, from semiconductors and critical minerals to clean energy, and to commit to coordinating their response when coercion is used.

Ironically, perhaps the strongest validation of the Indo-Pacific idea comes from China itself. Beijing dismisses the Indo-Pacific as an artificial construct. Yet, its own policies increasingly integrate the two oceans into a single strategic theatre. Over the past two decades, China's dependence on Middle Eastern energy and African resources has steadily grown.

Beijing has built overland economic corridors linking western China to the Indian Ocean, established its first overseas military base in Djibouti, maintained a continuous naval presence across the Indian Ocean and developed an expanding network of dual-use commercial facilities stretching from Southeast Asia to the east coast of Africa. Chinese strategy increasingly treats the Indian and Pacific Oceans as one connected maritime space — which is precisely the logic underlying the Indo-Pacific concept.

India recognised this transformation nearly a decade ago when it formally embraced the Indo-Pacific as the widening arena of its strategic interests. There is little reason to abandon that framework simply because Washington has altered its vocabulary.

Delhi need not become captive to American enthusiasm or American indifference.

The Indo-Pacific ultimately rests not on American terminology but on Asian geography and Asian power politics. As China expands simultaneously into the Pacific and the Indian Ocean, and as Japan emerges as an increasingly capable strategic actor, the integration of the two oceans will only deepen.

The Indo-Pacific, then, is a structural reality of Asian politics, not a shifting American narrative. India should focus on building its own capabilities and deepening partnerships with like-minded Indo-Pacific countries to strengthen the regional balance of power.

The writer is contributing editor on international affairs for The Indian Express. *He is also associated with the Motwani-Jadeja Institute of American Studies, Jindal Global University and the Council on Strategic and Defense Research, Delhi*

Culinary underdog, cultural hero — in eggs, Bengalis trust

AAKASH JOSHI

"*KI KHELE*?", Dida would ask — as so many grandmothers did around the country and the world — across innumerable Sundays when I was five, six, seven years old. I had just returned after a "day spend" at one of my North Indian friends' homes.

"Rajma."

"*Aar*?" The follow-up question was tinged with shock and disdain.

"*Bhaat*," I would say, and then add, somewhat defensively, "raita *aar* achar *o chhilo*". ("Not just rice and rajma, there was raita and pickle as well.)

"*Robbar din e bari te deke ontoto deem er dalna to dite parto*. ("They invited you home, on a Sunday at that... they should have given you egg curry at least.")

"Egg curry at least" is a refrain across homes in East India. Like the humble and ubiquitous potato, it has been the staple of our homes and diets, of our culture, memories and the small things that make up childhoods. And our biryani. A boiled egg (and/or potato), mashed into rice, with a bit of mustard oil or ghee remains for us the simplest and most delightful of delicacies.

When guests arrive unannounced, or when the *cha-ta* and *adda* spill over into dinner and drinks, the egg curry comes to the rescue and completes the table — humbly, without the pretentiousness and fanfare of a *nemontonno* (literally, "invitation", but the word expands to mean the fare served to those invited). Long before I knew of politics, I knew of "emergency curry", which was whipped up so often at our home at an hour's notice.

Then there are the specialist variations, and the greatest Michelin-Star chef has nothing on Dida when it comes to omelette au curry or a well-made deem er devil. In fact, it's not chicken eggs alone that are consumed, and many an urban, *probashi*, deracinated Bengali has been told of the unparalleled flavour of *haash er deem* (duck eggs).

We did not know about protein intakes and the value of eggs for our growing bodies as we grew to love that simplest of ingredients that straddles the line between the oh-so-Indian categories of "pure veg" and "non-veg". The recently elected Suvendu Adhikari government in West Bengal, though, doesn't have that excuse. And that's only part of the reason that the move to remove eggs from mid-day meals for children in government schools came as a surprise — though, after some backlash, funds may be provided for schools that choose to, to purchase eggs.

> As the West Bengal government chooses to cease serving eggs from the state's midday meal, perhaps a story about my deceased grandmother's long-deceased maternal uncle can provide food for thought

In fact, like me, Dida, and so many others, the good people who form the state ministry likely enjoyed many a roadside omelette, a comforting egg curry at home and perhaps even a boiled egg with chopped onions and green chillies, which is the perfect accompaniment to an evening drink.

As the West Bengal government chooses to cease serving eggs from the state's mid-day meal, perhaps a story about my deceased grandmother's long-deceased maternal uncle can provide food for thought.

In the mid 1950s, Dida was young, and India was younger. She was studying in Calcutta, her "intermediate" or higher secondary education, and lived in a girls' hostel. When she met him on a weekend, her Boro Mama asked her that all-too-familiar question: "*Ki khele*?" It turned out that the hostel mess had served egg curry, and the ration for each ward was a mere half-egg. Boro Mama was, to say the least, unimpressed. Just half an egg for growing girls? A travesty.

The next weekend, a man arrived at the hostel, carrying a large *jhuri*, or basket with about 80 eggs. Two each, for 40 girls, and a note instructing the warden to ensure that everyone got their fair share.

Dida always narrated that incident with pride, her uncle always the knight in shining armour. Soon after, she stopped studying and was married at an age most of us would now consider late adolescence. Her life was not an easy one. But she could always think back to that time, when someone put her and her compatriots first.

A middle-class Bengali man did for his niece what a government does not want to do for the children under its care.

P.S. — Dida enjoyed, and I still do, a hearty plate of rajma-chawal. Just not for guests on a Sunday lunch.

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Anxious about tax returns? The system is hearing you out

RAJITHA CHANDRASEKAR

FEW COMMUNICATIONS can make otherwise calm, law-abiding people suddenly more alert than a message from the tax department. Even those who have filed carefully, disclosed honestly and preserved every document experience a brief internal pause. Did I miss something? What is interesting is that most people's relationship with the tax department is not defined by investigation or enforcement. It is defined largely by anticipation. Why does taxation provoke this reaction? Part of the answer, perhaps, lies in the nature of taxation itself. Taxes require people to disclose aspects of their lives they otherwise keep private: Income, savings, investments, transactions. For a brief period each year, ordinary citizens are also required to engage with a world of disclosures, classifications and calculations that is not part of their everyday lives.

Money is rarely experienced as mere arithmetic. It carries effort, ambition, security, responsibility, and sometimes anxiety. Financial scrutiny, therefore, feels different from most other administrative interactions. In a sense, filing a return is an act of self-certification. The taxpayer is not merely reporting numbers but affirming that those numbers accurately reflect a part of their financial life. That carries a psychological weight of its own.

Unlike many other obligations, tax compliance does not end emotionally the moment a return is filed. It lingers quietly through periods of waiting, checking and hope that every figure aligns exactly as it should. The feeling is not always one of fear. It is often closer to the experience of remembering an examination answer after the paper has already been submitted. You are reasonably confident you have done everything correctly. And yet, for a few moments, your mind begins reviewing the details, searching for something it may have overlooked. At its core, the psychology of tax compliance is often driven less by fear of having done something wrong than by uncertainty about whether one has done everything right.

> The psychology of tax compliance is often driven less by fear of having done something wrong than by uncertainty about whether one has done everything right

Recognising this helps because the way taxpayers feel about the system influences how they engage with it. A process that appears straightforward to administrators may not always feel so to those navigating it. This recognition has shaped the evolution of tax administration. Increasingly, the focus is not merely on addressing issues after they arise, but also on helping taxpayers get things right in the first place. Pre-filled information, advance reporting of transactions, timely reminders and opportunities to review and correct information all reflect this understanding.

As another tax filing season approaches, millions of taxpayers will once again log in, review information, verify figures and submit their returns. Some of that familiar anticipation may remain. But if the process is becoming more transparent, predictable and easier to navigate, that is not by accident. Making compliance less burdensome is one of the quieter goals of modern tax administration. That begins with understanding how taxpayers experience the process. Tax filing season is the time of year when that understanding matters most.

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40 YEARS AGO
July 1, 1986


INDIAN EXPRESS
Basic pay to range from 750 to 9,000
Number of scales reduced to 36
Rs 1,280 cr extra burden on Govt
Pay panel bonanza for staff
Price hike compensation rationalised

Mizoram accord signed

THE CENTRE and the chief of the Mizo National Front, Laldenga, signed a memorandum of settlement, bringing to an end 20 years of insurgency in the strategic border territory. The memorandum was signed by Laldenga on behalf of the MNF, and the Union home secretary, R D Pradhan, and the chief secretary to the Mizoram government, Lalkhama, on behalf of the government.

Barnala ministry averts crisis

A MASSIVE crisis in the ruling Akali Dal (L) in Punjab in the wake of the ministry expansion was averted at midnight following the withdrawal of resignations by four ministers. The high drama began with a joint statement by four ministers, "We are ready for any sacrifice to keep the party united."

38 killed in Sri Lanka violence

THIRTY-EIGHT people, including 20 from the security forces, were killed in Sri Lanka during the last 24 hours. Over 20 persons were killed in intermittent clashes between two Tamil militant groups, PLOTE and TELO, reports from Jaffna said.

Pay panel bonanza for staff

A DRASTIC reduction in the number of pay scales from 153 to 36, a new scheme for compensation against price rise and a hike in the quantum of house rent allowance will cost an additional Rs 1,280 crore per annum, as per the recommendations of the Fourth Pay Commission, presented to the government. The lowest basic pay in government has been recommended at Rs 750 per month for an unskilled worker and the highest at Rs 9,000 a month. A pay range has been recommended for the three service chiefs and the chairman of the Atomic Energy Commission.

A question in wake of Great Nicobar project: Is what can be justified also just?

JAY MAZOOMDAAR

ILLUSTRATION: C R SASIKUMAR

LOST IN the debate surrounding the Great Nicobar Island project is a fundamental question: Is what can be justified necessarily just?

A short Bengali poem by the late Binoy Majumdar can be paraphrased thus: "When some explorers 'discovered' an island, they found people already living there. If the island was 'undiscovered', how could it be inhabited? And if people were already living there, how could the explorers 'discover' it?"

Perhaps the maverick mathematician-poet was examining the colonial Doctrine of Discovery — the idea that the first European nation to "discover" a territory in the Americas acquired exclusive rights over it. Around the same time, British colonists in Australia treated hundreds of Aboriginal nations as inhabitants of *terra nullius* — nobody's land.

In India, Lord Dalhousie's Waste Land Rules enabled the takeover of vast tracts of "unproductive" forests and commons beginning in the 1850s. The Land Acquisition Act, 1894 made the government's decision the final word for a public purpose, pushing railways, mines and plantations across forested tribal regions, such as Chota Nagpur, Santhal Parganas and the Central Provinces.

Few would dispute that each of these policies was profoundly unjust and immoral, if not outright criminal, by today's ethical and legal standards. Even fewer would argue that the world is worse off because of the railways, industries and cities that emerged from those interventions. But that is no reason to repeat them. More than a century after the colonial framing of "public purpose", no claim of public, strategic or national interest can be exempt from the burden of justification today. Especially when a mega project is envisaged in a rainforest island that is home to several endemic wild species and to the world's only population of fewer than 300 indigenous Shompen people.

The Rs 90,000-crore Great Nicobar Island project, spanning 166 sq km at the southernmost tip of the archipelago, includes an international container transshipment port, an integrated township, a civil-military airport, a power plant and luxury tourism facilities. Many have demonstrated otherwise but, for a moment, let us accept that the defence installation's location is non-negotiable, that the transshipment port can be financially viable, that the sprawling township is necessary, that the geological risks are manageable, and that the project's strategic importance is paramount.

But even if every justification is taken at face value, none answers the more important question: Is the project just? By its own submission, the plan requires 73 sq km of tribal reserve areas. On its balance sheet, the project has provided for adding 77 sq km of peripheral land to make up for the loss. The indigenous people are not to be dispossessed, merely displaced.

In 1823, the US Supreme Court Chief Justice John Marshall weighed in on indigenous rights: "The rights of the original inhabitants were, in no instance, entirely disregarded; but were necessarily diminished."

Shifting them from parts of their ancestral home will unsettle the Shompen and the Great Nicobarese, the other indigenous tribe inhabiting the coastal areas of the island. Neither have consented to the plan. The very assertion that these people can be pushed around at will disregards their traditional land use practices. The proposed arrangement echoes an unsettling past: "Is it supposed that the wandering savage has a stronger attachment to his home than the settled, civilised Christian?... Doubtless it will be painful to leave the graves of their fathers; but what do they more than our ancestors did or than our children are now doing?"

That was US President Andrew Jackson's message to the Congress in 1830. Two centuries have passed since. Today, ancestral rights of indigenous groups to their ancestral land are well established. The UN acknowledges that respecting their self-determination and traditional territories is essential to prevent exploitation and displacement. We do not need to look far to know what risks our civilisation poses to the indigenous people. Contact with outsiders has historically exposed these isolated communities not only to unfamiliar diseases — such as measles, tuberculosis, syphilis and respiratory infections — but also to substance abuse, social disruption, economic dependency and sexual exploitation.

> The doctrine of public trust demands the state to hold vital natural resources — like air, water, forests, coasts — in trust for the benefit of the public, not only of the present generation but of those yet to come

Since the arrival of British settlers in the 1850s, the Great Andamanese population fell from an estimated 3,500-6,000 to fewer than 650 in just five decades. Today, less than a hundred survive on Strait Island. A similar fate befell the Onge on Little Andaman. The hunter-gatherers could not adjust to forced settlement and many died of alcoholism, depression and suicide. The Jarawa resisted outside contact for much longer. But the world entered their home through the Andaman Trunk Road that cut through the heart of the Jarawa Reserve in the 1990s. Today, the Jarawa face the same pitfalls of disease and alcoholism, with their women falling victim to trafficking and abuse. Knowing this history, can we still justify exposing the Shompen to the same risks? Or are we, in our ambition to build our own "Hong Kong" at their home, echoing an anachronistic entitlement that every corner of the land must be put to productive use on our terms?

"Our manifest destiny is to overspread the continent allotted by Providence for the free development of our yearly multiplying millions," wrote American political columnist John O'Sullivan in support of annexing indigenous land in 1845. Nearly two centuries should have been time enough to leave behind such impulses. The doctrine of public trust demands that the state hold vital natural resources — like air, water, forests, coasts — in trust for the benefit of the public, not only of the present generation but of those yet to come. That intergenerational promise must extend to our past — or what survives of it, not because of us but despite us. We are duty-bound to protect their right to simply exist where they are, as they are.

Indeed, public interest may sometimes justify imposing the cost of a larger good on a few. But not when those few are the very last survivors of our war on old ways of life.

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From IPOs to iPhones, don't ignore fault lines in economy

ISHAN BAKSHI

AT THE moment, it seems as if India's economic troubles have eased. Crude prices have moderated, foreign investments are trickling in, markets have stabilised and the pressure on the rupee has subsided. But it would be a mistake to ignore the pain points. From recent IPO announcements to trade data, from iPhone sales to cash transfers — all point towards the infirmities and the structural fault lines in the economy.

Over the past few days, two mega IPOs have been announced — Reliance Jio and NSE. Both these companies are in the services sector. This is not exceptional. Seven of the 10 largest recent IPOs have been from firms in financial, retail or other services segments. These include LIC, Paytm, Tata Capital, Zomato and Vishal Mega Mart. The exceptions, engaged in manufacturing, are Hyundai and LG Electronics. Notably, both are foreign firms. This isn't an encouraging trend. But one that is reinforced by FDI data.

In 2025-26, the sectors that attracted the largest share of FDI equity inflows were services, computer software and hardware, trading and construction. The few manufacturing segments that did receive sizeable flows were non-conventional energy and automobiles. All this suggests that not only are more firms in the services sector raising larger amounts from the domestic markets, but foreign investment is also flowing more to these segments. In the trade data as well, the divergence is deepening.

Manufacturing exports are struggling. Between 2021-22 and 2025-26, goods exports grew by under 5 per cent. Total growth, not per annum. With imports galloping by 26.5 per cent, the merchandise trade deficit has widened from $191 billion to $333 billion over the period. Excluding oil, the deficit works out to $213 billion. China accounts for half of this, despite continuing policy ambiguity over the trade and investment relationship with Beijing.

Services exports have fared much better and now account for almost half of the country's trade. In fact, if you exclude oil, the services trade surplus offsets the goods deficit. But IT exports are now at risk with rapid advancements in AI. Some have argued that when the AI cycle shifts from development to deployment, there will be opportunities for Indian firms. But will that really be the case?

ILLUSTRATION: TANUSHRI MITRA

Nervous fund managers and investors are pointing to Anthropic's numbers for clues on how this may unfold. In the April-June quarter, its revenues, which are more skewed towards enterprise customers, are expected to touch $10.9 billion. Its annualised revenue (run rate) has been estimated to exceed $45 billion this year. This is stunning growth. Add to this the numbers for OpenAI and Gemini, and, as some have argued, the large-scale deployment of AI is already underway. It is, therefore, reasonable for investors to ask: To what extent will Indian IT firms be needed for implementation and operational support? And if more of the AI space is cornered by global capability centres, as a few believe, will Indian investors not even get to partake in this round of wealth creation?

With high-skilled IT services under pressure, a financial sector with limited capacity to create low- and medium-skilled jobs and manufacturing struggling to gain traction, the one area where jobs are being created is low-end services. Delivery riders for Zepto, which has just filed its papers for an IPO, have gone up from 49,278 in 2024 to 2.21 lakh in 2026 — more than a fourfold increase. Zomato and Blinkit have almost doubled to 10 lakh riders in two years. Swiggy now has 6.1 lakh riders, while Uber, at 14 lakh active drivers, outstrips Indian Railways. The gig economy is emerging as an urban employment sink.

This lack of more productive job opportunities sits alongside the dramatic explosion of incomes/wealth at the very top. There are several markers of this deepening fault line and its implications for consumption. A case in point is Apple's India revenues outstripping those of HUL according to Kotak Mutual Fund. Fortune remains at the top of the pyramid.

The political response has been to pivot even more aggressively towards populist schemes. In 2025-26, 12 states were estimated to spend Rs 1.68 lakh crore on cash transfers, which works out to 0.5 per cent of GDP as per PRS Legislative Research. This is in line with total spending on R&D that is pegged at 0.6-0.7 per cent of GDP. This is hardly laying the foundations for sustainable long-term growth.

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LETTERS TO THE EDITOR

Uniting strangers

THIS PIECE captures something true about football fandom beyond one's own country ('Iran's World Cup exit is no ordinary heartbreak', *IE*, June 30). Supporting a team with which you have no national affiliation still feels deeply personal once you have followed its journey. Basak's point that heartbreak is proportional to hope rang true. Such writing reminds us why the World Cup unites strangers across borders in shared disappointment and joy. A heartfelt read.

Prajesh Paramasivan, Neelambur

Heat emergency

EUROPE'S RED alerts and 40-degree days show that climate risk has moved from distant headlines to daily life ('Overheated Europe, underprepared world', *IE*, June 30). Schools closed, transport systems failed, and people drowned while seeking relief in rivers, proving that infrastructure built to retain winter warmth now endangers residents. Municipalities are debating greener urban design, but adaptation alone will not keep pace with a continent warming faster than any other.

K Chidanand Kumar, Bengaluru

EUROPE, WHICH projects itself as a champion of environmental protection, is witnessing unprecedented heatwaves, with record-breaking temperatures, collapsing ecosystems, and mounting health emergencies exposing populations and infrastructure that were never designed to cope with such extremes ('Overheated Europe, underprepared world', *IE*, June 30). This raises a critical question: Has Europe matched its ambitious climate commitments with equally ambitious implementation? Political disagreements, energy security concerns, economic pressures, and uneven progress are among the obstacles that have slowed its transition. While investments in emergency response systems remain indispensable, adaptation costs will continue to rise beyond sustainable limits unless they are accompanied by robust mitigation efforts to reduce greenhouse gas emissions.

Vaibhav Goyal, Chandigarh

Before AI window closes, build sovereign compute

AMITABH KANT

WE ARE in the midst of a civilisational transition. The last of this magnitude was the Industrial Revolution, which took two centuries to play out. This one will take two decades. According to the Stanford AI Index, the cost of querying a model at GPT-3.5 level performance fell from $20 per million tokens in November 2022 to just $0.07 by October 2024. Generative AI has reached 53 per cent population adoption in only three years, faster than the PC and the internet at comparable stages of their lifecycles. India contributes a vast share of the world's digital exhaust, linguistic diversity and human context to global AI systems, yet the frontier model layer remains heavily concentrated elsewhere, like the US. Yet India has four advantages few countries can match.

First, talent. India ranks first globally in AI skill penetration at 2.8 times the global average, ahead of both the US and Germany, and its AI talent concentration has risen sharply over the past decade. India is no longer simply exporting engineers to the world. It is increasingly absorbing talent domestically as global capability centres, start-ups and major firms build AI teams inside the country.

Second, regulation. While many jurisdictions are moving toward heavy *ex ante* controls, we have chosen feather-touch regulation. The RBI Regulatory Sandbox, the IFSCA innovation frameworks, and the IndiaAI Mission's guidelines are all designed for the same objective: Build first. Govern what emerges.

> Winners are usually those who build durable ecosystems at the moment when technology becomes broadly usable. India still has that window, but it will not stay open forever

Third, infrastructure. India is seeing a major build-out of the physical foundations of the AI economy in the form of data centres, semiconductors, cloud capacity and high-performance computing. In data centres alone, nearly $70 billion of investment is already underway, with an additional $90 billion in announced projects. The total committed investment from the private sector has crossed $160 billion.

Fourth, energy. Data centres require reliable, round-the-clock power, making energy policy central to AI competitiveness. India added 55.3 GW of non-fossil capacity in 2025–26, taking non-fossil installed capacity to 283.46 GW by March 2026. Data centres can also be the anchor demand for renewable energy, storage and grid modernisation.

Today, no country controls the entire AI value chain. Advanced lithography comes from the Netherlands. Key chip fabrication is concentrated in Taiwan and South Korea. In several domains, India is indispensable because of its scale, linguistic diversity and lived complexity. The idea that one nation will monopolise AI is false. What will matter instead is which countries become indispensable nodes in a deeply interdependent system.

Aadhaar, UPI, Account Aggregator, and ONDC have shown that India can build interoperable, population-scale digital rails and then let private innovation flourish on top. The next logical step is to apply the same philosophy to AI through shared sovereign compute, high-quality public datasets, multilingual models and open infrastructure on which start-ups and researchers can compete.

An AI system that works only in English, only in metros and only for formally documented consumers is not an Indian AI system. India's opportunity lies in building models that work in Tamil and Marathi, Bengali and Bhojpuri; for farmers as much as for financial analysts; for primary health centres as much as for global corporations.

First movers do not always win. ARPANET laid the foundations of the internet (1969), but Tim Berners-Lee and CERN made it world-accessible through the World Wide Web (1989); Clive Sinclair built the first mass-market home computer (1980), but IBM, Apple and Microsoft defined the personal computing era. Winners are usually those who build durable ecosystems at the moment when technology becomes broadly usable. India still has that window, but it will not stay open forever. It must build sovereign compute, widen access to intelligence, align AI with clean energy, and design for the bottom of the pyramid rather than the top.

The writer is chancellor of NIIT University, chairman, Fairfax Centre for Free Enterprise, former G20 sherpa, India, and former CEO, NITI Aayog

For Palestine's children, a coalition of conscience

C UDAY BHASKAR

THE REPORT released on June 23 by the UN Independent International Commission of Inquiry on Palestine, chaired by former Justice Srinivasan Muralidhar, is a searing document that demands immediate global attention and sustained action. Moving past standard diplomatic hand-wringing, it delivers a definitive judicial conclusion: Israeli security forces have systematically and deliberately targeted Palestinian children.

The statistics are horrifying — more than 20,000 children killed and 44,000 injured between October 2023 and October 2025. Documenting precision quadcopter and sniper attacks resulting in single gunshot wounds to the heads and necks of minors, alongside the destruction of 97 per cent of Gaza's schools, its orphanages and vital neonatal infrastructure, the Commission reaches a chilling evidence-based determination. This is not "collateral damage"; it is a deliberate campaign to dismantle the demographic vitality, reproductive continuity, and very future of the Palestinian people.

In normal times, faced with such irrefutable evidence, international institutions would have responded, and global consciousness would have been outraged. However, these are blighted times, and pursuing justice through the UN Security Council is a political dead end. Decades of West Asian diplomatic history guarantee that the US will use its veto power to shield Israel from meaningful accountability. Therefore, the international community must pivot directly to the international courts to pursue individual accountability for crimes against humanity. How effective this will be remains moot, but for a world order that is ostensibly committed to the rule of law, at the very least, the judicial process will have been triggered.

Geopolitically, it is highly unlikely that governments like India's will take an unambiguous public stance due to complex strategic alignments. Yet, geopolitical paralysis cannot be allowed to dictate human conscience. Where states choose silence, civil society must speak and act.

There is a deep, historical well of empathy for the Palestinian cause across South Asia, particularly within India — though it currently remains subdued. Can this collective conscience spearhead a global, civil society-led intervention to provide succour and medical care? Crucially, this coalition should align with and amplify the courageous dissenting voices rising within Israel.

> Justice Muralidhar's report delivers a definitive conclusion: Israeli security forces have systematically and deliberately targeted Palestinian children

By joining hands with international partners and internal critics of the occupation, an inclusive global effort can be envisioned. This initiative should begin modestly but precisely: Finding resources and organising volunteers who can safely enter Palestine to review the current status of these children and evaluate their immediate medical and psychological needs.

As a grandparent, I am aware of how much care and attention children require even at the best of times. To comprehend the trauma of three- or four-year-old kids bombed out of their homes, stripped of their families and subjected to mass trauma is nearly impossible. Civil society must build a global network of solidarity that refuses to abandon these children.

The report indicts the Benjamin Netanyahu government for acts that stain the conscience of humanity. It is a cruel irony that a state born from the Holocaust, the Jewish people's deepest wound, now stands accused of inflicting similar diabolical devastation on children.

To its credit, South Africa, which instituted proceedings against Israel before the International Court of Justice in December 2023, has requested access to the Muralidhar report. Hopefully, other nations will support Pretoria when the Palestine report is presented to the UNGA later this year.

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• DIPLOMACY

Partners in tech, trade: India-Japan ties amid global disruptions

Divya A
New Delhi, June 30

JAPANESE PRIME Minister Sanae Takaichi lands in India on Wednesday on her first visit. It is focused on boosting trade, investment and strategic cooperation between the two partners, said the Japanese foreign ministry.

The agenda

During her three-day visit, Takaichi will participate in the 16th edition of the India-Japan Annual Summit, a mechanism established in 2006 under which the prime ministers of the two countries meet annually, and alternate as hosts. The summit follows Prime Minister Narendra Modi's visit to Tokyo in August 2025 for the 15th edition, during which the two countries reaffirmed their commitment to deepening cooperation across strategic, economic, technological and security domains.

Takaichi is accompanied by a large business delegation, with executives from both countries set to attend business events with both leaders. Japan is among India's largest investors, backing major infrastructure projects, and has increased investments in Indian companies, including a recent $1.6 billion deal for a 20% stake in Yes Bank.

Around 1,400 Japanese companies operate in India, nearly half of them in the manufacturing sector. Bilateral trade reached $27.5 billion in 2025-26, with Japanese investment in India going up to $3.2 billion between April and December 2025. Modi and Takaichi had met earlier this month on the sidelines of the G7 Summit in France and discussed enhancing economic cooperation with a focus on trade and investment.

Modi and Takaichi on the sidelines of the G7 summit

COUNTERWEIGHT TO CHINA

- India-Japan relations provide a strategic and economic counterweight to China's growing dominance in the region.
- Modi and Takaichi will likely discuss security cooperation and efforts to advance a free and open Indo-Pacific.

Areas of collaboration

The relationship was launched as a Global Partnership in 2000, upgraded to a Strategic and Global Partnership in 2006, and elevated to a Special Strategic and Global Partnership in 2014 during the Summit between PM Modi and former prime minister Shinzo Abe.

Both countries are important for each other. India-Japan relations provide a strategic and economic counterweight to China's growing dominance in the region. The leaders will also discuss security cooperation and efforts to advance a free and open Indo-Pacific. India and Japan are members of the Quad grouping alongside the US and Australia, and have expanded defence and strategic collaboration in recent years.

As the world battles issues such as supply chain disruptions and shortage of critical minerals, economic security and technology have also emerged as key pillars of the relationship. Both countries have signed agreements in the fields of minerals and semiconductor supply chains, and enhanced their cooperation in artificial intelligence.

Regional affinities: A unique feature

India-Japan ties are based on cooperation across eight key pillars — economy, economic security, mobility, environment, technology and innovation, healthcare, people-to-people exchanges, and state-prefecture engagement.

Japan is the only country with which India has a dedicated institutional mechanism for the development of the North-East via the India-Japan Act East Forum. India and Japan have partnered on connectivity and development in Northeast India, including projects in infrastructure, agriculture, tourism and skills. In fact, Guwahati was also considered as a possible venue for the visit, but was later ruled out owing to "logistical issues".

• POLITICS

The Akal Takht's lasting hold on Punjab's politics

Few institutions have shaped Sikh life as profoundly as the Akal Takht. Its social and moral sanctions can be politically devastating in Punjab

MANRAJ GREWAL SHARMA

THE AKAL Takht has given the Aam Aadmi Party-led Punjab government a month to remove certain "objectionable" clauses in its anti-sacrilege law. This came after 86 Sikh legislators, including ministers, appeared before it on Monday in response to its summons.

The Takht said that while sacrilege must be punished, the Jagat Jyot Sri Guru Granth Sahib Satkar (Amendment) Act, 2026, passed on April 29, had gone too far in defining religious vocabulary, custodial roles and registry mechanisms — matters which, it argued, fall within the ambit of Sikh institutions such as the Takhts and Shiromani Gurdwara Parbandhak Committee (SGPC).

The Takht's summons to the Sikh MLAs and Cabinet ministers came two weeks after it declared Chief Minister Bhagwant Mann "*panth virodhi*" (opposed to the *panth*), and issued an edict calling for his boycott over an objectionable video.

Few institutions have shaped Sikh religious and political life as profoundly as the Akal Takht. Its authority remains deeply embedded in the Sikh psyche. While some view it with cynicism because of perceived politicisation through the SGPC, many Sikhs regard it as the essential guardian of *maryada* (the panthic code of conduct) and an important check on politicians.

What is the Akal Takht?

The Akal Takht, meaning "throne of the timeless one", is the highest temporal (worldly) seat of the Sikhs. It's located opposite the Harmandir Sahib (Golden Temple).

It was founded by Guru Hargobind, the sixth Guru, between 1606 and 1609, shortly after the Mughals executed his father, Guru Arjan Dev. Guru Hargobind deliberately built it on a platform higher than typical Mughal thrones as a symbol of defiance and sovereignty. He wore two swords: *miri* (worldly power) and *piri* (spiritual authority), signifying that worldly affairs must be guided by spiritual consciousness.

The Jathedar (head) of the Akal Takht is widely regarded as the highest temporal religious authority in Sikhism. The Jathedar can summon any Sikh, regardless of rank or position, and issue edicts (*hukamnamas*).

The golden-domed Akal Takht stands to the left of the Harmandir Sahib, or Golden Temple. WIKIMEDIA COMMONS

While this authority is not backed by the police or courts, it enjoys deep moral and traditional acceptance within the Sikh community. Over the centuries, kings and chief ministers have submitted themselves to its edicts, often a public reprimand for straying from panthic principles.

What role did it play before 1947?

Before Independence, the Akal Takht was the political and decision-making heart of the Sikh community during turbulent times. It was here that Guru Hargobind issued the first directive for Sikhs to arm themselves and resist Mughal oppression.

In the 18th century, during the Misl period, it became the venue for the Sarbat Khalsa, community gatherings, often convened on occasions such as Diwali and Vaisakhi, where resolutions on resisting Mughal and Afghan invaders or other administrative matters were passed.

Even Maharaja Ranjit Singh, the most powerful Sikh ruler who presided over a largely secular empire, subjected himself to the edicts of the Akal Takht. The then Jathedar, Akali Phula Singh (a Nihang warrior), summoned him over his marriage to Moran, a Muslim dancer, and Ranjit Singh appeared and accepted the punishment.

The British attempted to control Sikh shrines by appointing loyalist *sarbrahs* (managers). The Gurdwara Reform Movement of the 1920s, however, wrested control from them. This led to the formation of the SGPC on December 12, 1920, with its inaugural meeting held at the Akal Takht Sahib. Two days later, the Shiromani Akali Dal was formed as the SGPC's political arm.

Political costs

Political leaders usually feel that submitting to the Takht's edicts carries fewer political costs than defying them.

•

When CM Surjit Singh Barnala defied its directives on Operation Black Thunder, he was excommunicated. His government later collapsed, leading to President's Rule.

How did the Akal Takht, and Akali Dal, influence Punjab politics after Independence?

Since Independence, the Akal Takht has frequently exercised its religious and moral authority in matters of secular politics. The Akal Takht Jathedar is traditionally appointed by the SGPC, many of whose members are from the Akali Dal, explaining the party's influence in panthic affairs.

The Akali Dal has often used the Akal Takht as the launch pad for major political agitations. It was from here that Akali leaders Master Tara Singh and Sant Fateh Singh spearheaded the Punjabi Suba movement, demanding a separate Punjabi-speaking state. When the agitation resumed in 1960, Sant Fateh Singh made the Akal Takht his headquarters. On one occasion, the Akal Takht Jathedar intervened directly, censuring both leaders for failing to honour their pledges to fast unto death until the demand for a separate state was met.

During the Emergency in July 1975, the Akali Dal launched the Democracy Bachao Morcha (Save Democracy Movement) from the Akal Takht. Volunteers offered *ardas* (prayers) daily before courting arrest and receiving *saropas* (robes of honour). Over 40,000 Akali workers were estimated to have participated in the 19-month agitation.

In 1982, the Akali Dal, led by Harchand Singh Longowal, launched the Dharam Yudh Morcha from the Akal Takht, demanding greater autonomy for Punjab in line with the Anandpur Sahib Resolution. Jarnail Singh Bhindranwale, who joined the Morcha, later operated from the Akal Takht complex, though he was never its Jathedar.

There have also been instances where Akal Takht edicts were alleged to have favoured particular factions within the Akali Dal. In 1986-87, for instance, the Takht excommunicated then Akali chief minister Surjit Singh Barnala for ordering police action inside the Golden Temple complex during Operation Black Thunder to remove militants from the Golden Temple. This bolstered the Parkash Singh Badal faction.

In 2004, the Akal Takht issued a *hukamnama* declaring Sehajdhari Sikhs (who trim their hair, unlike Amritdhari Sikhs) ineligible to vote in SGPC elections. Political observers say the decision benefited the Shiromani Akali Dal by reshaping the SGPC electorate.

The Akal Takht has also summoned political leaders across party lines to account for their actions. It summoned then President Giani Zail Singh for his role during Operation Blue Star and Union Minister Buta Singh for his role in the government-sponsored reconstruction of the Akal Takht following the operation. Both eventually appeared before the Takht and performed the prescribed atonement.

In 2024, it declared SAD president Sukhbir Singh Badal tankhaiya (guilty of religious misconduct) over the handling of sacrilege incidents and other decisions during the SAD-BJP government (2007–17), including matters related to Dera Sacha Sauda. It ordered a public apology and sewa (service), and also revoked the "Panth Rattan Fakhr-e-Quam" title of his father, five-time chief minister Parkash Singh Badal.

On June 15, it declared Punjab Chief Minister Mann "Guru-dokhi" (betrayer of the Guru) and "Panth-virodhi" (enemy of the Panth) over a controversial video.

What 'punishments' does it give?

The Akal Takht does not impose legal fines or jail terms. Instead, it declares individuals *tankhaiya* and assigns tankhah (atonement) through sewa such as cleaning shoes, utensils or toilets at the Golden Temple, often while wearing a placard of repentance and making a public apology.

The Takht can order excommunication, impose a social or religious boycott, and revoke titles and honours. These are moral and social sanctions, but they can be politically devastating in Punjab.

• POLICY

Can SIR lead to denial of services? The case of journalist Rajagopal

Damini Nath
New Delhi, June 30

KERALA CHIEF Minister V D Satheesan and the Editors Guild of India highlighted the case of R Rajagopal, former editor of The Telegraph, allegedly not being able to renew his passport this week. This came after his name was deleted from the West Bengal electoral rolls during the Special Intensive Revision (SIR) earlier this year.

The new BJP government in Bengal had announced in May that the people deleted from the rolls during the SIR would not be able to avail welfare schemes. These developments may signal consequences for the lakhs of electors whose names were deleted in the SIR, even as their appeals are pending before Supreme Court-appointed tribunals.

What is Rajagopal's case?

The former editor, originally from Kerala and a resident of Kolkata for 30 years, says he applied for passport renewal in February. Meanwhile, he was among the 27 lakh Bengal electors whose names were deleted following an unprecedented adjudication process ordered by the Supreme Court after the Election Commission flagged him for having a "logical discrepancy" in his documents. He found his name deleted in a supplementary list published on March 27, leaving him unable to cast his vote in the West Bengal election in April.

With the police verification for his passport renewal pending, he says he was called by the police to the Security Control Organisation office on May 20, where he was told that police clearance could only be given when his name was restored on the electoral roll. Rajagopal told *The Indian Express* Tuesday that he had not received any information on the status of his appeal pending before the tribunal, however, he was asked by the passport authorities on Tuesday to seek another police verification.

What does the law say?

Defending the SIR in the Supreme Court last year, the EC had said the exercise was a revision of the electoral rolls, not a determination of citizenship.

In its judgment upholding the EC's right to conduct the SIR in May, the Supreme Court said that while the EC had the right to determine citizenship of electors, it was limited in nature. "The consequence of such a determination is correspondingly limited. It affects the individual's entitlement to be included in the electoral roll, and thereby their right to participate in the electoral process. It does not, however, operate to divest the individual of claims of citizenship, nor does it foreclose a determination of that question by the Competent Authority under the Citizenship Act," the judgment says.

The EC's own instructions accompanying its June 24, 2025 SIR order makes it clear that the Electoral Registration Officers are to refer the cases of suspected foreign nationals to the competent authority. It is for the Home Ministry to make a determination.

SIR and welfare

- Non-renewal of passport may be one of the many consequences for lakhs of electors whose names were deleted in the SIR, and whose appeals are pending.
- The new BJP government in Bengal had announced in May that the people deleted from the rolls during the SIR would not be able to avail welfare schemes.

Why then are deleted electors facing denial of basic services?

Even as their appeals remain pending before the tribunals, deleted electors in Bengal will not be given rations and access to other government welfare schemes under instructions of the Suvendu Adhikari government. While there is no direct link between the electoral roll and government schemes and services, the EC-issued voter card is one of the most widely-used forms of ID submitted as proof. The Bengal Food and Supplies Department in June ordered a verification of Public Distribution System beneficiaries to remove those "ineligible" based on the SIR deletions.

For passport renewal, it is not mandatory to have a Voter ID, but it can be provided as a proof during the verification. During the police verification, the applicant can provide the Aadhaar, PAN card or Voter ID as an identity proof.

The Editors Guild of India said: "...Mr. Rajagopal's plight highlights the misery that millions of Indians are being put through due to the Special Intensive Revision..."

On Monday, the Kerala CM wrote to Adhikari: "I understand that the adverse report is based on the deletion of his name from the electoral roll under the SIR. While the electoral issue is being dealt with through an appropriate appeal process, I am informed that the police report has had the effect of delaying the renewal process of his passport. I would like to request your good self to kindly look into the matter with urgency."

• DIPLOMACY

The signal to Dhaka in picking BJP leader, with cabinet rank status, as envoy

EXPERT EXPLAINS

VEENA SIKRI

FORMER HIGH COMMISSIONER OF INDIA TO BANGLADESH

INDIA HAS sent former Union minister and BJP leader Dinesh Trivedi as its High Commissioner to Bangladesh, marking the first time in the NDA government's 12-year tenure that a political leader has been appointed an envoy. Trivedi has also been given the rank of a Union cabinet minister. **Veena Sikri**, former High Commissioner of India to Bangladesh, spoke to **Yashee** about the the significance of the move.

How common is it for ambassadors to be given cabinet rank status and what does that signal?

Dinesh Trivedi is a political appointee, which means someone who is not a career diplomat [an Indian Foreign Service officer] being chosen for the envoy position. Along with that, he has also been given cabinet rank status, an important distinction.

There have been a number of political appointee envoys, though fewer under Prime Minister Narendra Modi. The present ambassador to the USA, Vinay Mohan Kwatra, was till recently foreign secretary, but was sent as ambassador to the USA after retirement, so that is considered a political appointee. There is former Army chief General Dalbir Singh Suhag, who was appointed High Commissioner of India to Seychelles in 2019.

However, cabinet rank is very rare. Under PM Modi, this is the first time that a cabinet rank has been given to a political appointee, though there have been cabinet rank ambassadors in Congress governments.

Soon after Independence, Vijaya Lakshmi Pandit was an ambassador with cabinet rank. In subsequent years, TN Kaul was given cabinet rank when he went as ambassador to Moscow. Dr Karan Singh was given cabinet rank when he went as ambassador to USA, and D P Dhar was given cabinet rank when he went a second time as ambassador to Moscow.

Dinesh Trivedi presents his credentials to Bangladesh President Mohammed Shahabuddin on June 25. X/@IHCDHAKA

The purpose of giving cabinet rank is twofold. First, it indicates a direct line to the Prime Minister. As a member of the Union cabinet, you will have direct access to the Prime Minister, and not have to go through the hierarchy of foreign secretary or foreign minister.

Second, the indication is to the country where the ambassador is accredited. In this case, the signal is very clear to Dhaka that this person is held in very high political esteem by the Prime Minister of India. His functioning in that country will be of a very special kind, meeting only cabinet rank ministers or the Prime Minister of the country, and any message the High Commissioner conveys would be known to be coming straight from the Prime Minister of India. It gives a special status, and it is expected that Bangladesh would accept and recognise that.

Does this elevation have practical implications or is it more symbolic? How would a cabinet minister ambassador be treated differently from a regular ambassador?

The special status would be in terms of protocol. When that person is arriving at the airport or travelling within the country, they must have special status like the country would give to its own cabinet ministers.

Ambassadors in any country are given security and care, but when you have a person with cabinet rank, you will give a higher status in terms of security and in terms of arranging meetings, just like for a cabinet minister of your own country.

India-Bangladesh ties have been in a state of flux for some time; what do you make of India's decision to send a politician rather than a career diplomat to Dhaka at this point?

It signifies priority to India's 'Neighbourhood First' foreign policy. For Prime Minister Modi to give cabinet rank to the High Commissioner to Bangladesh indicates a high level of importance attached to this policy. He would like to make sure that the government of Bangladesh, led by Tarique Rahman, would also recognise the signal and respond likewise in terms of giving the highest importance to policy towards India.

India-Bangladesh relations have been going through a very difficult time primarily since August 2024, when Prime Minister Sheikh Hasina was ousted in a coup. After the interim regime under Muhammad Yunus came to power, our government expressed interest in continuing the relationship, but this was not reciprocated. Under his 18-month interim regime, Yunus changed the earlier project decisions, policy decisions, and special decisions in favour of India.

The expectation has been that Rahman would look at restoring the earlier positive and dynamic trade, investment, and project development relations, but so far, there has been no indication of that. Rather, his visit to China and the joint statement issued raises many more questions.

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WEDNESDAY - JULY 1, 2026

Power shift

Exercise care in revising fixed charge in power bills

The Central Electricity Authority recently released a report that dwells on rationalising the fixed charges of power distribution companies (Discoms). The issue at hand is that fixed charges — arising from payment to generators, transmission costs, employee salaries and infrastructure costs — account for 38-56 per cent of Discom fund requirements, but form no more than 9-20 per cent of their actual revenue.

The report makes a case for rejigging the fixed cost component in bills — and not merely because Discom finances are broken. That is just one of the issues at hand; discoms should also address major operational inefficiencies while seeking to recover fixed costs. Discoms' finances have been hit by structural shifts in the power generation landscape. The report points out how they have been saddled with 'stranded assets' because high paying industrial or even residential consumers straddle captive power and open access while also being reliant on the grid. Despite their reduced offtake from Discoms, the latter needs to incur infrastructure costs. They also get a raw deal in 'net metering' scenarios, if the tariffs are not fixed right. Here too, their infrastructure costs remain uncovered. While electricity reforms are predicated on consumer choice and price discovery, Discoms should get their due if their infrastructure is used. The report, however, does not look into whether there are alternatives to tinkering with the bill design.

Going beyond Discom finances, there are three broader objectives to be considered while rationalising fixed charges — equity, energy efficiency and reasonable tariffs to secure economic output. To be fair, the report does not advocate a blanket rise in fixed charges as a share of the bill for all consumers. Rather, it looks at different solutions for industrial and regular consumers. Even within the former, the report tries to consider different consuming intensities. As for equity considerations, fixed charges should be linked to power usage, as Uttar Pradesh has done. Rewarding energy efficiency implies that there is a limit to raising fixed charges. There is, however, some scope for re-examining fixed charges for users with a high load factor (average power consumption as a ratio of peak power), without necessarily raising the overall tariff level, except incrementally over time. Energy use, particularly of fossil fuels, should be gently discouraged. Industry needs reliable, quality power — and utilities should be financially equipped to deliver that.

However, the best efforts at apportioning fixed costs to reconcile various objectives and stakeholder concerns will come to nought, if States continue to promise free power. It is notable that some States, such as Rajasthan, have chosen to subsidise fixed charges more than energy usage. States should stop subsidising power without discretion, and instead address the needs of multiple stakeholders with tariff redesign.

OTHER VOICES.

The Guardian

Rewiring Britain needs Westminster to shed real power

Andy Burnham is not prime minister of the UK – yet. His speech on Monday at the People's History Museum in Manchester might be read as campaign fodder. But given his lack of opponents, the race to be Labour leader looks already over. If he enters Downing Street, the oration would be the most serious challenge to the Thatcherite settlement attempted by any prime minister since 1979. In office, it will only become that if he turns the language of devolution and public control into institutional power. For decades, Britain has privileged markets over public provision. It weakened local government and organised the state from the centre. And it treated utilities, housing and industry as best disciplined by private ownership and competition. LONDON, JUNE 29

CHINADAILY

China-EU economic ties not zero-sum game

In a major move underscoring the importance of dialogue over confrontation, Minister of Commerce Wang Wentao and European Commissioner for Trade and Economic Security Maros Sefcovic co-chaired the inaugural meeting of the China-EU trade and investment consultation mechanism in Brussels on Monday. The "intensive, focused and constructive" talks surrounding key economic and trade issues sent a clear signal that China and the EU remain committed to addressing economic and trade differences through dialogue. To prevent disputes from escalating into a trade war, the two sides agreed to set up four initial work streams under the mechanism to further discuss the trade and investment balance, export controls, intellectual property and WTO reform. BEIJING, JUNE 30

Land pooling for infrastructure and roads

INCLUSIVE DEVELOPMENT. Making landowners partners in development by handing a portion of land to them

MOORTHY G

TK RAMACHANDRAN

It was reported recently that large cities will soon have bypasses or ring-roads to reduce congestion and facilitate mobility. This is a welcome move but availability of land will be an issue which, if not sorted out, can thwart the best laid plans. We look at some options.

Highways bring huge economic development along the margins and abutting areas. However, the benefits — accessibility, increase in land costs — mostly accrue linearly to lands right alongside the road or highway and rarely reach inner areas. Lack of planning in respect of the surrounding areas and the fact that most lands are privately owned imply that facilities come up haphazardly: small eateries, shops etc. causing congestion and traffic pile-ups. The primary role of a highway is to connect endpoints and reduce travel time; Such facilities have quite the opposite effect. Linear urbanisation along highways also brings in other problems like garbage and lack of civic amenities.

All this can be solved if planning for the marginal lands is also part of highway development. However, this means more land acquisition. Landowners rarely cooperate in the planning process willingly and usually create impediments in acquisition. Therefore, land acquisition continues to be the bugbear.

The lack of availability of land, not just for roads, but for all infrastructure, is increasingly being flagged as one of the major concerns in the economy needing urgent structural reforms as underway in labour or banking. The amended land acquisition laws with Rehabilitation & Resettlement (R&R) policies and special laws like those for highways have made things easier and faster but opposition continues, leading to delays and increased costs.

There is urgent need, therefore, to examine how the issues relating to land acquisition and road-margin planning can be addressed.

PROTESTS AGAINST ACQUISITION

Some years back, we needed land for several highway projects in Tamil Nadu, specially greenfield bypasses; but protests by land owners were a challenge. Of course, that lands abutting roads are valued several times higher is well-known and people were happy with the idea of the road but only as long as their own village or lands were kept out of it.

It took us a lot of time to even arrive at an alignment because every time an alignment was proposed one group would oppose it and suggest a realignment that would specifically avoid their own lands or village! This would invariably be tinged with political colour and result in multiple (mis) alignments; many projects would get stalled, sometimes ending in law and order issues.

Typically, landowners protest because they are faced with a triple whammy: One, loss of land which is often the only productive, income-generating asset owned; Two, low compensation because of payments based on guideline values rather than market prices; Three, and most important, the mortification of sacrificing their asset at a low price only to see the value of a neighbours land increasing several-fold (courtesy the new infrastructure) which is denied to them! This is quite understandable; therefore there is a need to make it a win-win situation. It was in this context that a land pooling scheme for roads was proposed and announced.

Broadly, it was like any other land pooling scheme for town planning or industries but with a portion of land along the road margins proposed to be handed back to those who lost land. This meant that the width of the corridor acquired for the highway would increase so that there would be sufficient land available beyond the road margins for handing over to the original owners. When I discussed this with a group of farmers from Salem who were losing land, they were very enthused.

> **In AP, the way land was acquired for the Amaravati Township project through land pooling is** something that should be replicated for all projects requiring land

It has taken some time for an overall policy to be evolved between different departments since it straddles many sectors — Housing, Industries, Revenue etc. Necessary amendments in the relevant acts and rules and the notifications have all been published with implementation beginning. Meanwhile, several other States have implemented land-pooling schemes of different kinds. In AP, the way land was acquired for the Amaravati Township project through land pooling is something that should be replicated for all projects requiring land. Though there were challenges these are now hopefully behind us.

THE ADVANTAGES

The advantages of such pooling are obvious.

(i) The land-owner loses land but gets back a portion whose value with road access and proper infrastructure may be several times that of the undeveloped land.

(ii) No single land-owner is a net loser or gainer since everyone in the neighbourhood loses/gains land equally: no green-eyed spoil-sport!

(iii) Better — area-wide, rather than linear — planning results: utilities, open-spaces and appurtenant infrastructure provisioning can be systematic.

(iv) The alignment of roads and road grids need not be altered to suit vested interests.

(v) Delays due to court cases are avoided.

(vi) The costs of land acquisition could be recouped through 'betterment levies' on the lands benefitted.

(vii) Road Grids to increase the number of holdings with planned access would lead to moderation in land prices.

(viii) Fragmented government lands can be consolidated into larger parcels.

Landowners will need to be partners in an inclusive development process.

A situation may well arise where people come forward with voluntary gifts of land for roads realising the benefits due to a corridor (like enhanced land value).

So, instead of payments to the land owners there could also be partnerships and competition (challenge mode) for road projects! This would be something akin to joint development of land by public and infrastructure provisioning departments.

The writer was Secretary, MoPSW, GOI till recently and Principal Secretary, Highways, GoTN earlier. Views expressed are personal

India-Japan mobility partnership rolls along

From high speed rail, the two countries must move to air and logistics to aid tourism and security interests

KE Seetharam

The forthcoming India–Japan Annual Summit in New Delhi from July 1-3, comes at a moment when both countries can move their partnership from infrastructure cooperation to strategic transformation.

The summit is expected to review the full spectrum of bilateral cooperation, including the Mumbai-Ahmedabad High-Speed Rail project, economic security, technology, supply chains and industrial collaboration. This is the right time for Prime Minister Narendra Modi and Japan's Prime Minister Sanae Takaichi to endorse a bold new idea: a Joint India–Japan Multi-modal Mobility 2036 Initiative.

Japan's high-speed rail partnership with India is already one of the most visible symbols of trust between the two countries. But the next phase should go beyond the bullet train. India and Japan should build a seamless HSR-to-Airline and Logistic Mobility Corridor linking high-speed rail, airports, regional airlines, metro systems, logistics hubs, digital ticketing, tourism circuits and clean-energy transport. This would convert a rail project into a national mobility platform, supporting India's economic transformation and Japan's long-term strategic engagement with India.

A rail-air mobility platform with one ticket, one payment, one baggage interface and one traveller experience would be a practical example of this vision.

JJapan Airlines, ANA, ZIPAIR, Peach and AirJapan can support India through expanded direct flights, code-share partnerships, airport operations, MRO, cargo logistics, safety systems, digital passenger services and aviation training. JAL is expanding India connectivity through Narita–Delhi and Narita–Bengaluru services, while ANA has a codeshare partnership with Air India and is strengthening India-Japan connectivity. For India, this would bring operational excellence, safety culture and global connectivity. For Japan, it would open one of the world's fastest-growing aviation and tourism markets.

Integrated HSR-airport-regional airline systems can connect tier-2 and tier-3 cities to national and global markets. This can help MSMEs, industrial corridors, food-processing zones, medical tourism, higher education, logistics parks and regional tourism circuits. India's 2026 aviation schedule already includes regional carriers such as Alliance Air, FLY91, Star Air and IndiaOne Air, underlining the importance of regional aviation in the next phase of growth. Japan can help make these links financially viable through efficient airport design, low-cost carrier experience, regional route planning and station-area development.

MOBILITY. Looking at the next phase

TOURISM PIVOT

Tourism should be a central pillar. Japan welcomed a record 315,100 Indian visitors in 2025, crossing 300,000 Indian arrivals for the first time. Better air links, affordable carriers and integrated travel platforms can take Indian tourists beyond Tokyo, Kyoto and Osaka to Hokkaido, Okinawa, Tohoku, Kyushu and lesser-known prefectures. Similarly, India can attract more Japanese visitors to Buddhist circuits, Varanasi, Bodh Gaya, Sarnath, Kushinagar, Ayodhya, Rajasthan, Kerala, the Northeast and wellness destinations.

This multi-modal mobility partnership also has a strategic dimension. India and Japan's Joint Declaration on Security Cooperation calls for deeper defence interoperability, logistics cooperation, cyber defence, maritime security, joint exercises, repair and maintenance cooperation, and sharing of emerging security-risk assessments. Civilian mobility systems are not military projects, but they can strengthen national resilience. Secure airports, cargo hubs, MRO facilities, rail links, digital logistics platforms and disaster-response networks can support evacuation, humanitarian assistance, medical supplies and emergency movement during crises. In the Indo-Pacific, where natural disasters, maritime disruptions and supply-chain shocks are frequent, connectivity is also security.

Finally, the partnership will strengthen India's ambition to host the 2036 Olympic and Paralympic Games. Japan's experience in rail operations, airports, urban transport, crowd management, public safety and major-event logistics can help India build an Olympic mobility model that leaves a permanent legacy. The message is simple: from Bullet Train to Olympic-ready Bharat.

At the summit, the two Prime Ministers could endorse a six-point framework: launch the Joint India–Japan Multi-modal Mobility 2036 Initiative; integrate HSR, airports and regional airlines; deepen Japanese airline participation in India; promote tourism and regional development; link civilian mobility with resilience and Indo-Pacific security; and create an Olympic Mobility and Tourism Readiness Track for 2036.

The writer is an Asian Development Bank Institute Fellow and an Associate Member of The Club of Rome

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.

Exchange revival

This refers to the Editorial 'Pointless exercise', (June 30). Trying to restart the Calcutta Stock Exchange does not make sense today. In the past, people went to a local trading hall to buy and sell shares. Now everyone trades on computers through NSE and BSE from anywhere in India. CSE has seen no trading since 2013 and does not have the money or systems needed to run safely. Building them would cost a lot. Big investors go to large exchanges where it is easier to buy or sell quickly. Small exchanges often have fewer buyers, so prices can be rigged, as happened in 2001.

Instead of spending public money to revive an outdated system, the government should help local businesses and teach people about investing.

Babu Crishna
Bengaluru

Auto concerns

With reference to the news report 'Sops, Zero registration fee & road tax: Delhi EV policy 2.0 worries ICE vehicle makers'. The policy aims to reduce air pollution by encouraging the adoption of electric vehicles through these incentives.

It also proposes a phased transition away from new petrol-powered two-wheelers and conventional auto-rickshaws over the coming years. The initiative is a significant step towards making Delhi cleaner and more environmentally sustainable.

However, its success will depend on the availability of adequate charging infrastructure, affordable electric vehicles, reliable electricity supply, and widespread public awareness. ICE vehicle makers are bound to be jittery, hence it is more than critical that there is no ambiguity or change of stance later by the Delhi government.

Bal Govind
Noida

India-Japan ties

Apropos 'Mapping a Decade of India-Japan Convergence' (June 30). The growing partnership between India and Japan offers opportunities that extend well beyond trade. Cooperation in infrastructure, technology, resilient supply chains and regional security can deliver lasting benefits for both countries. Yet the success of this relationship will depend on timely execution rather than ambitious announcements alone.

Delays in project implementation often reduce the value of otherwise promising agreements. Strong coordination between governments, industry and local agencies will be essential to maintain momentum. A partnership built on trust and consistent delivery will remain valuable for decades to come.

Abbharna Barathi
Chennai

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Intraday borrowing by MFs

SEBI's proposal on wider use of funds will help MFs

P Saravanan
A Paul Williams

Recently, SEBI proposed allowing mutual funds to use intra-day borrowings for purposes other than investor redemptions and payouts, while also deferring the implementation of guidelines on such borrowings until July 15. Rather than treating it as a last resort during redemption stress, SEBI now wants to recognise it as a legitimate, everyday cash management tool for AMCs. The consultation paper proposes that borrowing be permitted not just for redemptions, but also for trade settlements, foreign exchange obligations, derivative-related payments, and other operational liquidity needs. Borrowing need not be limited to receivables from sovereign or clearing entities; it can be based on overall expected inflows.

Mutual funds are generally permitted to borrow up to 20 per cent of a scheme's net assets for a maximum period of six months to meet requirements such as redemption payments, income distribution, or the settlement of certain trades. However, this 20 per cent limit does not apply to intra-day borrowings, provided they comply with specific conditions prescribed by SEBI. Under existing rules, intra-day borrowings may be used only for the repurchase or redemption of units or for the payment of interest, and the amount must not exceed the guaranteed receivables due on the same day from the government of India, the RBI, and the Clearing Corporation of India. This narrow scope created a very real problem.

The regulator is now considering allowing intra-day borrowing for a wider set of uses, including trade settlement obligations, forex transactions, derivative margin requirements, and other liquidity needs. Funds could borrow even if they do not have incoming cash lined up, as long as they repay it before the day ends, with a cap of 20 per cent of the fund's size on any borrowing held longer. For fund managers, this means executing trades in the morning without waiting for afternoon settlements, managing forex obligations without sitting on excess cash, and meeting margin calls without being forced to liquidate positions at unfavourable prices. Put simply, this move will improve the flow of funds into the market and prevent funds from having to sell their

FUND HOUSES. SEBI proposals will ease liquidity

shares in a hurry. SEBI has also ensured this flexibility does not come at the investor's expense. The fund company must pay any interest or expenses incurred on the loan, and this burden cannot be passed on to investors. All borrowings must be repaid on the same day; otherwise, the borrowing is treated as a normal loan subject to stricter rules.

WAY FORWARD

Several unresolved questions need to be answered. Permitting borrowing based on overall expected inflows rather than guaranteed receivables is pragmatic. Still, it leaves undefined who validates those expectations, and what happens when a settlement is delayed or a counterparty fails to deliver. Expanding the scope to cover forex and derivative obligations also risks blurring the line between sound liquidity management and leveraged risk taking, particularly without clear disclosure obligations regarding how frequently and how much AMCs borrow. Any borrowing that spills over into overnight positions would be subject to existing caps of 20 per cent of net assets and a maximum tenure of six months, but repeated near-end-of-day rollovers, even within limits, could quietly mask deeper liquidity stress.

The window till July 15 needs to be used well. SEBI, industry associations, and AMCs must work together to establish strong intraday reporting norms. This proposal brings India's mutual fund regulations closer to global best practice, where intraday liquidity management is simply part of running a fund professionally. If implemented thoughtfully, it will make funds more resilient and shield investors from the damage of forced selling. If handled loosely, it could give AMCs a crutch that obscures real liquidity problems.

Saravanan is a professor of finance and accounting at IIM Tiruchirappalli, and Williams is the Head of India at Sernova Financial

thehindubusinessline.

TWENTY YEARS AGO TODAY.

July 1, 2006

Hinduja group sells Hutch stake for ₹2,000 cr

Hutchison Telecom International Ltd is set to increase its control in Indian cellular operator Hutchison-Essar. It has agreed to buy out 5.11 per cent stake in the company from the Hinduja Group for $450 million (around ₹2,000 crore). HTIL's effective equity stake in Hutch-Essar will be 67 per cent after this deal, which values Hutch-Essar at close to $9 billion.

Wockhardt acquires Farex, Protinex brands

Popular baby-food Farex and nutrition beverage Protinex have come into the fold of drugmaker Wockhardt Ltd, boosting its nutrition business revenues up to ₹120 crore. The two brands, with a 50-year brand-equity, at present generate annual sales of ₹60 crore, Wockhardt added.

Current account surplus of $1.8 b in Q4

Reversing a trend of current account deficits in the first three quarters of 2005-06, the country has achieved a current account surplus of $1.8 billion in the fourth quarter, thanks mainly to a 40.7-per cent pick up in software exports and 16.9 per cent rise in private transfers. In the fourth quarter of the previous year, there was a current account surplus of $527 million.

SURESH MATHUR

Health insurance needs new benchmarks

HEALTHY STEP. It is time India had product-level grievance disclosure. IRDAI norms, too, support this framework

BASHKARAN N

India is the 10th largest insurance market globally by nominal premium volumes, and has a market share of 1.8 per cent (per 2024 data). However, the country's insurance penetration is a mere 3.7 per cent, lower than the global average of 7.2 per cent.

As rightly identified by a government report in the Press Information Bureau, "rising healthcare costs, livelihood risks, and economic uncertainties underline the importance of accessible insurance coverage for citizens, families, and businesses". Achieving insurance for all requires not only a policy shift, but a coordinated national effort across product design, distribution, regulation, literacy, technology and governance. Most importantly, it requires building trust among masses, especially with regards to access and fair claim settlement.

For a vast country like India, expanding the reach of health insurance to its remotest parts is a desirable objective, given the government's commitment to ensuring universal healthcare. While the insurance regulator has been at the forefront of delivering diverse and affordable health insurance, the very nature of the country's healthcare system makes the sector vulnerable.

GRIEVANCE REDRESSAL

To enhance policyholders' trust and confidence, it is imperative that health insurance companies establish accessible and efficient grievance redressal mechanisms, including online complaint submission and clarifying redressal procedures. After all, complaints are a valuable data, and they essentially reveal the gaps between product design and usage. Thus, a deeper analysis of health insurance complaints will be a powerful input for product development and would help address three fundamental aspects, namely: what to build; how to improve existing products; and, most importantly, the positioning and pricing of the products. The nature of complaints also tells a lot about the coverage of a said insurance company. India's vastness and diversity, no doubt, are a challenge to any health insurer to be able to meet its customers' expectations.

The performance of any health insurance company depends on the grievance ratio (number of consumer grievances received by an insurer relative to its total number of policies) and the claim settlement ratio, a standard benchmark used to evaluate the efficacy of settlements. On the surface, grievance ratio is indicative of customer satisfaction and the insurer's claim processing efficiency.

> **The current framework may not fully capture the reality faced by retail** customers because grievance figures are often presented in a blended form

However, the health insurance sector, it must be stressed, is highly sensitive to grievances, given its highly elastic demand *vis-à-vis* its grievances. Even a small news report or a social media post critical of an insurance firm has a direct bearing on its performance and its perception among people at large.

The grievance ratio is increasingly used as a proxy for customer experience in health insurance. However, the current framework may not fully capture the reality faced by retail customers because grievance figures are often presented in a blended form across retail health, group health, personal accident and travel insurance.

These products have fundamentally different complaint profiles. Group health insurance typically generates fewer grievances due to employer-negotiated benefits, broader coverage, established escalation mechanisms and large-scale claims processing. Retail health insurance, on the other hand, is more likely to see disputes relating to claim repudiations, pre-existing disease exclusions, waiting periods, room-rent deductions, partial settlements and reimbursement delays.

For example, a group health policy may cover pre-existing diseases from day one and provide HR-supported grievance escalation, while a retail policy may involve waiting periods and direct engagement with the insurer. These structural differences naturally lead to fewer grievances in group health than in retail health.

OBSCURING REALITY

When low-friction products are combined with higher-friction retail health products, the overall grievance ratio can appear lower, potentially obscuring where consumer complaints are actually concentrated.

The key question is whether grievance disclosure should mirror the product-wise reporting already available in other areas of insurance regulation. Since business and claims data are already captured separately across product categories, greater transparency through product-level grievance disclosure could provide consumers with a more accurate assessment of insurer performance.

Many international regulators already publish complaints data by product line, allowing consumers to see the full picture and compare insurers based on the specific products they are purchasing. The fundamental idea is to prevent low grievance products from masking high friction retail health products.

It is time India had product-level grievance disclosure. IRDAI's guidelines, too, support this framework, as seen through Form NL-35 and Form NL-37. This also allows the consumer to see the full picture of the product he/she is availing.

The regulator could consider separate grievance disclosure for retail, group, personal accident, travel, etc.

In sum, India needs to redefine existing benchmarks to evaluate the sector and adopt the best practices which could improve transparency, accountability and informed decision-making in the health insurance sector.

The writer is a former Executive Director, IRDAI

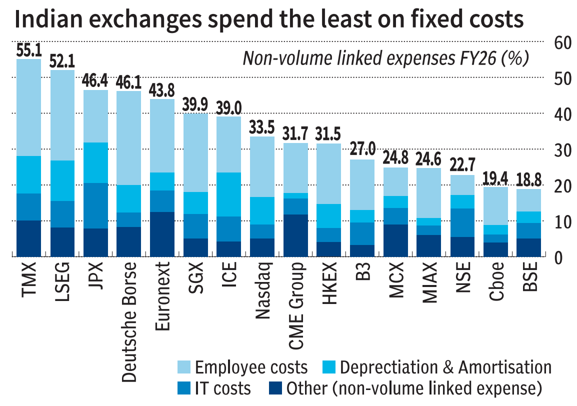
STATISTALK.

Compiled by **Hema Varshni S,** *intern* | Graphic **KS Gunasekar**

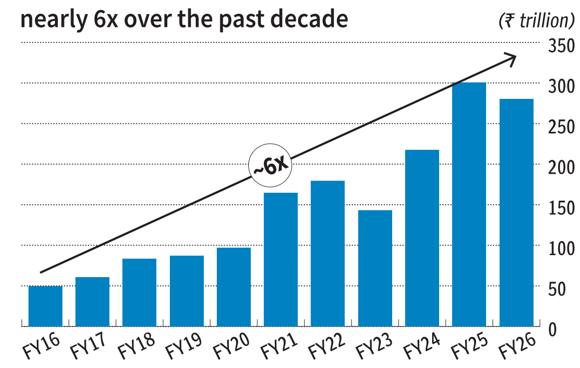
Performance of Indian exchanges

Driven by low fixed costs, Indian stock exchanges operate with high cost efficiency, enabling NSE to achieve the highest adjusted operating EBITDA margin among leading global exchange groups. This matches a decade of significant market expansion where the domestic cash market turnover has increased nearly sixfold. The system is both highly active and reliable: Indian exchanges lead the world in new IPO listings while experiencing fewer technical glitches than global peers. With a strong operational foundation, India's cash market remains well-positioned with clear room for future growth.

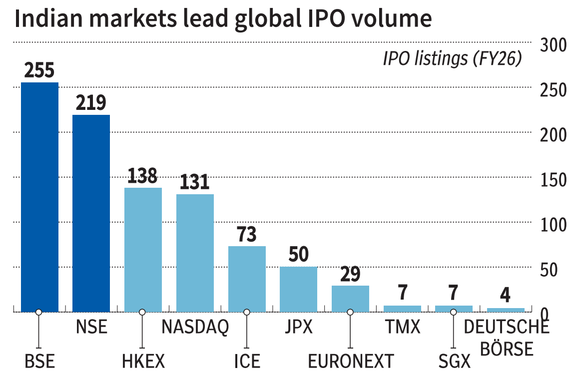
Indian exchanges spend the least on fixed costs



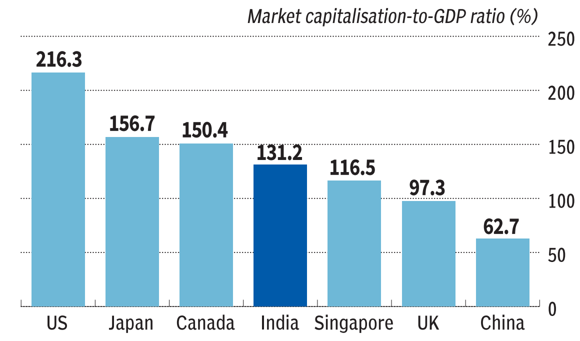
Indian cash market turnover has increased nearly 6x over the past decade



Indian markets lead global IPO volume



Indian capital markets well positioned



Source: NSE DRHP

On businessline.in

India-US interim deal: Why the final 1%

That 1% is about T.R.U.S.T — tariffs, reliability, strategic interests and tech collaboration, says **Ram Singh**

https://tinyurl.com/f7zvmh7p

The cost of falling ill in India

The continued dominance of use of private healthcare services and their high treatment costs are imposing a severe financial burden on households, especially among the poorest segment of society, points out **Vachaspati Shukla**

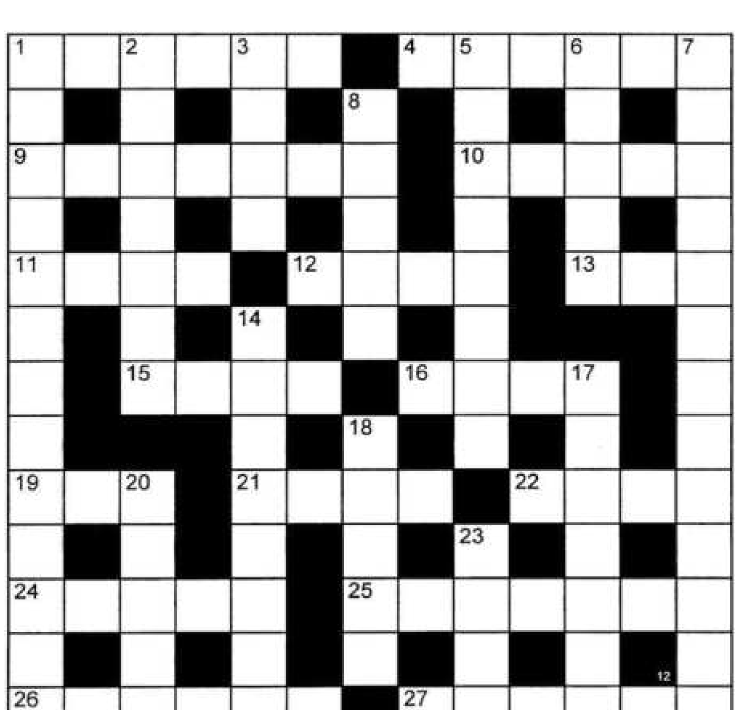
https://tinyurl.com/4wk6c9j7

India needs dynamic social registries

A well-designed social registry, can address the ever-changing state of poverty and simultaneously drive critical human development goals, avers **Bornali Bhandari**

https://tinyurl.com/2m5vkdk6

BL TWO-WAY CROSSWORD 2683



EASY

ACROSS

1. Fold pressed in trousers (6)
4. Occur casually (4,2)
9. Those bereft of true parents (7)
10. Elected (5)
11. Garden building (4)
12. Singer (4)
13. Chum (3)
15. Consommé (4)
16. Unprofitability (4)
19. Steal from (3)
21. Male animal (4)
22. Shift (4)
24. Hanging loop (5)
25. Sized, open-wove fabric (7)
26. One inflicting pain for pleasure (6)
27. Make self liked (6)

DOWN

1. Opposing flows (5-8)
2. Put into words (7)
3. The widest a hand can reach (4)
5. A going-over of work (8)
6. To lodge (3,2)
7. Craft not moved by 'screw' (6-7)
8. Try; literary work (5)
14. Glasses (8)
17. Cause of widespread affliction (7)
18. Sphere (5)
20. Vital fluid (5)
23. Work metrically, as verse (4)

NOT SO EASY

ACROSS

1. Popping, perhaps, a line down the front of one's bags (6)
4. Farmer satisfied with germination that will casually occur (4,2)
9. Harps on there being a sort-out of waifs (7)
10. Was at cross purposes as one went to the poll (5)
11. Slough off storage for one's garden tools (4)
12. Rating returning to craft: he sings (4)
13. Friend will pass back-runner in reverse (3)
15. First course, perhaps, in which one lands in trouble (4)
16. What one can't find is what one suffers unprofitably (4)
19. Steal item of regalia, centre-forward (3)
21. Centre-target edict from the Pope (4)
22. Make a proposal not to stay in the same place (4)
24. In the proboscis there's a ring whereby one might hang (5)
25. Coarse material for counterparts of doe and ewe (7)
26. One is at pains to make him happy (6)
27. Finish the listener will make more cherished (6)

DOWN

1. Angry dogs about to be torn by contra-flow movements (5-8)
2. Former reporter's profession will put it into words (7)
3. A team of oxen to bridge (4)
5. Swatting up on what one's learned to do with a dream (8)
6. Manage to brook how to lodge (3,2)
7. Lets drama with the deep be adapted to such craft (6-7)
8. Have a shot at such form of literary endeavour (5)
14. They go over and over such things as one drinks from (8)
17. Affliction urges changes to be made that involve the firm (7)
18. Model earth for a type of artichoke (5)
20. Good birth is what runs through one's veins (5)
23. Sound picture of the body will work for the poet (4)

SOLUTION: BL TWO-WAY CROSSWORD 2682

ACROSS 1. Ask for it 7. Those 8. Violent 9. Elevate 10. Cats 12. Torrent 14. Lighter 17. Open 18. Bullies 21. Torture 22. Lucky 23. Cellists

DOWN 1. Advice 2. Knotting 3. Obey 4. Intent 5. Coma 6. Defect 7. Theorem 11. Pettily 13. Earplugs 14. Libels 15. Rustle 16. Unless 19. Lock 20. Aril

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A robust platform

Mospi's latest initiative will strengthen governance

The Ministry of Statistics and Programme Implementation (Mospi) is planning to build a first-of-its-kind common data platform (CDP) and eventually a dedicated large-language model (LLM), powered by artificial intelligence (AI), for official statistics by integrating nearly 300 official datasets from across ministries and the National Accounts Division into a single trusted platform. The plan must be welcomed because it will improve access to India's core statistical data under one unified digital umbrella. This platform will replace fragmented portable document format (PDF) files and spreadsheets with AI-enabled, multilingual and searchable data, making it useful for policymakers, researchers and businesses. The initiative complements recent reforms such as Mospi's AI-readable eSankhyiki portal and its road map for harmonising administrative datasets. A harmonised data ecosystem can connect information that currently resides in departmental silos, enabling interoperability, improving data discovery, and supporting advanced analytics. More importantly, it can strengthen evidence-based and citizen-centric policymaking by allowing governments to monitor programmes in near real time, identify implementation gaps, reduce duplication, and generate more reliable insights from linked administrative datasets. Easily available data will also help businesses in terms of planning and executing various strategies and investments.

The proposed CDP architecture mirrors emerging international practice. Countries such as the United Kingdom, the Netherlands, Finland, Canada and Singapore are using a combination of LLMs to retrieve information from verified official databases over a dedicated statistical-language model. However, the success of the proposed LLM will depend on the quality of the underlying data as they retrieve and synthesise information from existing datasets. If datasets remain fragmented, inconsistent or poorly documented, AI will merely reproduce existing shortcomings at greater speed and scale. Administrative data continues to be maintained in incompatible formats, often without common metadata, standardised classifications or unique identifiers, limiting interoperability across departments. These technical gaps are compounded by shortages of skilled data-management professionals, inconsistent conceptual definitions, and a cautious institutional approach to data sharing across agencies because of governance and compliance concerns.

The government's implementation road map rightly recognises that data harmonisation must precede AI deployment. Priority should, therefore, be given to data cleansing, structural standardisation and consolidation into a centralised and trusted repository. Equally important is the establishment of data-strategy units (DSUs) in all departments to ensure coordination, accountability, and sustained oversight of data-governance processes. Alongside this, mandatory metadata standards, unified classifications, and common identifiers must be enforced through formal government directives to ensure uniformity in data collection and usage practices across the system. Investment in the capacity-building and training of data staff will be critical for enabling this transition. At the same time, secure data-sharing frameworks based on role-based access controls, audit trails, and privacy-by-design principles must be institutionalised to build trust and enable safe data exchange.

Ultimately, the CDP should be viewed not merely as a technological upgrade but as a structural shift in India's statistical governance. Mospi, to its credit, has updated various data series and made them more robust in recent months. If the latest initiative is supported by strong institutional mechanisms, sustained capacity building, and enforceable standards, it will have the potential to transform India's fragmented statistical architecture into a unified, intelligent, and AI-ready system.

AI's financial frontier

India must be prepared for potential macro risks

Artificial intelligence (AI) is no longer merely a technological story. It is becoming a macrofinancial one. The latest Annual Economic Report of the Bank for International Settlements (BIS) argues that AI has entered an investment phase comparable with earlier technology booms, with characteristics that deserve close policy attention. The concern is not that AI is overhyped. It is that the way the AI revolution is being financed could itself become a source of financial vulnerability. In this regard, the BIS identifies three trends. First, AI investment is becoming highly concentrated. Building frontier AI models requires enormous expenditure on semiconductors, data centres, cloud infrastructure, and electricity. Unsurprisingly, a handful of tech giants dominates almost every layer of the AI ecosystem. Such concentration raises familiar concerns about market power, with dependence on a small set of firms and infrastructure providers.

Second, the financing of AI investment is changing. According to the BIS, companies are relying less on retained earnings and increasingly on debt to fund capital expenditure. Credit can accelerate innovation, but it also amplifies risk. If projected revenues fail to materialise or valuations correct sharply, leveraged balance sheets could transmit stress to lenders and financial markets. The lesson from previous technology cycles is not that innovation inevitably ends in bubbles, but exuberant financing can leave lasting scars when expectations outrun commercial reality. Third, AI's economic gains are likely to be unevenly distributed. Early evidence points to productivity improvement, particularly in knowledge-intensive sectors. But the biggest beneficiaries are likely to be firms with proprietary data and access to computing infrastructure.

These warnings matter even for countries that are not yet at the centre of the AI investment boom. India today accounts for only a small share of global spending on AI infrastructure. The overwhelming bulk of the AI capital expenditure is being undertaken by a few technology companies based in the United States. India has made progress in building digital public infrastructure and expanding data-centre capacity, but investment in advanced chips, hyperscale computing, and foundation models remains modest by comparison. However, this does not insulate the economy from global financial risks. India depends on global capital flows for investment. A sharp correction in richly valued AI-linked stocks and tighter global credit conditions could quickly spill over into emerging markets through reduced capital flows, weaker investment sentiment, and tighter financial conditions. The experience of the dotcom bust and the global financial crisis shows that financial contagion rarely respects national technological boundaries.

For India, the policy challenge, therefore, is at two levels. The country must continue to expand digital infrastructure, encouraging AI adoption, and creating conditions for domestic innovation so that it is not left behind as AI reshapes global production. At the same time, policymakers must recognise that AI has become a macrofinancial phenomenon. They should be prepared to respond to a sharp correction in global stock markets and potential stress in credit markets, which could result in a sharp decline or reversal in capital flows, creating risks to financial stability and currency markets.

ILLUSTRATION: BINAY SINHA

A level playing field

Financial-sector entities should look beyond retired civil servants as their non-executive chairpersons

Why do Indian enterprises appoint retired civil servants to chair their boards? This question has acquired salience because the country's largest private-sector bank has yet again chosen a retired civil servant to head its board. HDFC Bank plans to appoint Rajiv Kumar as its part-time chairman, subject to approval by the Reserve Bank of India (RBI). For the uninitiated, Mr Kumar is a retired member of the Indian Administrative Service (IAS) and has donned many hats, including those of the finance secretary, financial services secretary and chief election commissioner (CEC).

Clearly, HDFC Bank's preference for civil servants has not waned a wee bit even though it had a difficult time with its former part-time chairman, Atanu Chakraborty, who too was a retired IAS officer and had worked in the finance ministry as its economic affairs secretary. Mr Chakraborty quit in March, citing differences of opinion with the way the bank was functioning.

RAISINA HILL
A K BHATTACHARYA

That prompted HDFC Bank to take two quick decisions. It appointed veteran banker Keki Mistry its part-time chairman for about three months. This tenure was extended and is now due to end in the third week of September. It also commissioned a legal review to examine Mr Chakraborty's statement that "certain happenings and practices within the Bank were not in congruence with his personal values and ethics". That review found that those allegations were "not substantiated".

The appointment of Mr Kumar for a three-year term was a third decision, taken in quick succession. To be sure, the choice of Mr Kumar was a little unusual. He occupied a constitutional post from May 2022 to February 2025 as CEC. Many questions of propriety were raised when Manohar Singh Gill, the eleventh CEC (from December 1996 to June 2001), decided to enter politics and became a member of the Rajya Sabha for two terms from 2004 to 2016, during which time he also became a minister in the Manmohan Singh government between 2009 and 2011. Will similar questions of propriety be raised when a former CEC takes up a board position in a listed bank?

But India's private-sector banks do have a special fascination for retired IAS officers. Two other banks, figuring among the top five private lenders, have retired IAS officers as their part-time non-executive chairmen. ICICI Bank has former Cabinet secretary Pradeep Kumar Sinha and Kotak Mahindra Bank C S Rajan, former chief secretary to the Government of Rajasthan. Axis Bank has a former deputy governor of the RBI, N S Vishwanathan, and Indusind Bank a former State Bank of India managing director, Arijit Basu, as their chairman.

Last month, another retired IAS officer and former insurance regulator, Debasish Panda, was appointed part-time non-executive chairman of yet another private-sector lender, Bandhan Bank. Mr Panda too served as secretary in the Department of Financial Services in the finance ministry and superannuated in 2022, before completing a three-year term as chairman of the Insurance Regulatory and Development Authority of India (Irdai) in 2025.

The practice of hiring retired IAS officers to chair the boards of corporate entities or banks is not new. Former finance secretary Ashok Jha joined Hyundai India as its president a few months after he helped the then finance minister, P Chidambaram, present the Budget for 2007-08, securing exemption from the cooling-off period required before a government servant can join the private sector. Retired or retiring IAS officers those days were not always sure of securing that exemption from the cooling-off period. In 1990, B G Deshmukh had to wait for months before he could join the Tata group after demitting office as principal secretary to the Prime Minister.

It must be noted that in almost all cases, retired civil servants perform non-executive roles. There may be nothing wrong in this practice. Nor should there be any suggestion that retired civil servants chosen for such roles are not competent. Indeed, they join the civil service through a rigorous selection process and gain invaluable experience while working in a wide range of fields, dealing with both the government system and the corporate sector. Apart from their domain expertise acquired while working for the government in different departments, retired civil servants build an important asset: Deep knowledge of how the government functions. This understanding of government functioning is useful for companies or banks operating in a system where such knowledge is immensely useful, if not indispensable.

For financial-sector entities in India, there is yet another factor that cannot be ignored, particularly in the past few years. For more than seven years since December 2018, the RBI has been headed by retired civil servants. Irdai, too, has been headed by retired IAS officers for the past eight years. Barring a gap of three years from 2022 to 2025, when a private-sector professional headed it, the Securities and Exchange Board of India (Sebi) too has been chaired by retired civil servants since 2005.

If Indian enterprises or banks prefer retired civil servants to occupy non-executive positions on their boards, it is because dealing with a regulatory system that is largely headed by retired IAS officers then becomes relatively easy. Senior professionals from financial-sector entities can of course perform the role of steering their boards as non-executive chairpersons. But these professionals may not have the kind of equation and professional understanding of the regulators who belong to the civil services. It is, therefore, not fair to put the blame on financial-sector players for preferring retired civil servants to head their boards.

In some ways, the preponderance of civil servants in the financial-sector regulatory system has contributed to the absence of a level playing field for professionals in the private financial sector. If that level playing field has to be restored, the government has to take the first step. It must re-examine the option of throwing open the regulatory jobs in the financial sector to candidates from the private sector. Over time, a body of private-sector professionals capable of leading these regulatory bodies should emerge. That might mean fewer options for retired civil servants. But it would curb the tendency of many financial-sector entities to look for retired civil servants as their non-executive chairpersons.

Disclosure: Entities controlled by the Kotak family have a significant holding in Business Standard Pvt Ltd

A club India should join

India means to be a developed country by 2047. The slogan, Viksit Bharat, is everywhere but the arithmetic is quite daunting. No large economy has travelled from being poor to prosperous in a couple of generations without accessing world markets and the supply chains that run through them. Japan, South Korea, China and the entrepôts of Southeast Asia all did so. India, by contrast, still finds the main entrance blocked.

The multilateral trading system is broken. The World Trade Organization's Doha round expired years ago without ceremony. Its dispute settlement machinery — long the protection of small countries against big ones — has been allowed to seize up. Rules are now being written in regional clubs that do not wait for Geneva. India can either mourn the old order or join the new one.

PRAVIN KRISHNA AND MONIL SHARMA

Perhaps the most attractive of the new clubs lies in the Pacific. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) binds 12 economies — among them Japan, Canada, Australia, Vietnam and, since December 2024, Great Britain. Together they generate nearly $13.5 trillion, about 13.5 per cent of world output, and house 500 million consumers. Tariffs on most of the goods traded within the bloc have been eliminated. Commerce among members has grown by more than 7 per cent a year since 2019, briskly outpacing their trade with everyone else.

It is the composition of trade, as much as its size, that should interest India. CPTPP exchange is well diversified — primary goods, processed products, components, capital equipment — and tightly enmeshed in the value chains that organise modern manufacturing. Membership buys not merely cheaper access to a dozen markets but also a place in the vast networks that connect them.

As it stands, India's presence is modest. The bloc buys around $62 billion of Indian goods a year, under 1.5 per cent of its imports. Even what India sells — pharmaceuticals, refined fuel, gems, textiles, metals — its share is thin. Across its 50 largest export lines into the group, the median share is only about 5 per cent. Measures of trade intensity confirm what the eye suspects, that India ships less to the CPTPP members than the size of those economies would lead one to expect. The shortfall reflects barriers, not incapacity.

Sceptics will recall why India withdrew from the Regional Comprehensive Economic Partnership in 2019: Fear of Chinese goods arriving through the front door and drowning out our own manufacturing sector, especially small and medium firms. The worry was not unfair but the CPTPP answers it twice over. China is not a member, and the agreement's rules of origin are specifically built to stop outsiders from free-riding through token processing. And the pact India would enter is a gentler thing than the American-designed original. When America walked out of the Trans-Pacific Partnership in 2017, the remaining members went on to form the CPTPP and suspended 22 of the most onerous clauses: On intellectual property, investor-state arbitration and public procurement — precisely those that would have pinched Indian generic drug makers and cramped policy. The clauses are dormant, not dead.

Therein lies a case for haste. The suspended provisions can be revived by consensus. Should Washington return — and American trade policy has recently been nothing if not changeable — the hard terms would snap back and India's price of entry would rise. The door stands open and the barrier to entry is low largely because the bloc's weightiest potential member is loitering outside it. That state of affairs may not last.

A domestic bonus comes attached. India's exporters are generally concentrated in the West and North. The East and South, for all their promise in electronics, food processing and textiles, have trailed behind. Several CPTPP members lie directly off India's eastern coast. Tying trade to that map could draw money and infrastructure towards the laggard regions and diversify India's export map spatially.

The familiar objection, that the club's labour, environmental and intellectual property standards lie well beyond India's reach, is overdone. India already has trade deals with Britain, Japan, Australia and Singapore, which comprise a third of the membership. Indeed, free-trade agreements have lately become the centrepiece of India's commercial strategy; joining the CPTPP is the natural next step. Accession to the CPTPP is not automatic and may not even be easy, but the alternative of assembling equivalent access one bilateral deal at a time will certainly be a lot harder.

India is right to pursue agreements with America and the European Union — and those talks will proceed at their own pace. The CPTPP is finished, road-tested and waiting, with many years of growth behind it and rules that India, for now, can stomach. In a world where the certainties of trade and geopolitics are dissolving, a ready-made bargain on tolerable terms is a rare prize. India should try and claim it before the moment passes entirely.

The authors are, respectively, with Johns Hopkins University, Washington DC, and NCAER, New Delhi

Jimmy Wales' gigantic trust exercise

BOOK REVIEW

AMRITESH MUKHERJEE

Pessimism is having its moment. Surveys like Ipsos' "What Worries the World" consistently report global pessimism levels at well above 50 per cent. With hyperpolarised social media, that baseline despair only gets multiplied — rewarding our worst instincts, sorting us into camps, feeding us confirmation, neighbour against neighbour, stranger against stranger, algorithm against algorithm. Trust, in such a world, feels naive, right? And yet, what if in this distrustful world, trustworthiness was the most important trait for anyone to have?

And who better to write about trust than the man who asked the entire internet to build an encyclopaedia together? "Cooperation has been essential for the survival of our species for as long as we have been a species," Jimmy Wales writes in *The Seven Rules of Trust: A Blueprint for Building Things That Last*. "If everyone happily ripped off others every chance they got, our species would have become extinct long ago. Only by cooperating could we survive. And only by extending trust to one another could we cooperate." Wikipedia's journey — from a joke to one of the most-visited sites on Earth — makes the case more eloquently than anything else. "Trust gets stuff done. Trust helps us survive and thrive."

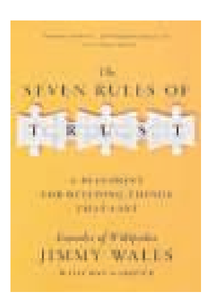
Trust, Mr Wales insists, is not a feeling. We may treat it like one, something that either exists or doesn't, that comes or goes without warning. But it's a tool: Learnable, buildable. The seven rules he proposes for individuals and organisations alike are what Wikipedia ran on through years of ridicule and sabotage and institutional scepticism.

Rule one: Make it personal. Trust, at any scale, begins with reliability, and consists of a triangle: Authenticity, empathy, and logic. When trust breaks, it's always one of these three points going wrong. All of this goes back to questions predating management theory, institutions and the internet by millennia: "Are you being straight with me? Do you care about me? Can you deliver? These are ancient questions. They can all be summarised in one short, overarching question: Can I rely on you?"

Rule two: Harness our collaborative nature. The same tribalistic instincts that stoke social media's outrage machine can, when directed well, move mountains. Rule three: Define a clear, shared purpose. Wikipedia's guiding principle has always been bare bones, counterintuitive even: It is an encyclopaedia. That's exactly why it works, too — no opinions allowed, a conventional writing style, factual accuracy prioritised above all else. That same clarity attracts the right contributors and orients their instincts to build a self-policing community.

Rule four: To get trust, give it. Just like reciprocation, trust is as old as humanity. Mr Wales discusses such Wikipedia editors who violated the platform's guidelines early on, but instead of being banned, were met with the "assume good faith" principle. Those same editors would go on to become long-term contributors. But it's more than mere tactics, and "trust is very often a lot more than a cold-blooded calculation. If you have ever had someone look you in the eyes and say, 'I trust you,' you know the emotional gravity of those words. They are heavy. Their opposite — 'I don't trust you' — can be even heavier."

Rule five: Enforce civility. It might sound quaint, but civility allows a diversity of opinions to coexist, which then helps find solutions to complex problems. Without civility, disagreements can become personal attacks, yet another name-calling, superiority-establishing exercise. He uses the example of r/ChangeMyView, a subreddit where people regularly do what today seems impossible — engage with opposing views, civilly, even walking away with changed minds.



The Seven Rules of Trust: A Blueprint for Building Things That Last
by Jimmy Wales
Published by Bloomsbury Publishing
352 pages ₹699

Rule six: Maintain strict independence. A neutral point of view, Mr Wales argues, is a strategic and moral necessity. As many surveys have shown, taking political sides alienates half your audience while rarely endearing you to the other half. Organisations dedicated to their core mission and present facts without partisan colouring almost always come out ahead on credibility.

Lastly, rule seven: Radical transparency. Hide nothing, acknowledge mistakes publicly, and invite scrutiny always. Mr Wales draws on examples across decades, from Richard Nixon's "Checkers" speech to Airbnb's public apology, to highlight that when leaders and organisations come clean, trust compounds.

The book's beating heart is Wikipedia. From its improbable rise to its implausible survival, to it being perhaps the most visited and trusted site on earth. The scale is, by now, almost incomprehensible. "Remember Encyclopaedia Britannica? When it was printed and bound it weighed a ton, took up several feet of bookshelf, and contained some 75,000 articles. English Wikipedia today [as of early 2025] is roughly 93 times bigger," Mr Wales writes. Someone from two decades ago will have a hard time believing it, and yet here it is, assembled entirely by strangers, held together entirely by trust.

Pessimism is easy, for it requires nothing of us — no risk, no uncomfortable openness to being wrong or being hurt. Trust asks for all that and more. Mr Wales' argument is that it's worth it. That the alternative — a world of closed systems, weaponised suspicion — produces the crisis of trust we're living through today. The way out is also the way through: Extend it first, and let's see what gets built?

The reviewer is a journalist, writer, and editor fascinated by the stories that shape our world. Instagram/X: aroomofwords

Opinion

WEDNESDAY, JULY 1, 2026

BIG DEAL

US Ambassador to India Sergio Gor

People ask, Why is this taking so long? We've been at this for a year and a half. To put it into perspective, the European trade deal took 20 years. So no matter what, as long as we beat the European deal, I think we're in good shape

Resilience beyond crisis

The govt's measures have helped limit damage from the energy shock; focus now must shift to structural reforms

THE ECONOMY ENTERED this year with expectations of growth exceeding 7%. Then came the energy shock triggered by the conflict in West Asia. A spike in crude oil prices threatened to derail the outlook, given India's heavy dependence on imported energy. With tensions now easing, those fears have receded considerably. More importantly, the economy has displayed remarkable resilience through the crisis. Manufacturing output has remained robust, passenger vehicle sales continue to surprise on the upside, and consumer durable companies are ramping up production in anticipation of a healthy festive season. Bank credit growth has stayed strong, pointing to sustained economic activity. Perhaps the biggest positive has been exports. Despite widespread fears that higher US tariffs would dent shipments, non-oil exports recorded double-digit growth in April and May, underscoring the competitiveness and adaptability of Indian industry. The evidence suggests that domestic demand, corporate balance sheets, and export competitiveness have together provided a sturdy cushion against external shocks.

The impact of the energy shock appears to have been confined to a few sectors rather than spreading across the economy. That is no small achievement for a country that imports more than three-fourths of its crude oil and about half its natural gas requirements. Sound crisis management certainly helped. The government ensured uninterrupted crude supplies despite disruptions around the Strait of Hormuz by diversifying sourcing and stepping up purchases from Russia and other suppliers. Domestic refiners, meanwhile, increased liquefied petroleum gas (LPG) production to offset lower imports. But the outcome also reflects years of investment in infrastructure, stronger logistics, diversified energy procurement, and a more resilient corporate sector. Together, these factors enabled the economy to absorb an external shock that, in earlier years, could have proved far more disruptive.

The government also absorbed a substantial part of the oil shock instead of passing it on immediately to consumers and businesses. Excise duties on petrol and diesel were cut, entailing a sizeable revenue sacrifice, while retail fuel prices were adjusted only after a considerable lag. LPG prices too were kept well below import-linked costs, cushioning household budgets. Targeted support was extended to the sectors most affected, including aviation and micro, small, and medium enterprises, echoing the calibrated policy response adopted during the pandemic. Several initiatives accelerated during the crisis — including greater use of piped natural gas, expansion of strategic crude reserves, ethanol blending, and coal gasification — will strengthen India's long-term energy security and reduce its vulnerability to future external shocks. The episode has also underlined the value of building policy buffers before crises erupt rather than scrambling to create them afterwards.

The immediate crisis may have passed, but the respite is unlikely to be permanent. Geopolitical risks remain elevated, and India cannot assume that energy markets will remain benign. Recent measures to attract foreign portfolio inflows and mobilise foreign currency non-resident (bank) deposits have eased concerns over the balance of payments and helped stabilise the rupee. But portfolio and debt inflows cannot substitute for durable foreign direct investment. As a large emerging economy aspiring for developed-country status by 2047, India must attract more long-term equity capital by reinforcing investor confidence in its growth story, policy stability, and institutional strength. That calls for pressing ahead with structural reforms. The economy has demonstrated that it can withstand a major external shock. The task now is to convert that resilience into sustained growth of close to 8%, while steadily reducing dependence on imported energy and insulating the economy from future geopolitical disruptions.

Passports, citizenship and the high cost of confusion

MODERN GOVERNMENTS SPEND billions building national reputations. They negotiate trade agreements, attract foreign investment, court global talent, launch digital infrastructure, host international summits, and carefully project an image of competence. Entire ministries exist to improve a country's standing in the world.

Which is why it is always remarkable when a single public statement manages to create more confusion than an entire year's worth of branding can resolve. The recent debate surrounding passports and citizenship is a lesson in how trust works in the age of instant communication.

Legally speaking, governments are correct when they point out that citizenship and passports are governed by different rules. Law is full of distinctions, exceptions, qualifications, and caveats. But most people encounter government not through constitutional theory but practical experience. They pay taxes, renew licences, stand in queues, fill forms, and visit immigration counters.

In that world, a passport occupies a special place. It is more than a document — it is a symbol. When an Indian travels abroad, the passport is the visible representation of identity, nationality, and belonging. It is the document recognised by foreign governments and trusted by airlines, while allowing movement across borders without philosophical discussions. Attempts to introduce technical distinctions into public discourse will be problematic. A statement may be legally precise but create confusion. The challenge is not legal accuracy, but public interpretation. Governments underestimate how dramatically these two can differ.

Inside ministries, policy discussions happen among experts who share the same vocabulary and assumptions. Outside, statements enter a completely different ecosystem populated by TV debates, social media platforms, YouTube commentators, WhatsApp groups, and citizens who have neither the time nor inclination to read explanatory notes. There, clarity beats technical sophistication every single time.

M MUNEER

Fortune-500 advisor, start-up investor, and co-founder of Medici Institute for Innovation

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Reputation is a country's most valuable asset. Such credibility cannot be measured on a balance sheet, but it creates enormous value. The difficulty is that reputations are usually damaged in increments, not dramatic collapses. The digital era amplifies this risk. Information now moves at extraordinary speed. By the time a clarification is drafted, approved, and released, millions of people may already have formed conclusions.

This creates what might be called the governance communication trap. A statement generates confusion. Officials issue a clarification, which creates new questions. Another clarification follows. Before long, public discussion shifts away from policy and focuses entirely on explaining previous explanations. Governments become trapped managing interpretations rather than governing.

The solution is neither complicated nor revolutionary.

First, policymakers should test major announcements against common understanding. If a reasonable citizen is likely to misunderstand a statement, the communication requires revision regardless of its legal precision. Second, legal and communication teams must work together. Accuracy and clarity need to align for effective governance. Third, ministries must respond quickly when confusion emerges. Today, delays create opportunities for false narratives. Fourth, officials should remember that institutional trust accumulates slowly but declines quickly. Citizens can tolerate occasional mistakes. Persistent ambiguity is far more damaging.

Finally, governments should adopt a simple communication principle — explain policies the way citizens experience them, not the way lawyers draft them.

India's global reputation has been earned through decades of economic progress, tech innovation, and diplomatic engagement. Protecting it requires more than good policy. It requires language that ordinary people can understand.

TECH COMPETITION

INDIA SHOULD DEEPEN ITS CAPABILITIES IN AREAS WHERE IT ENJOYS A COMPARATIVE ADVANTAGE

The economics of AI

SAUMITRA BHADURI

Professor, Madras School of Economics, Chennai

AI IS NO longer an emerging technology; it is becoming the defining economic force of the 21st century, shaping economic competitiveness, scientific discovery, military capability, and national power. Understanding its economics is therefore essential for policymaking.

As Lionel Robbins famously observed, economics is the science of allocating scarce resources among competing ends. The economics of AI is no different. Every country must decide where to deploy limited capital, talent, and institutional capacity to maximise returns while managing risk. For India, this requires identifying where value is created within the AI economy and, more importantly, where it possesses a genuine comparative advantage.

A useful way to think about AI is as a four-layer system. At the top sits the application layer, where economic value is ultimately realised through AI copilots, healthcare diagnostics, financial analytics, autonomous systems, and manufacturing optimisation. Beneath it lies the model layer — the AI "brains" comprising foundation models, LLMs, and multimodal systems developed by firms like OpenAI, Meta, and Google DeepMind. The third layer is talent: the engineers, researchers, and academics who build, deploy, and continuously improve AI systems. At the foundation sits the infrastructure layer, encompassing electricity, data centres, cloud computing, networking, cooling technologies, and storage, as well as the advanced semiconductors that power AI computation. A successful AI strategy must therefore determine how scarce resources should be allocated across the four layers to maximise economic returns while advancing broader social welfare.

Insights from the Stanford AI Index and the Global AI Vibrancy (GAIV) framework offer a useful starting point. The GAIV framework evaluates countries across indicators spanning research, infrastructure, education, policy, governance, and public engagement. In the latest rankings, India placed fourth globally, behind only the US, China, and the UK, and ahead of several advanced economies. This is encouraging, but rankings alone do not reveal the optimal economic model for India. They do, however, help identify where India's comparative advantages lie.

Consider infrastructure first. AI is extraordinarily energy-intensive. Data centres and compute clusters require reliable and abundant electricity. India is making meaningful progress, with an ambitious target to achieve 500 Gw of non-fossil-fuel power capacity by 2030. While challenges surrounding grid reliability and distribution persist, India's ability to scale both conventional and renewable energy could become a major competitive advantage.

India is also well-positioned geopolitically to emerge as a relatively safe destination for data centres and AI factories. However, the picture is less favourable in semiconductors. The first phase of the AI hardware race has been dominated by the US, Taiwan, and China. Firms such as Nvidia, AMD, and TSMC have established formidable technological leads. India's semiconductor ambitions remain important for long-term resilience, but catching up in frontier chip manufacturing will require immense capital, technological capability, and time.

As enterprises integrate AI into operations, India's GCC ecosystem could become one of its most vital strategic assets

India's strongest advantage lies in the talent layer. It possesses one of the largest reservoirs of engineering and digital talent and is increasingly becoming a significant contributor to AI research. Its education system produces millions of STEM graduates, while its software services industry can be redirected towards AI-driven services at relatively low marginal cost.

The evidence extends beyond workforce scale. India ranks third in several AI innovation metrics, behind only the US and China. It leads in AI conference citations and is among the largest contributors to journal publications. These indicators suggest India is no longer merely adopting technologies developed elsewhere; it is participating in the creation, refinement, and dissemination of AI knowledge.

As AI adoption accelerates, the bottleneck may increasingly shift from invention alone to implementation, integration, and adaptation across industries. In that world, talent becomes the critical resource, and India enters the race with a notable advantage.

The greatest challenge lies in the model layer. Frontier AI development is becoming increasingly concentrated among a handful of firms with access to extraordinary amounts of capital, compute, and talent. According to the latest AI Index, the US produced 59 notable AI models in 2025, while China produced 35. OpenAI alone released 20 notable models, Google 14, and Alibaba 11, underscoring how concentrated frontier AI has become.

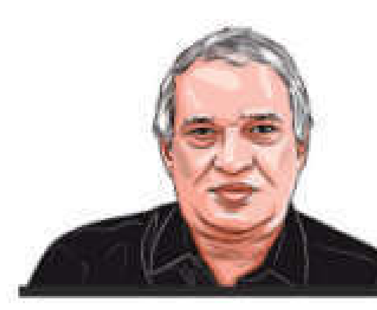
The economics of frontier AI are daunting. Training cutting-edge models requires investments in billions of dollars. Training costs have risen from a few million dollars just a few years ago to well above $100 million per model, while future generations may require several billion dollars. The supporting infrastructure investments are even larger. This financial gap is stark. In 2025, private AI investment in the US reached $285.9 billion, compared with $12.4 billion in China. India's IndiaAI Mission has committed roughly $1.2 billion to develop domestic AI capabilities. Given the realities, it is difficult to imagine India matching the financial firepower or risk appetite of the leading AI powers. Moreover, the jury is still out on whether an open-source model fine-tuned with local data and deployed at the edge delivers greater value than a proprietary model. This does not mean India should abandon frontier model development. Strategic investments in sovereign AI capabilities remain essential for technological resilience, national security, and reducing dependence on external providers. But India does not need to win every layer of the AI stack. Its greatest opportunity may lie in a segment of the value chain that receives far less attention: implementation.

Further, as AI adoption accelerates globally, organisations increasingly require engineers, cloud specialists, data scientists, and deployment experts who can integrate AI into business processes. Organisational AI adoption globally has reached 88% already, while generative AI achieved population-level adoption faster than either the personal computer or the internet.

India's global capability centres (GCCs) exemplify this opportunity. Once viewed as cost-saving back offices, GCCs are rapidly evolving into centres for product development, advanced analytics, cloud engineering, cybersecurity, and AI deployment. India today hosts over 1,800 GCCs employing nearly two million professionals. As enterprises integrate AI into their operations, this ecosystem could become one of India's most vital strategic assets.

The appropriate economic model for India is thus not to blindly replicate the frontier AI strategies of the US or China. Instead, it should deepen its capabilities in areas where it enjoys a comparative advantage: talent, infrastructure, and AI implementation. India is uniquely positioned to become a leading producer of AI talent, a major contributor to AI research, and a critical hub for AI deployment. In the economics of AI, success will not come from competing everywhere, but from competing where India can win.

Challenges of normalising Indo-China ties



N CHANDRA MOHAN

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

A business-as-usual reset in bilateral relations is unlikely so long as the economic differentials of the two nations do not narrow over time

A HIMALAYAN THAW has definitely set in for Indo-China relations that had been in deep freeze due to a border standoff in April 2020. With a semblance of border peace, there is a striking improvement in bilateral ties. After a six-year hiatus, border trade is set to resume between India and Tibet through the Lipulekh Pass. So, too, is the Kailash Mansarovar pilgrimage. Less than a year after the resumption of direct flights, the scheduled seat capacity has risen 30-fold. India is also set to approve one of the largest auto-related investments of $370 million from a Chinese-linked company. Whether this blossoming relationship signifies a return to business as usual is perhaps premature to infer as dealing with China is as challenging as doing so with the US.

The challenges are essentially similar as both China and the US — the world's most powerful economies that are vying for global dominance — use coercive geoeconomic measures to impose their will on relatively weaker economies. The dragon has absolute dominance in global manufacturing with a share of 30% that is likely to rise to 45% by 2030. Its trillion-dollar trade surpluses include advanced manufactured goods like electric vehicles (EVs), solar panels, and batteries but also low-cost goods from shoes to plastics that are subjecting manufacturing to severe pressure in both developed and developing countries. China also has global dominance in processing rare earths and is not averse to blocking shipments to its trading adversaries.

Given the differential in its economic power, China sees India only as a weaker neighbour. This constrains potentialities for cooperation, including transferring technology, although it has vast amounts of capital that can help realise India's ambitions to become more prosperous. *BusinessLine*'s Ananth Krishnan has written on restrictions imposed on some types of EV batteries last year after Gotion High-Tech came under fire for announcing a deal in India with Amara Raja Energy & Mobility that involved technology transfer. Chinese automaker Chery also issued a statement on June 8 to deny that it would transfer any EV technology to Tata Motors following uproar in social media in the mainland over this deal.

Given the economic power differential, China sees India only as a weaker neighbour, constraining potential for cooperation

This technology denial will only reinforce the dependence of these Indian companies on supplies from China and worsen the bilateral trade imbalance that accounts for 34% of India's global trade deficit. Without collaboration for lithium-ion cell technology, Amara Raja will have to import equipment, battery cells, and other material from the mainland. Similarly, if Chery has no plans for technology transfer and the use of its platforms, Tata Motors and other EV manufacturers will import kits and vehicle-related components. The Chinese automaker's clarification came after Tata Motors stated that it would use Chery's platform to manufacture premium EVs in the country. Supply-related deals in the EV space will thus be in the ascendant.

All of this has a bearing on the uptick in India's engagement with the dragon. There is no doubt that the coming together of two great neighbours represents an international public good; that it is a strategic necessity to work together. Further progress is indeed possible if both nations restart the 50-odd government-to-government dialogue mechanisms that remain stalled. As the screening mechanism for investment proposals from land bordering nations like China has been amended, it perhaps makes sense to allow investments from EV manufacturers like BYD that failed to secure approval even though it had plans to invest $1 billion and was ready to have a local partner. Not doing so only ensures that EV technology transfer will remain blocked.

A major positive in this regard is the impending approval of investment from Horse Powertrain, a hybrid-engine venture backed by China's Zhejiang Geely Holding Group. The last major auto investment was nine years ago when state-owned SAIC Motor acquired General Motors' plant to launch the MG Motor brand. Opening up to more investments from China — that cumulatively reached as much as $17.28 billion (seven times higher than India's official estimates) from 2007 to 2025, according to American Enterprise Institute's China Global Investment Tracker — ensures its greater engagement in the country. China has dominance over global supply chains. If India can plug into them with its advantages of an abundant supply of labour at highly competitive rates, it can export more and grow faster over the medium term.

However, these possibilities of cooperation will materialise only if the two Asian powers perceive themselves as equals, which they are not. Despite signs of a thaw in relations, the asymmetries can be addressed over the long haul by narrowing the economic power differential. Both nations can then fulfil the promise of an Asian century as they cooperate and compete with one another. Although India is the world's fifth-largest economy, China is six times larger as the second-largest economy. This is reflected in relative military strength, with India in a disadvantageous position to resolve the border issue through force. The upshot is that India must steadily build up its economy through rapid growth. This will enable it to cope with the similar challenges of dealing with China and the US and their use of coercive geoeconomic measures.

LETTERS TO THE EDITOR

Maritime ambition

Apropos of "For a maritime stake" (*FE*, June 30), India's naval strides, from INS Vikrant to nuclear submarines, show we can build, yet commerce lags strategy. Our container traffic is 20 million twenty-foot equivalent units against China's 350 million; we own only 1.2% of global ship tonnage. The ₹25,000-crore Maritime Development Fund is a start, but 10 world-class shipyards demand skill, capital, and tech partners. Asian investors can bridge the gap if terms are clear and ports efficient. Freight shocks during the Hormuz crisis showed dependence on foreign hulls bleeds forex and raises costs. Sagarmala and Gati Shakti must cut turnaround time and link yards to highways. A strong maritime industry needs predictable policy, worker skilling, and private ship ownership incentives.

—K Chidanand Kumar, Bangalore

Shipbuilding push

India must move beyond being a defence buyer and emerge as a major shipbuilding nation. As naval and commercial fleets expand, developing indigenous shipyards has become a strategic necessity. The Maritime Development Fund announced in the Budget is a welcome first step. The enhanced provision of up to ₹70,000 crore for domestic shipbuilding is particularly encouraging. Building 10 world-class shipyards, creating ship-repair clusters, boosting domestic investment, and strengthening skills and technology should remain key priorities. Attracting Asian investors through competitive policy incentives will be crucial to making India a global maritime hub.

—PV Prakash, Mumbai

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Let's Gilt Trip Those Foreign Investors

Bondholders, check out our treasury bonds

Indian government bonds are becoming a highly attractive buy for foreign investors, Goldman Sachs has told clients. This comes on the heels of coordinated measures by GoI and RBI — including favourable tax changes and easier market access — that have already triggered a surge in overseas buying of long-dated gilts. While these policy moves were initially made to counter capital fleeing Indian stocks after the Hormuz shutdown, Goldman Sachs analysts emphasise that the conflict will neither derail India's fiscal consolidation path nor force RBI into premature interest rate hikes. Both factors encourage foreign investment in Indian treasury bonds.

India's bond market is becoming stronger structurally with consistent buying by domestic institutional investors. Foreign ownership of Indian gilts is low, which makes the market less vulnerable to global bond sell-offs. Yields on Indian gilts are relatively higher than those in other emerging markets. Withholding and capital gains taxes have been scrapped for foreign investors, improving returns. India's gilt market is now reaching a size that foreign investors cannot ignore. Yet, their exposure is minuscule in comparison to mature bond markets. This opens an avenue for diversification for global institutions.

Recent economic performance has helped. The economy has weathered successive crises without losing momentum. It had the quickest recovery from Covid disruptions and has successfully negotiated back-to-back energy shocks despite its import dependence. Domestic consumption provides a cushion in an unstable global economic landscape. Financialisation of household savings has made its capital markets, both equity and debt, more resilient to international financial flows. A manufacturing push and an energy transition should keep the trade balance within manageable limits. And the debt GoI is raising is going into capex that sustains India's class-leading growth. It's time for global bondholders to pay serious attention to the Indian debt market.

No Single Road To Clean Mobility

The energy crisis triggered by the US war on Iran has underscored the urgency of reducing oil and gas use in mobility. Fuel choice and transport tech will be critical if India is to reduce import dependence, decarbonise vehicles and strengthen domestic manufacturing.

On paper, ethanol blends — from E20 to E100 — appear to offer the ideal hedge by preserving viability of ICE fleet, minimising disruption for automakers, while enabling gradual fleet electrification. But this won't be easy. ICE vehicles can operate on lower ethanol blends like E20 or E30 without much engine modifications or major changes in consumer behaviour. Higher blends, like E85 or E100, require both. They also raise concerns over reliable ethanol supply, food security and disruptions to feedstock availability. Electrification, meanwhile, poses its own challenges, including securing critical minerals, reuse and disposal of batteries, grid readiness, and charging infra. It could also create new import dependencies, while cheaper Chinese EV imports raise concerns about competitiveness of India's auto industry.

By 2050, India's passenger vehicle fleet could approach 500 mn. Decarbonising mobility, reducing import dependence and ensuring the sector's competitiveness will require a fuel- and tech-agnostic strategy. This means keeping options such as hydrogen fuel cells and dimethyl ether open, and promoting innovations across emerging fuels and technologies. GoI should build on NITI Aayog's decarbonisation scenarios, develop a roadmap with milestones, and use corporate average fuel efficiency (CAFE) standards and zero-emission vehicle (ZEV) mandates to progressively reduce emissions and oil dependence, while providing right signals to industry, investors and innovators.

JUST IN JEST

Knowing that you're safe makes being afraid such a thrill

Why is Horror So Wonderful in Films?

Why do horror movies attract so many people? Could it be that they serve as spa treatments in our over-anxious age? With terrible crime, shocking bigotry and 'normalised' terror lurking from every corner, millions still pay good money to be terrified by soundtracked on-screen evil. Why? Because fear, when packaged in Dolby surround and served with right snacks, provides dread in the lap of safety. You scream, but you know the seatbelt is holding. Horror offers what reality cannot — risk-averse believability. Monsters, we know, may inhabit our world, but they inhabit it from behind the screen without posing the inconvenience of actual zombies. And few things bond strangers faster than getting jumpscared together. It's cheaper than therapy and certainly cooler than yoga. Yet, for many, horror is less catharsis than vandalism of the psyche. Shrinks now speak of 'cinematic neurosis', the lingering dread that refuses to fade with the credits. This afflicts not just children who worry about monsters under the bed, but also adults who can be overwrought with the thought that their home is possessed.

So, some leave horror refreshed, as if fear were exfoliating. Others emerge with psychic rashes. Perhaps that's the genre's true genius: it reminds us that beauty and terror are twins, much like shrieks of joy can be indistinguishable from those of terror.

India Inc can protect its workforce by embedding parametric insurance into labour supply chains

Catch 'Em Before They Fall

KumKum Dasgupta

Kilning it softly

Many Indian cities are now gripped by a punishing combination of extreme heat and humidity. This has left many who can't afford air conditioners or well-insulated homes with little escape from increasingly unbearable nights.

Yet, as an erratic monsoon finally advances across the subcontinent, these households could face a swift mutation of the same crisis. Within days, the threat could shift from unendurable night-time heat to unprecedented, torrential downpours.

This compounding volatility directly threatens the backbone of urban India — millions of informal workers who 'run' construction sites, factories, logistical supply chains and households. For daily wage-earners, extreme weather turns ordinary workdays into a financial gamble. This is not just an outdoor crisis.

Millions of women work indoors, performing intense manual labour, garment-stitching, home-based assembly or domestic work. Sitting for hours inside tin-roofed shanties that have been transformed into stagnant furnaces can be profoundly trying — sapping physical strength, triggering severe heat exhaustion and drastically reducing their output.

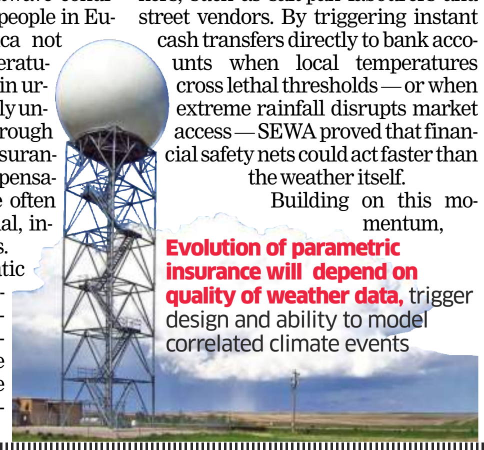
While we rue the heatwave conditions currently faced by people in Europe and North America not used to such high temperatures, historically, workers in urban India have been largely unprotected. Whether through traditional indemnity insurance or government compensation schemes, assistance often depends on proving actual, individualised physical loss.

This is a bureaucratic nightmare for informal labourers with limited documentation. Worse, despite increasingly severe summers and disruptive monsoons, heatwaves remain excluded from India's list of centrally notified disasters under Disaster Management Act, limiting states' access to national disaster relief funds.

Even as the 16th Finance Commission has urged reforms, demonstrating that extreme heat was the direct legal cause of a livelihood or health crisis remains an uphill battle. This widening protection gap is where multi-peril parametric — or index-based — insurance steps in.

Unlike traditional policies that pay out based on a long, post-disaster assessment of damage sustained, parametric insurance is linked entirely to verifiable data. If a predefined weather trigger — such as temperature thresholds, consecutive days of extreme heat or unprecedented rainfall volumes — is breached according to public meteorological data, cash payouts are automatically dispatched to policyholders.

A prominent pioneer in this space is Self Employed Women's Association (SEWA), which partnered with global reinsurers to roll out historic micro-insurance products protecting thousands of self-employed women workers, such as salt-pan labourers and street vendors. By triggering instant cash transfers directly to bank accounts when local temperatures cross lethal thresholds — or when extreme rainfall disrupts market access — SEWA proved that financial safety nets could act faster than the weather itself.



Evolution of parametric insurance will depend on quality of weather data, trigger design and ability to model correlated climate events

Building on this momentum, non-profit Jan Sahas, actuary Go Digit, and insurer KM Dastur launched heat insurance programmes in Delhi-NCR and Lucknow in 2025, covering 6,000 construction workers. When localised temperatures crossed specific thresholds, an automatic ₹1,000 payout was triggered, capped at ₹3,000 per season.

This year, the CSR arm of Godrej Properties joined the initiative, expanding coverage to two climate risks: extreme heat and excess rainfall. The programme now covers more than 5,000 informal workers in Mumbai, Pune and Delhi-NCR, many of whom have received payouts of ₹1,000-3,000 after weather thresholds were breached.

If a predefined weather trigger is breached according to public meteorological data, cash payouts are automatically dispatched to policyholders

These parallel market iterations provide immediate liquidity right when workers need to buy rehydration salts, cover emergency medical bills or simply rest.

For businesses that rely on distributed logistics, real estate development, manufacturing and field operations, investing in parametric insurance for their workforce is no longer an act of corporate charity but a core strategy for operational resilience.

▶ **Business continuity** By removing the financial panic of a heatwave or a sudden monsoon washout, workers are not forced to push through dangerous conditions until they collapse or abandon the site, protecting companies from project delays and labour shortages.

▶ **Mitigation of financial risk** Instead of companies bearing unpredictable, out-of-pocket costs for worker medical emergencies or ex-gratia compensation during extreme weather events, the financial liability is transferred to global reinsurance markets.

▶ **Demonstration effect** Immediate, automated mobile payouts during a climate stress event build immense trust. This visible reliability creates a retention incentive, reducing expensive workforce turnover in highly competitive sectors like construction and quick commerce logistics.

▶ **Transparency** Because payouts rely on hard scientific data rather than claims adjusters, there is zero information asymmetry. Businesses can rest assured that funds are disbursed instantly and transparently, completely bypassing administrative gridlock.

To scale this innovation, GoI must be an active enabler. This begins with building a robust, dynamic national social registry of informal workers — a digital infrastructure that allows insurers to accurately map exposure, verify identities and distribute risk efficiently.

Evolution of parametric insurance will also depend on quality of weather data, and trigger design and ability to model correlated climate events across dense urban geographies.

Yet, parametric insurance is not a silver bullet. To build genuine, long-term climate resilience, insurance must be bundled into a holistic social security framework. This requires a multi-pronged state approach: investing in affordable urban housing built with climate-resilient thermal materials, guaranteeing nationwide portability of labour rights so that migrants don't slip through the safety net during seasonal shifts, and integrating climate action plans into municipal budgets. Only when immediate financial safety nets are married to structural urban reform will India truly insulate its workforce from the oncoming elements.

But enterprise leaders can't afford to wait for public policy to catch up with the thermometer and rain gauge. By embedding parametric insurance into labour supply chains today, corporate India can safeguard its most valuable asset, transforming climate vulnerability into measurable economic resilience.

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No Sudden Shelter from Storms

Karan Bhasin

Albany, US: When the Hormuz Strait closed to commercial traffic on February 28, India's exposure was severe. Judged by headline import dependence alone, one would have expected dry pumps, queues for cylinders and a sharp political reckoning. More than 100 days on, none of that happened.

The conventional answer credits GoI's decisive action once the crisis hit. That account places too much weight on decisions taken *after* the crisis began. Choices that mattered had been made years earlier, when the case for them was administrative, rather than dramatic.

What protected India's crude supply was the breadth of its supplier base, which had widened from 27 countries to 41 over two decades. So, when Hormuz shut, refineries could draw on the Atlantic basin, West Africa and the Americas because contracts and logistics were already in place. The shift was substantial. Within weeks, Gulf sourcing was replaced elsewhere, with the share of cooking gas imports from the US rising severalfold, and new suppliers from Norway to Nigeria to Kazakhstan entering the mix. Diversification of this kind takes years to build, and shows its value only when a route closes.

The physical network mattered as much as contracts. India operates 23 refineries, more than 50,000 km of hydrocarbon pipeline, and over 1 lakh retail outlets. This density lowered cost of adjusting to a closed route. Refineries had enough flexibility to shift their product slate toward cooking gas, lifting output by close to half from plants not built for the purpose, and cargoes could be redirected to other ports without new investment in the middle of the crisis. Because spare capacity and alternative routings already existed, a blocked choke point did not translate into domestic shortage.

Years of steps

India's strategic stocks were not large: crude cover stood at under 74 days. The most striking result is one of timing. Supply held without interruption for more than 4 mths, well beyond the point at which stocks alone would have been exhausted. The difference was covered by sourcing flexibility rather than by size of the reserve.

Diversified supply can substitute for stockpiles over a short horizon. But a longer closure would still have required them. Reopening of the strait in late June ended the disruption before that substitution faced a longer test.

India's experience also differed from that of comparable importers. Most large importers that got through the disruption did so by drawing down strategic reserves built up over decades, or by increasing prices. India continuity rested on how quickly it could redirect flows across a diversified supplier base.

That is a more replicable form of resilience than a national stockpile, and a cheaper one to build, though it depends on commercial relationships that take years to establish and cannot be improvised once a choke point has closed. That flexibility need not be enough in a more volatile world, which is the case for deeper strategic reserves.

The broader conclusion is a modest one. Resilience of this kind is built quietly, in ordinary years, and is best understood as insurance whose premium is paid long before any claim. The structural agenda follows from it: long-term supply contracts formalised across regions rather than left to the spot market, and faster substitution toward piped gas that moves households off imported cooking fuel.

The Hormuz episode shows that India's investments in diversification and physical capacity have paid off. But it also reveals a remaining weakness: a diversified supply network can bridge a temporary disruption, while a prolonged closure still requires deeper strategic reserves. The objective should, therefore, not merely be to manage the next shock successfully but to make such resilience a routine feature of India's energy system.

The writer is a PhD candidate, State University of New York, Albany

Welcome Aboard, AcquiFinance

Puneet Shah & Abhishek Singh

RBI's new acquisition finance framework, which kicks in from today, marks a significant shift in India's corporate lending landscape. RBI (Commercial Banks-Credit Facilities) Amendment Directions 2026 (Revised) represents a structural change in India's credit architecture by bringing acquisition finance — long confined to specialised and alternative capital providers — into the regulated banking system.

Unlike mature markets, where leveraged lending is a core component of M&A activity, Indian acquirers have had limited access to domestic bank financing for acquisitions. Consequently, many transactions have relied on promoter capital, offshore borrowing structures, structured credit products or alternative lenders, increasing both the complexity and cost of acquisitions.

RBI's move comes at a time when India's dealmaking market is witnessing unprecedented momentum. According to Grant Thornton's Annual Dealtracker 2025, India recorded more than 2,100 transactions worth about $116 bn in 2024, marking a sharp increase in deal value from the previous year. M&A transactions accounted for $44.1 bn across 683 deals, while outbound acquisitions reached their highest level in more than a decade.

The framework creates a regulated pathway for banks to finance acquisitions of controlling stakes in domestic and overseas non-financial companies, including through SPVs and subsidiaries. This could improve execution certainty, expand financing options and reduce reliance on offshore structures.

However, unlike in some Western markets, the framework caps bank financing at 75% of the acquisition value, requires a meaningful equity contribution from acquirers, and restricts post-acquisition leverage through a debt-equity ceiling.

These safeguards are reinforced by profitability requirements, valuation standards, restrictions on related-party transactions and collateral requirements. The result is a calibrated framework that balances two competing objectives: enabling corporate growth while preserving financial stability.

RBI's move could reshape competition in India's acquisition financing market. Over the past decade, private credit funds and offshore lenders have become key providers of acquisition capital, largely because domestic banks could not participate directly. In many transactions, private credit was not merely an alternative but the only viable source of funding. The new framework is likely to change that. Well-capitalised corporates pursuing strategic acquisitions may increasingly turn to banks, attracted by lower borrowing costs and deeper balance-sheet capacity.

Perfectly proportionate potion

Yet, predictions of private credit's immediate decline would be premature. The framework's eligibility conditions and prudential safeguards mean bank-led acquisition financing will primarily be available to stronger borrowers and lower-risk transactions.

The role of private credit providers may change. Sponsor-backed acquisitions, higher-leverage transactions, distressed opportunities and bespoke financing structures will continue to require the flexibility that private credit funds often provide. Reform may, instead, create a more segmented and sophisticated market in which banks and private credit providers coexist, serving different parts of the transaction spectrum.

Implications of the new norms extend beyond deal financing. By formally recognising acquisition finance as a legitimate banking product, RBI nudges the sector towards greater sophistication.

But acquisition finance requires capabilities that differ from traditional corporate lending. Banks must assess not only a borrower's creditworthiness but also transaction rationale, integration risks, expected synergies, governance considerations and future cash-flow generation.

In global markets, acquisition finance evolved alongside specialised leveraged finance teams and sophisticated underwriting frameworks. Indian banks will need to develop similar capabilities if they are to compete with international lenders and private credit funds.

Some may view the reform as a broader liberalisation of acquisition financing through foreign debt. It isn't. The framework expressly remains subject to India's forex regulations. Consequently, qualifying for acquisition finance under the framework doesn't automatically permit funding through external commercial borrowings (ECBs). Transactions involving foreign debt will continue to be governed by separate forex and ECB norms, including end-use restrictions and borrower eligibility requirements.

The impact on listed company acquisitions could be equally significant. Committed acquisition financing can enhance funding certainty for bidders pursuing control transactions and mandatory open offers. But it will also require careful navigation of securities laws, particularly on lender rights, pledge structures, and issues of control and persons acting in concert.

Shah is senior partner, and Singh is senior associate, RegFin Legal, Mumbai

THE SPEAKING TREE

Magnificent Humanity

SUDHA DEVI NAYAK

Pope Leo's Encyclical, a letter of doctrinal guidance to the church, 'Magnifica Humanitas', on safeguarding the human person in the time of AI, is a timely reminder of the inherent worth of man in critical times. In a world enamoured by marvels and privileges of technology, he emphasises the primacy of every individual, and his immanent dignity. Man is created in the holy image of God and inherits the nobility of his creator. Powerful interests can reduce human beings to a resource to be exploited for what they can achieve or produce. The fundamental dignity of a person is collateral to life, neither acquired nor earned, nor does it need to be justified.

AI tools are impressive and can simulate human language and analytical skills, but cannot surpass the grandeur of human intelligence. We don't train on data or algorithms, but on our lived experiences, our fallible notions, rising and falling, seeking our answers. Pope Leo asks us to protect the common good and challenges us to embrace our vulnerabilities. 'We must remember humanity flourishes not despite limitations but often through them.'

AI does not have guard rails of moral conscience, relational or spiritual capabilities, or accountability. Its powers are mechanical, and while human potential is endless, the pontiff emphasises the centrality of human beings in life processes and that technical power does not automatically entail the right to govern the human race. AI is not a force antagonistic to humanity nor inherently evil, but a reflection of those who devise it. We need to disarm AI, harness its benefits and prevent it from dominating humanity.

PEAS IN A PODCAST

Shahs, Uncut

If you've ever wondered what happens when one of India's most iconic theatre families sits down for an unfiltered conversation, this episode is a treat. The season finale of Aadyam Theatre Podcast — **The Legacy of Theatre: Naseeruddin Shah, Ratna Pathak Shah and Family** — features host Akarsh Khurana in conversation with the Shah family: Naseeruddin Shah, Ratna Pathak Shah, Heeba Shah, Imaad Shah and Vivaan Shah, in their first-ever podcast appearance together.

The episode offers a rare glimpse into the Shah family's artistic journey, tracing their early immersion in theatre to the complexities of collaborating across generations. Their candid reflections on acting, education, creative discovery, and the balance between personal and professional life make for a fun episode. Stories from productions such as Waiting for Godot and Dear Liar provide rich context, while the family's effortless chemistry keeps the conversation engaging.

However, rather than simply celebrating achievements, the Shahs openly discuss the challenges, lessons and joys that have shaped their creative lives. Whether you're a theatre enthusiast or someone curious about India's most influential artistic families, this episode is a gold mine.

Chat Room

Energy HQ Gets A New Address

Apropos 'Indo-Pacific, the New Gulf' by Pranab Dhal Samanta (Jun 30), the shift of global oil and gas trade away from West Asia towards Guyana, Venezuela and the US is a development worth watching closely. For decades, India's energy security establishment worried about the Strait of Hormuz alone. If the geopolitical centre of gravity is genuinely moving towards the Pacific, our diversification efforts need to speed up rather than stay reactive. Reduced dependence on any single corridor is good news for consumers and industry alike. Energy geography is quietly being redrawn at this very moment.

M Barathi
Bengaluru

Editor's TAKE

How India cushioned the consumer during oil crisis

The Indian govt chose preparation over panic. It deserves credit for ensuring that a global energy shock did not become an Indian consumer crisis

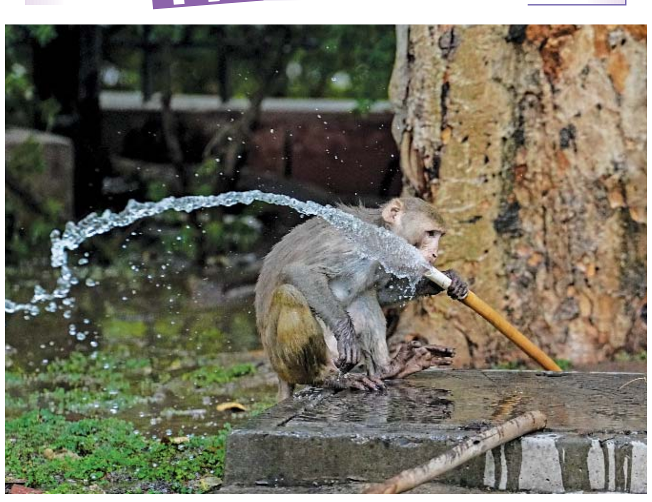
The world had seen this crisis coming. As tensions deepened between Washington and Tehran, markets had already begun to price in danger, and energy analysts had warned that the Strait of Hormuz could become the fault line of a wider shock. But what few expected was the scale and ferocity of the confrontation once it broke open. This escalation in West Asia carried the old, unsettling echo of the 1980s, when the tanker war turned the Gulf into a theatre of disruption and reminded the world how quickly oil can become a weapon, and how brutally the costs can spread.

That historical memory matters because oil shocks are never just about crude. They are about confidence, inflation, logistics, and political nerve. They expose which governments have prepared and which merely hope the storm passes elsewhere. In this case, the Indian government chose preparation over panic, and execution over rhetoric.

The Ministry of Petroleum and Natural Gas deserves credit for ensuring that a global energy shock did not become an Indian consumer crisis. Brent crude did what Brent always does in a geopolitical firestorm: it spiked hard, carrying global anxiety with it. In the United States, fuel prices rose, and households felt it quickly. In Europe, where energy is already a more painful line item than in India, the pressure was even sharper. India, however, did not hand that pain directly to its citizens. Retail petrol and diesel prices were held steady. LPG was kept affordable. That outcome was not accidental, and it was not cheap. It reflected a conscious state choice to absorb the blow through excise adjustments, under-recoveries, and administrative discipline rather than passing it straight to households. That matters politically, economically, and morally. It matters because a fuel shock is regressive by definition. It hits the poor first, the middle class next, and the broader economy soon after. It raises transport costs, feeds inflation, and punishes every household that depends on stable mobility and cooking fuel. By refusing to let that happen, the government protected economic calm.

In India, the state absorbed the pressure at the top of the system so that the shock did not cascade downward. The deeper truth is that India entered this crisis better prepared than many commentators appreciated. It had reserves, diversified suppliers, and a supply architecture built over years rather than assembled in panic. It had a crude buffer of roughly two months and LPG cover of about 45 days. It had widened its sourcing base and strengthened import infrastructure. Those are not glamorous achievements, but they are precisely what prevents global turmoil from becoming domestic disruption. That is why the Ministry's handling deserves proper credit. The real achievement here is not that India escaped unscathed. No major oil shock leaves a country untouched. The achievement is that the damage was absorbed where it belonged: in the state's finances, in corporate balance sheets, in operational planning, and in the long arc of policy choices. It was not transferred to the kitchen, the petrol pump, or the commuter.

PIC TALK



A monkey drinks water to find relief from the heat, in New Delhi PHOTO: PTI

Shiv Sena @60: Can it survive another split

As the Shiv Sena completed six decades of its turbulent political journey on June 19, the party found itself confronting yet another split — its fifth major split in six decades. The crisis raises fundamental questions about leadership, succession, ideology and the future of both the Thackeray family and Maharashtra's regional politics.

KALYANI SHANKAR

Last week, on June 19, the Shiv Sena marked its 60th anniversary. Since its inception, in the past 60 years, the party has experienced several splits, with the latest occurring on June 26. Shiv Sena's 60th anniversary is contested by two factions-Thackeray's Sena (UBT) and Eknath Shinde's Sena-each claiming the party's original ideological legacy.

On June 26, a significant political rift emerged within the Uddhav Thackeray-led Shiv Sena (UBT) when six of its nine Lok Sabha MPs defected to join Eknath Shinde's ruling Shiv Sena faction. This sudden defection severely undermined Uddhav Thackeray's group, reducing its representation in the Lok Sabha to just three members and bolstering the Shinde faction's parliamentary strength.

The ongoing political contest across Parliament, courts, and streets underscores the urgency for strategic responses. In its 60 years, the Shiv Sena has split five times, highlighting its vulnerability to internal divisions and the need for effective management of such conflicts.

Just before the party founder, Bal Thackeray, named his son, Uddhav, as the Sena executive president in 2003, senior party leaders had begun pressing for a key organisational role for him. Later, Uddhav's son Aaditya Thackeray's elevation in the Sena followed a similar trajectory, with party leaders projecting him as its "gen-next" face before he was appointed the Yuva Sena chief.

On November 28, 2019, Uddhav Thackeray, leader of the Shiv Sena and head of the Maha Vikas Aghadi (MVA), was sworn in as Maharashtra's Chief Minister, marking a key leadership milestone amid ongoing political shifts. The MVA is an alliance between the Shiv Sena, the Nationalist Congress Party, and the Indian National Congress.

On June 21, 2022, Eknath Shinde, the leader of the Shiv Sena in the Legislative Assembly, went missing with several other MLAs. This 'rebel' group initially moved to Surat and then to Guwahati, claiming that the MVA alliance contradicted the Shiv Sena's ideology and expressing a lack of confidence in CM Thackeray.

After the 2022 split, 40 of the 56 Shiv Sena MLAs sided with Shinde, while 16 remained with Thackeray. In the Lok Sabha, 13 of 18 MPs joined the Shinde camp, leaving just five with Uddhav. Both factions claim to be the rightful heirs to Bal Thackeray's political legacy, with Uddhav emphasising his bloodline and Shinde arguing that he upholds the party's ideological foundation.

> THE MANNER IN WHICH THE SHIV SENA SPLIT IS REMINISCENT OF PAST POLITICAL EVENTS, SUCH AS THE FRAGMENTATION OF THE NCP AND THE ONGOING ISSUES FACING THE TMC. THIS TREND IS CONCERNING. SHARAD PAWAR HAS EVEN REMARKED THAT SEVERAL REGIONAL PARTIES MAY MERGE WITH CONGRESS IN THE COMING YEARS

The manner in which the Shiv Sena split is reminiscent of past political events, such as the fragmentation of the NCP and the ongoing issues facing the TMC. This trend is concerning. Sharad Pawar has even remarked that several regional parties may merge with Congress in the coming years.

The latest split in Shiv Sena UBT raises important questions about the future of the Thackeray clan. It could unfold in several ways: Dissent among the rebel leaders has been growing due to their dissatisfaction with Thackeray's leadership. They believe he has not engaged with them enough, particularly by failing to visit their constituencies despite their requests for support.

Senior Sena leaders credit Shinde's son, Shrikant, with playing a "central role" in bringing six Uddhav Sena MPs into the party fold and increasing its bargaining power vis-à-vis the BJP.

To navigate the challenges following the split and ensure the survival and resurgence of the Uddhav faction, several strategic actions could be considered:

- There is an urgent need to resolve grievances and restore unity and confidence among supporters.
- If the faction fails to acknowledge divides and shifting public sentiments, they risk losing influence in the future.
- Supporting credible and relatable leaders can inspire confidence, attract new supporters, and energise the existing base
- Focusing on key issues such as employment, education, and infrastructure can empower supporters and garner their backing.
- Outreach initiatives and campaigns addressing local issues can foster trust and a sense of shared purpose.
- Leveraging cultural heritage and engaging in social activities can reinforce regional identity and goodwill among the public.
- Being responsive to changing political sentiments and the expectations of younger generations is crucial for maintaining relevance.

Fostering internal cohesion is crucial during this period. Swiftly resolving internal conflicts and creating an inclusive environment can inspire hope and a shared sense of responsibility among supporters, strengthening party unity and resilience.

By implementing these strategies, the Uddhav faction can survive and potentially regain influence in Maharashtra's politics. However, if they fail to address internal divisions and adapt to changing public opinions, they may struggle to remain relevant.

Neither faction is electorally self-sufficient: Shinde relies on the BJP's machinery, while Uddhav depends on the MVA's combined vote share.

Therefore, the upcoming IHG assembly election will be a true test of which faction of the Shiv Sena survives.

Ultimately, the outcome depends largely on their strategic decisions and their ability to respond to the evolving political landscape in Maharashtra. The choices they make will be pivotal for the future of the Thackeray family and the party.

The writer is a popular columnist

'Japa' (chanting) is the ultimate mantra to please God

AJIT KUMAR BISHNOI

2ND OPINION

I am stating this fact with full conviction, which is based on scriptural evidences and my personal experiences. Please sample these from the Bhagavad-Gita. Lord Krishna states, "I am chanting among the yajnas (sacrifices)." (10.25) And what is the greatest sacrifice? It is to chant God's names by giving up 'ahankar' (false ego). What was standing in between the bounden duty of Arjuna - a kshatriya and leaving the battlefield, as decided by him at the beginning of the conversation with Lord Krishna. (1.43) Arjuna's ahankar was the cause, as pointed out by the Lord to him. (18.58) And what warning was given by the Lord to Arjuna? "If you will not heed on account of your ahankar you will perish." (18.58)

What is our problem generally in giving up our ahankar? This is being self-centred with "I, I, I," or "mein, mein, mein" have done this or that. We identify ourselves with our nature, which is dominated by false ego. Where does it lead to? Yes, perishing, which, unfortunately, is where one ends up. What should we do then? Exactly what Arjuna agreed to do, which was: I shall follow Your (God's) instructions." (18.73)

What are Lord's instructions, which will please Him? "Take My shelter only." (18.66) Why? "Lord Vasudeva is everything." (7.19) "Not of anyone else", is the instruction in the verse #9.22. It must be, "In all respects take God's shelter only." (18.62) "Develop My consciousness", is the instruction in the verse #18.65. This way one will remain in shelter of God by the mind and the intelligence. (12.8)

And this is the most perfect way to please God, which will entitle one to all kinds of benefits. Give up ahankar like Arjuna did. What did Arjuna get? Lord Krishna assured him of enjoying the kingdom (2.37 and 11.33). Additionally, Arjuna was assured of opulences, victory, wealth and definite principles. (18.78) What has Lord Krishna promised us? "I will help in getting what you do not have and provide security of what you have? (9.22) Personally speaking, I have given up my ahankar and I go Krishna, Krishna, Krishna................ and God has become karta (doer) in my life. I am assured of success in whatever I take up under God's guidance. My life is going on smoothly, much beyond my wildest imagination. Who are my role models? I will begin with Lord Shiva. I have put His large photo in my bedroom. What is the Lord doing? Yes, chanting. The next big inspiration comes from Hanumanji, who pleased Lord Ramachandra by his chanting: Rama, Rama, Rama........... Adi Shankaracharya exhorted us to: "bhaja Govindam". Mother Ahilya should not be forgotten, who kept on chanting Rama, Rama, Rama.............till the Lord liberated her. Draupadi completes my list, who prayed to Lord Krishna to save her from the ultimate humiliation by chanting: Krishna, Krishna, Krishna..........

In conclusion, please give up ahankar and get started with any: Rama, Rama, Rama......or Krishna, Krishna, Krishna.... or Shiva, Shiva, Shiva..... or Ohm, Ohm, Ohm.......... (8.13) Getting started is all-important; God takes care of the rest.

The writer is a spiritual teacher

LETTERS TO THE EDITOR

SAVE HIMACHAL FROM TIMBER SMUGGLERS BEFORE IT IS TOO LATE

Himachal Pradesh has long been one of North India's most cherished tourist destinations, celebrated for its pristine forests, majestic mountains and serene environment. However, alarming reports of rampant timber smuggling threaten not only the state's fragile ecosystem but also its tourism-dependent economy. Unchecked deforestation increases the risks of landslides, soil erosion, drying water sources and biodiversity loss, ultimately diminishing the natural beauty that draws millions of visitors each year. Equally concerning is the apparent ease with which timber smugglers transport illegal wood despite the presence of checkpoints. This raises serious questions about administrative negligence or possible collusion by enforcement officials.

A comprehensive investigation is essential to identify loopholes and ensure accountability.

The government must also address the increasing friction between tourists and local residents. While tourism is vital for the state's economy, irresponsible behaviour by some visitors damages Himachal's reputation as a peaceful destination. Strict penalties for unruly tourists and restrictions on access to ecologically sensitive areas should be considered.

The protection of whistle-blowers, deployment of drones and satellite monitoring, and exemplary punishment for timber smugglers and corrupt officials are crucial. Preserving Himachal's forests is not merely an environmental obligation but an investment in the state's future prosperity.

RS NARULA | PATIALA

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

Living for likes, forgetting life

The smartphone and social media revolution has transformed modern life, but not always for the better. Increasingly, people are confusing virtual approval with real happiness. Algorithms now shape our opinions, choices and even our self-worth, while genuine human interaction steadily declines. Everyday experiences—from meals and shopping to vacations and celebrations—are no longer complete until they are uploaded online. Instead of living in the moment, people focus on recording it for social media.

Memories are replaced by reels, and personal milestones seem meaningful only after attracting likes and comments.This obsession has also weakened relationships. Friendships collapse over online disagreements, charity is often performed for publicity, and public opinion frequently outweighs personal judgment. Technology has undoubtedly made life more convenient, bringing shopping, entertainment and information to our fingertips. Yet convenience has come at the cost of emotional connection. Technology should remain a tool, not become the master of our lives. Unless we restore balance between the virtual and the real, we risk sacrificing meaningful relationships, independent thinking and inner contentment for fleeting digital validation.

KABIR AHMED SAIKIA | JORHAT

Seychelles: India's maritime security imperative

Seychelles may be a small island nation, but its strategic location along vital sea lanes connecting Asia, Africa and the Middle East gives it immense geopolitical significance. Strengthening India's partnership with Seychelles is therefore not merely a diplomatic exercise but a strategic necessity.

Closer cooperation will enhance maritime security, protect commercial shipping routes, combat piracy, curb illegal fishing and improve surveillance across the Indian Ocean. This aligns with India's vision of being the region's preferred security partner under the SAGAR (Security and Growth for All in the Region) initiative while complementing partnerships with other island nations.

The timing is particularly important as geopolitical competition in the Indian Ocean intensifies. China's expanding naval presence and infrastructure investments across the region underscore the need for India to maintain an active and dependable engagement with its maritime neighbours.

Our outreach must reassure friendly nations that India remains committed to regional stability and shared prosperity.Seychelles should therefore be viewed not as a peripheral partner but as a key pillar of India's Indo-Pacific strategy.

R. NARAYANAN | MUMBAI

Indian cricket needs serious introspection

This refers to "2nd T20I: Ireland beat World champions India by 1-run to win series" (June 29). India's shock 2-0 defeat to Ireland—their first T20I series loss in three years—cannot be considered a 'fluke'-Ireland deserves it .

The reality points out to the team playing cricket almost non-stop for months. Fresh from the high of winning the T20 World Cup, the players were thrust into another assignment without meaningful recovery. The result was evident: lapses in sharpness, missed opportunities, and a lack of the ruthless edge that usually defines India's short-format dominance. Fatigue is not merely physical; it erodes mental clarity and tactical discipline.

Shreyas Iyer, captaining India for the first time in T20s, faced the dual challenge of leadership transition and guiding a weary squad. The defeat also calls for serious thinking about player workload management. With domestic leagues, international tours, and IPL tournaments crowding the calendar playing in harsh weather conditions, by no means suitable for cricket of 6 hrs duration, taking heavy toll on players. Rotation policies and rest periods are no longer luxuries but necessities if India is to sustain excellence. Cricket boards must balance ambition with sustainability as it should be played in relaxed way.

O PRASADA RAO | HYDRABAD

One water for all: Transcending the artificial boundaries

As climate extremes become the new normal, India urgently needs a unified water governance framework .A 'One Water for All' approach—integrating urban, rural and forest landscapes into a single hydrological strategy—offers the only durable pathway to safeguarding livelihoods, biodiversity and long-term economic resilience.

BKP SINHA

ARVIND KUMAR JHA

Amid an escalating global climate crisis, India's environmental security has reached a critical inflection point due to a huge monsoon deficit across the core agrarian and central forest zones. In a nation where the southwest monsoon acts as the economic lifeblood, this severe climatic stalling-compounded by an intensifying El Nino-threatens to destabilize the national economy, rural livelihoods, and our natural resource base.

A severe urban water crisis is tightening its grip across major Indian cities. In business hubs like Mumbai, dwindling reservoirs have left the city with barely over a month of water reserves, forcing municipal corporations to ban water use for non-essential purposes like swimming pools and construction. While cities like Pune have been placed on alternate-day rationing schedules; Delhi, Jaipur, and Lucknow people endure hours-long queues at public distribution sites and grapple with falling groundwater tables that are threatening the structural and ecological stability of urban landscapes.

The agricultural sector, which employs nearly half of the country's population, faces widespread crop failures and rapid depletion of surface water reservoirs. Across critical farming belts in states like Maharashtra, Madhya Pradesh, and Uttar Pradesh, the extreme rainfall deficit-which reached over 40% in mid-June-has caused water bodies and many major reservoirs to dry and reach near-zero storage levels. Dependent on single, shared hand pumps or erratic, emergency water tankers for potable water, primary summer kharif crops sowing has become difficult. There is a rapid depletion of underground aquifers because of the desperate communities intensifying groundwater extraction to survive.

For the poorest of the poor-particularly the marginalized forest dwellers directly dependent on the ecosystem for survival-this hydrological breakdown is simply an existential threat. In the tribal belts of Jharkhand, Chhattisgarh, and Madhya Pradesh, many hand pumps have dried up forcing the indigenous communities to the drudgery of extracting water from makeshift sand pits or small, muddy hill streams. As the drought dries up natural streams and forest sponges, forest dwellers get caught in a devastating trap. Increasingly pushed by popular schemes for intensive agriculture on poor quality lands in and around forest areas, the depletion of water bodies and local aquifers plunges them into a desperate, zero-sum competition for water between them and resource-stressed roaming wildlife. The death of eleven wild animals including three gaur and a blue bull in Melghat reserve of Maharashtra due to poisoning of water hole is just one example of the imminent escalation of human-wildlife conflict.

To mitigate the crisis in forest areas, forest departments across multiple states are working under intense climate stress to artificially replenish solar-powered borewells and concrete water troughs inside the reserves. The expanding footprint of human settlements within protected ecological zones, however, driven by the extensive grant of both habitation and cultivation rights under the Forest Rights Act (FRA) is significantly amplifying water stress inside India's wildlife habitats. This pressure is accelerating due to a recent heavy thrust by various state governments on Rule 16 of the FRA, which mandates post-claim support and departmental convergence to provide resources for the modernization of agriculture and increased crop productivity. Under this developmental push, state agencies are introducing intensive agricultural infrastructure, such as subsidized borewells and permanent irrigation wells, directly into forest interiors and wildlife areas. While these initiatives aim to uplift indigenous farming, they inadvertently cause deep, systemic extraction of localized groundwater tables and the diversion of pristine perennial streams that wild animals have been relying on for survival. As natural water holes dry up under the strain of automated extraction and fragmented catchments, the ecological balance of these reserves is heavily disrupted, systematically forcing thirst-driven wildlife out of woodland interiors and into perilous, direct confrontations with human populations along the newly modernized agricultural fringes.

The National Disaster Management Authority recognizes "drought", a classification that state governments can declare solely based on strict, agriculture-centric scientific indices. This legal framework completely excludes wildlife areas from National or State Disaster Response Funds (NDRF/SDRF), which are statutorily reserved for human and agricultural relief. Consequently, forest ecosystems and national parks do not qualify for emergency disaster funds when water sources evaporate. Forest departments have to independently fund emergency interventions through internal budgets just as any routine forest or wildlife management issue.

Government's water resource funding policy framework operates on a structural hierarchy that prioritizes rural infrastructure and food security over urban centres but leaves deep gaps for tribal populations and forest and wildlife areas. Rural areas receive the dominant share of funding (65-70%), spearheaded by the Jal Jeevan Mission and agricultural drought-proofing schemes like PMKSY, while urban water management receives high regulatory and statutory focus (20-25%) via AMRUT 2.0 to protect industrial GDP through recycling and conservation mandates.

In contrast, tribal areas receive moderate funding integrated into broader rural sub-plans, though remote terrains cause heavy administrative and structural delays during active monsoonal failures. Finally, forests and wildlife areas receive the lowest emphasis. Water security under the Ministry of Environment is funded via restrictive eco-budgets resulting in reactive, micro-level field interventions rather than systemic, long-term drought proofing.

Ecological studies across South Asia, including data from the Kerala State Planning Board, the Goa Forest Department, and regions like Bardia and the Terai Arc land scape on Bhutan and Nepal borders establish that maintaining interior forest water holes acts as a vital spatial anchor that restricts wildlife movement within park boundaries and reduces human-wildlife conflict on agricultural fringes during severe dry seasons. However, long-term research-most notably a multi-decade study from Kruger National Park alongside technical findings from the Wildlife Institute of India study in reserves like Bandipur National Park of Karnataka and Tadoba Tiger Reserve in Maharashtra warns that over-reliance on permanent, deep-borewell provisioning triggers severe ecological imbalances. It drives localized groundwater depletion, permanently dries up shallow natural springs, alters predator-prey dynamics, and causes habitat degradation or invasive weed expansion due to the constant congregation and overgrazing of dominant herbivores (the Piosphere effect).

While a bore-well actively steals water out of an aquifer, a rainwater check dam does the exact opposite. It catches water to recharge the aquifer. The schemes for the forest right holders must use eco-friendly material, avoid extractive approach, and species cultivated should make the area blend with its surroundings. Reconciling short-term conflict mitigation with long-term ecosystem resilience, modern conservation must shift toward "smart" water management, replacing continuous groundwater extraction with catchment engineering techniques like rainwater harvesting, and rotational pumping that mimic natural seasonal scarcity.

Policy makers must realize that catchment treatment in forest areas ultimately benefits not just the forests and wildlife but even the populations away from them. The traditional approach of acting in isolated silos while tackling the water crises of urban, rural, and forest areas must be discarded if we are to prevent total ecological and social breakdown. Water belongs to a single, continuous hydrological cycle; a severe monsoon deficit does not stop at a city limit or a forest boundary. In fact, bringing in the Forest Department as the main player, prioritization of ecological restoration and watershed management in upstream forests, hills, and wildlife areas must become the core of our national strategy, as these natural catchments serve as the hydrological sponges that regulate groundwater recharge and river flows for the whole country.

The concept of "One Water for All" can serve as a foundational pillar for water security akin to the global "One Health" framework, which recognizes that the health of humans, domestic animals, wildlife, and our shared environment are deeply interconnected.

Water does not conform to political boundaries; it links all living beings on Earth within a shared biological destiny. Only a "One Water for All" approach-which safeguards water security across urban, rural, and wild landscapes simultaneously; can protect the ecological integrity of natural habitats and secure the collective, intertwined future of all living systems on our planet.

The writers are Former PCCFs, UP and Maharashtra

UP's silent healthcare decentralisation revolution

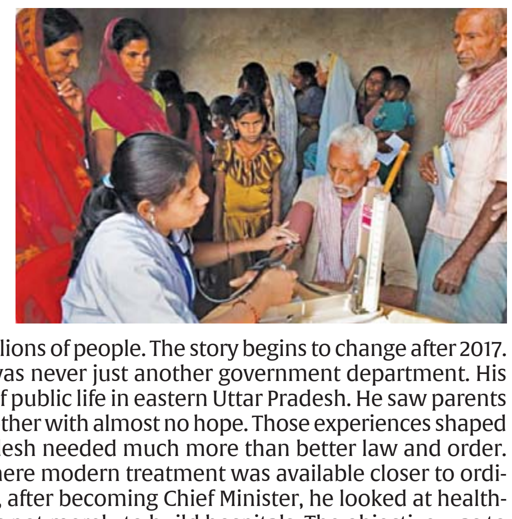
ARVIND MOHAN SINGH

The story of Uttar Pradesh's healthcare system is much more than the story of hospitals and medical colleges. It is the story of a state that spent decades with advanced medical care concentrated in a handful of cities, and then witnessed one of the biggest transformations in its public healthcare system. For years, quality healthcare in Uttar Pradesh largely meant travelling to Lucknow. Today, that reality is changing. The biggest achievement is not the number of medical colleges built. The real achievement is that advanced healthcare is gradually reaching people where they live.

If we trace this journey from the British era to the present day, the biggest transformation was not the construction of a single institution. It was the decentralisation of healthcare. Modern medical education in Uttar Pradesh began during British rule with the establishment of King George Medical College in Lucknow. After Independence, there was an expectation that the healthcare infrastructure would gradually spread across the state. That, however, did not happen. Lucknow continued to remain the centre of the state's medical ecosystem. Congress governments moved beyond Lucknow, but only to a limited extent. Medical colleges were established in cities such as Kanpur, Allahabad, Meerut, Jhansi and Gorakhpur, yet the overall healthcare model remained unchanged. Advanced treatment remained concentrated in Lucknow, while large parts of Uttar Pradesh continued to depend on the capital for specialised medical care. In effect, the system expanded geographically, but it was never truly decentralised. However, when it came to building centres for advanced treatment, Lucknow remained the obvious choice.

The Samajwadi Party and Bahujan Yadav Party governments largely maintained the same centralised healthcare model. While a few medical colleges were added and the Dr Ram Manohar Lohia Institute of Medical Sciences was established during the Mulayam Singh Yadav government, it, too, was located in Lucknow. Advanced medical care continued to be concentrated in Lucknow, and for millions of people across Uttar Pradesh, a serious illness still meant travelling to the state capital. In effect, there was some expansion in medical education, but there was no meaningful decentralisation of healthcare.

The healthcare system continued to revolve around a few major cities. Most people in Uttar Pradesh understood one simple reality. A routine illness could be treated at the district hospital. But if the disease became serious, the family would eventually have to leave for Lucknow.



The biggest weakness of Uttar Pradesh's healthcare system was not only the shortage of doctors. The larger problem was that advanced medical care remained geographically out of reach for millions of people. The story begins to change after 2017. For Yogi Adityanath, healthcare was never just another government department. His understanding came from years of public life in eastern Uttar Pradesh. He saw parents travelling from one hospital to another with almost no hope. Those experiences shaped his understanding that Uttar Pradesh needed much more than better law and order. It needed a healthcare system where modern treatment was available closer to ordinary citizens. Perhaps that is why, after becoming Chief Minister, he looked at healthcare differently. The objective was not merely to build hospitals. The objective was to make advanced healthcare accessible. That became the foundation of healthcare decentralisation in Uttar Pradesh.

The government adopted a simple but ambitious vision. Every district should gradually have access to quality medical education and modern healthcare infrastructure. People should not be forced to travel to the capital for every serious illness. Advanced treatment had to move closer to where people actually lived. The vision soon began taking shape across the state. Medical colleges were approved, constructed or expanded across districts that had never seen such institutions before. The objective was not simply to add new buildings to the government's records. Every new medical college was expected to become the backbone of healthcare for its surrounding region.

Today, almost every district in Uttar Pradesh either has a medical college or one is under construction. District hospitals that once struggled with limited resources are gradually being upgraded to include teaching hospitals, modern operating theatres, dialysis units, intensive care facilities, blood banks, advanced laboratories, and specialist doctors. The transformation, however, did not stop with medical colleges. Dialysis services expanded across the state. Trauma care facilities have increased significantly. Cardiology, neurology, urology, and several other super-speciality services gradually became available beyond traditional urban centres. Modern CT scan facilities, MRI machines, Cath labs and other advanced medical equipment have reached hospitals that had previously referred almost every serious patient to Lucknow.

As a result, many patients who once had no option but to travel hundreds of kilometres can now receive treatment much closer to home. Higher medical education also witnessed rapid expansion. AIIMS Gorakhpur emerged as a major healthcare institution for eastern Uttar Pradesh. AIIMS Raebareli strengthened access to advanced treatment for central Uttar Pradesh. Super speciality blocks were added to several government medical colleges, while postgraduate medical education expanded steadily with new MD, MS and speciality programmes. Today, Uttar Pradesh has one of the largest public healthcare and medical education networks in India. The number of medical colleges has increased significantly. MBBS and postgraduate seats have expanded. Every year, the state is producing far more doctors than it did a decade ago. The character of Uttar Pradesh's healthcare system has changed. There was a time when serious illness almost automatically meant travelling to Lucknow.

Today, for millions of people, quality treatment is available much closer to home. That is the real transformation. The greatest achievement of Uttar Pradesh's healthcare system is not merely the rise in the number of medical colleges. The greater achievement is that hope has moved beyond the boundaries of Lucknow and reached districts that had waited for decades. When a low-income family no longer has to travel hundreds of kilometres with a critically ill patient, a hospital becomes much more than a building. It becomes a symbol of trust between the state and its people. That, more than anything else, is the true meaning of healthcare decentralisation. That is Uttar Pradesh's silent revolution.

Arvind Mohan Singh is a socio-political analyst, columnist, and digital strategist

QUAD: A Boost for India's swadeshi strategy

T SENTHIL SIVA SUBRAMANIAN

21st century is a technological and economic era for cooperation, and alliances thereby opening new platforms and opportunities to strengthen global growth. Countries around the world are navigating and exploring possibilities for cross functional collaboration to enhance investment which results in pronounced innovation and infrastructure, safe economic trade and secure commerce that will lead to enhance GDP.

India duly recognizes and respects the policy initiatives of global countries and stand by to provide handholding/committed support to global countries at various instances which includes Covid-19 crisis. Global leaders eye on India as we have strong ease of governance and ease of doing business, robust Swadeshi policy frameworks which forms eminent pillars for our nation's economic growth. India is spearheading in a variety of significant sectors that includes agriculture (Food security), energy security, defence systems, nuclear, semiconductor, quantum, telecom [5G and 6G] and a special focus on critical minerals which includes mineral processing, recycling, and smart waste management.

India's strong network and covalent bonding relationship with international countries as it is clearly visible and evident through the historic international visits by our Hon'ble Prime Minister of India Shri Narendra Modi forms a big backbone that invites enormous global investments and exchange of trade and commerce. QUAD-A strong framework initiative that covers and addresses maritime, critical minerals, new-age frontier technologies, health care which includes biomanufacturing (devices and pharmaceutical) and additional focus on disaster relief valuing human assistance. QUAD's mission will enhance economic Indo-Pacific energy security and market supply chain and logistics across the nations through common goals and shared resources. One of the most important initiative frameworks was QUAD Critical minerals which will open doors for cross critical mineral sharing among the QUAD countries that will boost and great push for many potential applications which includes automotive-Electrical Vehicle segment and defence security.

The main motto of QUAD is to have self-growth and growth of planets worldwide through shared common goals. QUAD, a new format and charged beginning in this emerging era for "like: Unified-Goal-minded countries" to harness and leverage the potential of natural resources and talent / skills available worldwide that could serve as a catalyst for the economic growth of nation across the globe. QUAD-Open new avenues and platforms for our nation that will boost economic trade and commerce through robust and resilient policy frameworks and establishment of global hubs. QUAD countries would develop common and structured Standard Operating Procedures (SOP) for achieving smooth functions, sustainability that would lead to elevate capabilities of the global countries-India as we are aiming for Viksit Bharat@2047.

The present decade speaks and sound a lot about India's super power because of our developed digital public infrastructure which includes digital zones, global economic hubs, global capability centre, centre of excellence, research and innovation parks, Atal tinkering labs, revamped Industrial Training Institute (ITI's) as Centre of Excellence, industrial clusters, parks and corridors, technology centre, enhanced MSME clusters, startup eco systems and unicorns, smart cities along with significant boost in variety of economic parameters that includes smart manufacturing without compromising on productivity and quality measures achieved through Zero Defect Zero Effect (ZED), global supply chain and significant focus on economic packaging. India has created a value chain for its home-grown products as these are indigenously developed by Indian industries / MSME believing on Swadeshi / Vocal for Local Formula

QUAD emerged as open-door platform for global countries to eye on significant sectors such as energy security, critical minerals and pointed focus on maritime surveillance that would enhance cross-country trade, secured and safe commerce among QUAD nations. QUAD will give a great push for our nation's critical mission, national green hydrogen mission, and semiconductor mission as well. Additionally, the QUAD has special focus and unified approach on creating opportunities to open seaports like in Fiji that will enormously increase the exchange of trade and commerce across the countries that will add glory to economic policies and prosperities worldwide. India and global countries are intensively working to develop port infrastructure across Indo-Pacific cross corridors having a significant importance to open port in Fiji.

The tangible outcomes resulted in creating unique initiatives and formation of Indo-Pacific Maritime Surveillance Corporation among the four countries to create a real-time maritime awareness and equivalently sharing maritime information. Through QUAD, countries are at ease and comfort to share their valuable information on collective agreement through user friendly formats. India has been strongly working to create a global HUB for maritime called as Information Fusion Centre - Indian Ocean Region in short called as IFC-IOR located in Gurugram acts as fusion among QUAD countries actively working to achieve common and shared goals. This acts as a nerve centre for Maritime awareness and economic hub.

India has been surviving successfully with sovereignty that led to climbing the ladder of stability and sustainability because of its robust resilience policy frameworks, value for peace, integrity, and human resources. These values form the basis and principal mantra for QUAD that acts as fulcrum and road map for Viksit Bharat.

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CONTRAPUNTO

And now, what's going to happen to us without barbarians? Those people were a kind of solution

– CP CAVAFY, poem

Auf Wiedersehen

Germany's shock exit from the World Cup tells a larger tale: upsets are a rich part of human affairs

Fans are still scratching their heads, jaws on the floor, eyeballs popped. Paraguay have sent Germany packing from the World Cup, in a shootout win at that. Talk about an underdog toppling a superpower. Several historical upsets come to mind, which speak to the gravity of this one. Napoleon going down at Waterloo. Magnus Carlsen falling to a teen called Praggnanandhaa. *Parasite* eclipsing Scorsese, Tarantino and Sam Mendes movies to win Best Picture at Oscars. Indira Gandhi losing the 1977 election, and even her own seat. Einstein overturning Newton. Blockbuster being wiped out by Netflix. Kodak getting bankrupted by the digital photography it invented. Hmmm. This list puts things in zen perspective, doesn't it?

A famous Hegelianism is apt here: "The owl of Minerva spreads its wings only with the falling of the dusk." Historical ruptures, shock defeats, they only *look* like they happened overnight. The penalty shootout, the election result, the Oscar envelope, the product launch…they are all usually part of a longer feedback loop. And more often than not, the churn's for the better. It's "creative destruction". Old value gets destroyed so new value can emerge. Existing coalitions give way to emergent identities. Fall of the Berlin Wall only put a deafening rumble on how the legitimacy of Soviet communism had already collapsed. The *Parasite* win only announced that Korean cinema had become impossible to ignore. Morocco's run in the 2022 Cup looked like a fairy tale, but reflected years of investment in coaching, academies, and the enormous pool of talent playing in Europe. Now, nobody would be astonished if this team reaches another semifinal, or even a final.

Schumpeter of course argued that every dominant firm, tech or institution eventually creates the conditions for its own replacement. That's not just a business principle. The *Midnight's Children* Booker was a mighty literary break, but its conditions had been accumulating for decades. By 1981, Britain was no longer the centre of the English-speaking world. And the prize, far from destroying the English novel, expanded it dramatically. The giant often becomes trapped by the systems that made it successful. The underdog is freer to improvise.

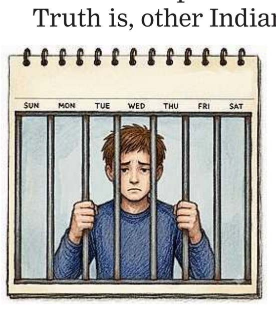
In the West, 1960s-70s politics delivered huge shifts in family structure, gender roles, sexual norms, and civil rights. Today, the pendulum is giving us Roe overturned, DEI programmes rolled back, gender and immigration corralled anew, a Brexit and Trump era. Thing is, as yesterday, so today, what seems permanent really isn't. "Things fall apart; the centre cannot hold." History has no permanent winners, only long reigning ones.

This Isn't Tough Love

Draconian laws, like Bengal's public safety and public order bills, are no substitute for good policing

Bengal birthed India's first anti-goonda law, with long preventive detention and other draconian measures, more than a century ago. But that was to strengthen colonial rule. Why does its new govt need to arm itself with such powers now? West Bengal Public Safety and Control of Anti-Social Activities Bill, 2026, and West Bengal Maintenance of Public Order (Amendment) Bill, 2026, sailed through the state legislature on Monday. And despite the CM's assurances, they come with potential to be misused against political opponents, activists, etc. That's to say, both laws cast a shadow on the spirit of democracy.

Truth is, other Indian states like UP, Maharashtra and Gujarat already have their anti-goonda laws, and their experience should have made Bengal wary. Who is a 'goonda' or anti-social person? The determination is highly discretionary. At times, a person with just one or two criminal cases is labelled a habitual offender, Allahabad HC noted in April. What happens after that is even more troubling. The state can order you out of your home district, or detain you for a year without trial. It can even curb your choice of legal counsel. These should be red flags in a democracy.

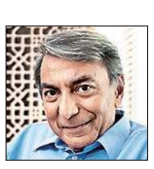


Any law that can remove and silence an inconvenient person for a year – it could be a labour activist, or an environmental campaigner – has no place in a democracy. Yet, use of preventive detention, as a law and order measure, continues growing in India. This does not build confidence in Indian police forces' capabilities. After all, how do other countries keep the peace without such sweeping powers? What's needed isn't unbridled control over some, but strict enforcement of rules for all. With its massive mandate, Bengal's new govt is well placed to make regular policing work. It should focus on that.

Convenient clichés

Trite and tested phrases save us lot of time & verbal trouble

Jug Suraiya

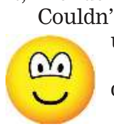


In London, locals enquire of us if the cold and rainy spell of what they call 'unsettled weather' is unsettling us. And when that gives way to a scorching heatwave, they welcome the 'good weather'. Sweltering heat with no ACs and hardly any proper fans to speak of, making it impossible to get a decent night's sleep, 'good weather'?

We reply that the cold and wet, which is customary and unsettling for them, and the blazing sun and heat are welcome. For us, it's the other way round because, in a North Indian summer, we get too much sun and heat and not enough coolth. So what they call bad weather, we deem good weather.

The grass is always greener on the other side, I tell the locals. And having said it, I wonder why I use such a hackneyed phrase that has become a cliché.

Couldn't I find a better way to put it? What about: What's desirable and what's undesirable depends on your point of view?



No. That doesn't have the evocative resonance of grass and its differing shades of green, which is the colour of envy.

What we would do without our clichés that put succinct words in our mouth without our having to struggle to find them? Clichés, the commonplace coinage of communication, are labour-saving devices when we express ourselves.

second*opinion*

Every cloud has a silver lining. Rome wasn't built in a day. Actions speak louder than words. Don't count your chickens before they're hatched.

That verbal wizard, Shakespeare, is said to have coined over 1700 terms and phrases we use today. Wild goose chase. Break the ice. Good riddance. Love is blind. Heart of gold. Over the years his unmatched linguistic ingenuity has swelled the plebeian ranks of clichédom.

Without our clichés we would be left struggling to invent a wheel of words with which to convey our meaning. Should such a wheel be triangular? Rectangular? Oval? The hell with it. Don't try to reinvent the wheel. That invention has also been turned into a useful cliché.

Right To Die, In Peace

On Doctors' Day, an SC judge (retd) and a physician parse the arguments, for and against, medical termination of life for patients who can't be cured. First priority is a law and system for palliative care

Arjan K Sikri and Chandrakant Lahariya

For years, the name Aruna Shanbaug was India's most painful reminder of a question we did not know how to answer. A young nurse in Mumbai, brutally assaulted in 1973, spent over four decades alive, but not, in any ordinary sense, living. Her case forced India to ask an uncomfortable question: when medicine can keep the body going, but cannot restore life as we understand it, must suffering be prolonged, or does a person have the right to refuse such prolongation?

Supreme Court's answer was that though a person has no right to die by taking their own life, they have the right to refuse medical treatment and hasten death, known as passive euthanasia.

That question has returned with urgency – India is ageing, chronic and terminal illnesses are more common. Hospitals can keep people alive for longer than ever. Ventilators, feeding tubes and intensive care can delay death. But medical advancement, alone, cannot answer the moral question at the bedside: are we helping a person live, or merely prolonging 'dying'?

Right to die with dignity cannot be reduced to a slogan. It is a test of India's healthcare system. A society cannot respect death with dignity, if it fails to provide care with dignity. India has taken important legal steps. Though there is no independent right to die in Indian law, the idea lies within the right to live with dignity under Article 21. Passive euthanasia, under safeguards, is legally recognised. Living wills are permitted.

These milestones acknowledge that life is not merely biological existence. Life also includes dignity, choice and freedom from needless suffering. If mentally competent, a patient can refuse treatment. If she has written an advance will, that must be given effect. If the patient is in a vegetative state, the test becomes what is in the "best interest of the patient".

But the law is only one part of the story. The harder work lies inside hospitals, homes and families. The Harish Rana judgment of 2026 explains this complexity. In most Indian families, such decisions are rarely made by the patient alone. Doctors may know recovery is not possible, but hesitate to say it clearly. The family may continue treatment because stopping feels like betrayal. Often, everyone knows the truth, but no one has the courage to name it.

Medicine must rediscover a simple truth: healing is not the same as curing.

A doctor may not cure advanced cancer, reverse irreversible brain damage, or restore a failing body to meaningful life. But the duty of medicine does not end when cure ends. It becomes the duty to relieve pain, reduce fear, speak honestly, support the family and ensure the patient is not abandoned.

Any serious conversation on the right to die must begin with the right to heal. Has the patient received pain relief? Has palliative care been offered? Has the family been counselled? Has depression or despair been assessed? Has the person been made to feel like a burden? Has the decision emerged from dignity, or from debt and exhaustion? If these questions are not answered, a so-called choice may not be free. It may be the voice of untreated pain, loneliness, poverty or fear.

Palliative care is central to this debate, yet remains weak in much of India. Many families hear "palliative" and think it means giving up. It does not. Palliative care is not about ending care. It improves the quality of the life that remains. It can reduce pain and anxiety, guide families, and help doctors avoid cruelty and false hope.

In an ideal system, palliative care would begin early in serious illness and be available in district hospitals, nursing homes and homes, not only in the last 48 hours. Pain relief should not depend on geography or luck or affordability. No society should debate the right to die without first ensuring the right not to suffer needlessly.

Mental health also matters. A wish to die may be a considered decision amid irreversible suffering. But it may also arise from depression, grief, trauma or temporary despair. These are not the same. A humane system must tell the difference. Counsellors, mental health specialists and palliative care teams should be part of end-of-life decisions.

The risk of pressure is real. The elderly, disabled, chronically ill and poor may feel they are a burden. In a country where medical bills can push families into debt, this concern cannot be dismissed. Autonomy must be respected, but also protected. Safeguards are not paperwork, but moral protection.

Doctors, too, need clarity. Most doctors are trained to save lives. Many worry that withdrawing life support may invite blame or litigation. Clear rules, medical boards, documentation and ethics support can protect patients and doctors. They can reassure families that stopping futile treatment is not abandoning a loved one.

The way forward is not to choose between the right to die and the duty to heal. India must hold both together. The right to die with dignity must remain protected. The duty to heal must remain constant, especially when cure is no longer possible.

The "best interest" test should mean this: end-of-life care should never become a hurried decision, a family compromise or a response to system failure. It must be slow, compassionate, documented and honest. A civilised health system is judged not only by how aggressively it fights disease, but by how gently it accompanies a person when the fight can no longer be won.

When the cure ends, care must not. That is where dignity truly begins.

Justice Sikri retired from Supreme Court in March 2019. Dr Lahariya is a specialist in preventive & cardiometabolic medicine

'Underlying principle: timeline plus tech equals trust'

Writing on the second anniversary of 3 new laws replacing IPC-CrPC, NCRB director argues the criminal justice system is now technology-powered and victim-centric

Alok Ranjan

For an ordinary citizen, the criminal justice system is not simply a collection of statutes, rules or institutions. It is experienced through simple questions. Was the complaint recorded promptly? Was the victim kept informed throughout the investigation? Was evidence collected carefully? Did the witness receive summons in time? And did the case conclude without avoidable delay?

India's criminal justice system has long carried twin burdens of delay and fragmentation. Cases move through disconnected institutions, paper-heavy workflows and uneven practices across jurisdictions, making those more process-centric than victim-centric. Bharatiya Nyaya Sanhita, 2023 (BNS), Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS), and Bharatiya Sakshya Adhiniyam, 2023 (BSA), which came into force on July 1, 2024, re-engineer this journey.

Objective is to create a modern, tech-enabled and victim-centric criminal justice system. Implementation countrywide is necessarily demanding. Capacities vary and several institutions must act in sequence. Legal reform will inspire confidence only when it becomes reliable everyday practice.

Timely justice | A most significant reform under the Nyaya Sanhita is an additional 45 structured timelines, across investigation and trial, to make 145 timelines in total. Vision is to complete the criminal justice process, from inception of a case to final adjudication, within three years.

These prescribed timelines are supported through tech-based monitoring mechanisms, via the criminal justice digital ecosystem.

Now, automated alerts for investigating officers can ensure timely filing of chargesheets. Similar timelines incorporated into the Case Information System (courts' case-management platform) will help judicial officers monitor timelines. The principle is simple: 'Timeline Plus Tech Equals Trust'.

Such monitoring has improved chargesheet compliance: 60-day compliance has increased, from 51% in 2024 to 67% in 2026, while 90-day compliance has increased from 40% to 60% during the same period.

Integrated-interoperable system | The second pillar is technological integration as the operational framework. It paves way for new specific initiatives: e-FIR, zero-FIR that is jurisdiction- and language-agnostic, e-Sakshya (electronic evidence capture & management), e-Summons (electronic issuance & service of summons), MedLEaPR (medico legal and postmortem reports), e-Forensics, e-Prisons, e-Prosecution and Nyaya Shruti (videocons for judicial proceedings). These are instruments for a paperless and integrated ecosystem, with digitally authenticated records, and electronic data-sharing, enabling faster, more transparent processes.

A key development is expansion of the Interoperable Criminal Justice System (ICJS), which connects the five pillars of criminal justice – police, courts, prisons, forensics and prosecution – on a unified digital platform under the vision of 'One Data, Once Entry'.

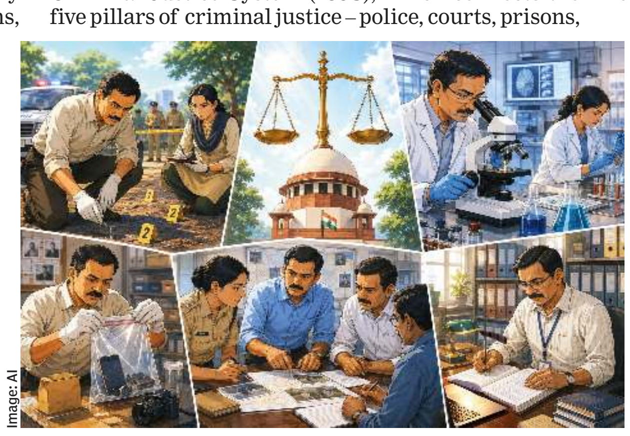


Image: AI

The near real-time electronic transmission of FIRs and chargesheets between police and courts can reduce duplication, improve data accuracy and enable timely judicial action. For the citizen, interoperability should mean the system shares information within lawful boundaries, instead of repeatedly asking the citizen to carry the same papers from one office to another.

Why digital-default, forensics matter | Service of summons remains a chokepoint in criminal trials. Direct electronic service to addressee can reduce intermediaries, making the process faster, transparent and accountable. Its success, however, depends on capturing accurate mobile numbers, emails and contact details of the accused and witnesses right at filing of the case. Digital reform succeeds, when basics are done consistently.

A justice system is only as strong as the quality of evidence. BNSS requires a forensic expert to visit the crime scene, in offences punishable with imprisonment for seven years or more, collect evidence and ensure the process is videographed. Tools such as e-Sakshya strengthen collection, preservation and authentication of evidence.

Over 700 mobile forensic vans are deployed, with expansion underway. The aim is to make scientific investigation the norm, and improve quality of evidence, for timely trials. In last two years, rate of disposal of forensic cases has nearly doubled.

For victims and families, the value of better forensics is deeply human. A carefully documented crime scene, a protected chain of custody, and timely forensic report, reduce uncertainty and help ensure cases are decided on credible evidence.

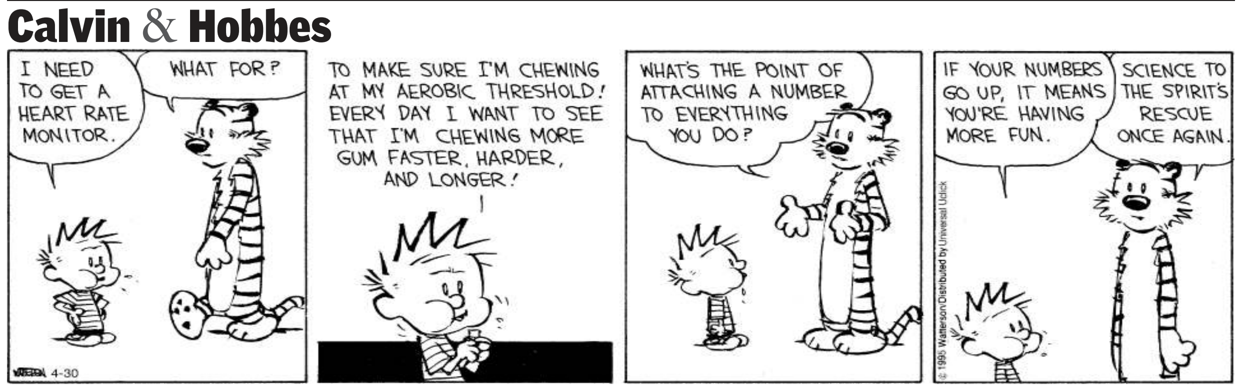
Collaborative governance, silent work | Large reforms often falter in uneven implementation. The response has, therefore, relied on sustained coordination among Centre and states, and across justice system's five pillars. Strategy involved sustained high-level engagement, including meetings with CMs, chief secretaries and DGPs of all states, and constant engagement with registrars general and central project coordinators of all 25 HCs. Supreme Court e-committee's support led to a quantum leap in integrating Case Information System with ICJS. Bhopal's National Judicial Academy drafted model rules in consultation with HCs.

For citizens, 'legislative framework is in place', 'tech tools are available', 'institutional will is evident', and it calls for 'sustained commitment, coordinated action, and a shared sense of purpose'. Citizen-first and victim-centric objective of Nyaya Sanhita framework lies in aligning clear timelines, interoperable tech and multi-institutional coordination.

If these reforms are followed through, outcomes will extend far beyond faster paperwork. It'll enable a justice system more predictable, transparent and trustworthy. This is the standard citizens are entitled to expect: measurable compliance with established procedures, consistent application of law, and timely delivery of justice.

Views expressed are personal

Calvin & Hobbes



Sacred*space*

I believe that nothing has ever existed of everything my lying memory tells me... I believe that body, shape, extension, motion, location are functions. What is there then that can be taken as true? Perhaps only this one thing – nothing at all is certain.

René Descartes

When Science-Metaphysics Divide Falls Apart

Somnath Sarkar

What is the brouhaha over AI tech and deepfakes, which seems to go back to a timeless zone? Long before the advent of AI and deepfakes, many characters from Indian mythological epics, Ramayan and Mahabharat, had the ability to morph into different personas. Indeed, the demon Marich in the Ramayan could perhaps be regarded as a conceptual precursor to the modern deepfake phenomenon. Ravan's kin transformed into a golden deer to lure Ram away from Sita and, thereby, aid and abet Ravan in abducting her.

The 'deepfake' game was not just confined to visual deception. As he lay dying after being struck by Ram's arrow, Marich imitated Ram's voice while calling out to Lakshman for help in a distressed tone, prompting a concerned Sita to coax Lakshman to help his brother. It was the perfect unguarded setting for Sita to fall prey to the machinations of Ravan, who morphed into a venerable sage to carry out the abduction. It was a flawless two-stage deception at work.

There was a pronounced culture of deception in the mythological setting, in which some characters, imbued with illusory powers through maya, could transform and deceive for malefic or, at times, noble ends. Deception, trickery, and delusion intruded into mythology then, and, through tech, via an algorithmic interplay, now.

Deepfakes spawned by AI, like the mythical 'mayavis', are intended to impersonate and deceive. No doubt, mythology, particularly insofar as it encroaches upon the domain of tech, is taken with a pinch of salt by rationalists as it does not rest on a scientific foundation and, as such, is regarded as fiction.

Significantly, there is settled unanimity about accepting the writings of Jules Verne as 'sci-fi with substance', ostensibly because they presage actual inventions and enjoy chronological proximity with the latter. Mythological narratives, while not being predictive in a technological sense, traverse a symbolic, moral and metaphysical canvas. Ravan's pushpak viman, for example, may be regarded as a metaphysical precursor to the flying machine, even though it lacks a scientific rationale.

THE SPEAKING TREE

The mythological mayavis and the deepfake manifestation of AI tech inhabit two watertight compartments, and the twain do not meet. But they do point to a common denominator of deception that has been, and continues to be, increasingly applied to achieving objectives across diverse areas of human endeavour.

Indeed, both mythology and AI-engineered deepfakes evolve from a long-standing human fascination with illusion, identity, and the power to manipulate perception. Mythology caters to the 'willing suspension of disbelief' route even as scientific developments rest on the bedrock of empiricism and deductive rationale.

However, one cannot deny that, at the end of the day, imagination powers innovation, which, in turn, paves the way for invention over a scientific and evolutionary route. Somewhere, then, the distinction between fantasy, fiction, scientific development, and metaphysics seems to fall apart, and fantasy and imagination apparently have in them the seeds that sprout inventions.

OUR VIEW


HT

Job guarantee: We need wider coverage, not less

India's rural employment scheme has taken a new form that seems to dilute the core promise of this fallback. But its value as a safety net endures. Time, perhaps, for an urban version?

The start of July marks India's shift to a new rural employment guarantee programme. In force now is the recently legislated Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin), or VB-G RAM G, which replaces a two-decade-old scheme under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) of 2005. Among the changes, the new law offers a member of every household 125 days of paid work every year, up from 100 earlier. This increase made news when it was enacted, even as advocates of change hailed the rejigged scheme's emphasis on using labour for useful public projects instead of just wage payouts. Critics, however, detected a weakening in its fine-print of the job promise that has long acted as a safety net for millions. In all, how it pans out will test a major part of India's poverty-relief apparatus.

Broadly, what began as a demand-fulfilling scheme funded by the Centre now operates within a budget constraint, with states required to bear 40% of the wage burden (or 10% in some cases) and also pay for over-budget employment. Although expenditure-sharing could improve accountability and get better work done, the weak fiscal position of many states may constrain the needy's access to these daily-wage jobs. Conceptually, what weakens the deal on offer is its annual 60-day suspension during a period of relatively heavy demand for rural labour (usually the harvest season), as deemed by each state. This break aims to ensure adequate labour supply for the farm sector. Under the old scheme, farms saw wage bills escalate as MGNREGA wages acted as the minimum that workers would accept. While it distorted local job markets, it did so on behalf of the poor—which was the policy intent. A yearly 60-day closure of the job window is a sub-distortion that tilts the field in favour of employers. This effectively takes away the basic idea's core promise: that a family can avail of a public job if and when needed (within a limit). An extra 25 days may not make up for a calendar gap.

That said, several other tweaks should help get more done for the money paid. Biometric tools should minimize pay leakages, even as geospatial technology will allow work projects to be planned and tracked better. Indeed, various aspects of the new scheme have explicitly been designed to align its welfare function with India's development agenda. Its labour-deployment focus on water security, rural infrastructure, livelihood assurers and climate resilience reveals a push for outcomes beyond relieving the hard-up of financial stress. In that sense, the government seems justified in calling it a more purposeful programme than what it replaced. Yet, since other fiscal outlays exist for much of what's expected of it now in terms of a rural build-up, it is vital not to lose sight of its primary goal as a job backstop. As the next *kharif* harvest may take a blow from rainfall deficiency, the country's rural economy might fare badly this year, leaving less cash to go around. Welfare provisions are needed most acutely in times of distress. In general, India should aim to universalize its base-level job assurance. Given the slow pace at which regular jobs are being generated and the hardship that attends being jobless, it's time for the Centre to consider city coverage too. Urban poverty is a reality that must not be overlooked, disparity glares out even in posh localities and the poor shape of our cities would suggest there's plenty of work to be done. All said, our safety net needs to widen.

GUEST VIEW

Renewables are no longer just a climate goal but a national moat

India's transition to clean energy is about its economy's competitiveness more than decarbonization

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For long, the case for renewable energy in India has been made through appeals to our collective conscience. Climate pledges, doing the right thing for the next generation and the powerful emotional vision of a clean and green world drove our agenda.

That argument was never wrong. It was just incomplete. The more powerful case today for renewables rests on two hard ideas: economic competitiveness and national security.

In 2025-26, India added over 50GW of non-fossil-fuel capacity, almost double that of the previous year. Total non-fossil installed capacity has risen to 280GW and India is now the world's third-largest renewable energy market, behind China and the US. This pace needs to be sustained.

The Central Electricity Authority projects peak electricity demand to rise to nearly 388GW by 2031-32, with total consumption almost doubling over the decade. Industry, urbanization, cooling, electric vehicles: every familiar driver is intact. But there is a new one few foresaw five years ago: AI infrastructure and data centres. Data centre capacity in India is expected to expand several-fold over the next five years. While conventional sources can provide baseload supply, they face growing challenges in meeting the required combination of low carbon intensity, flexibility and rapid scalability, making renewable-led hybrid solutions important.

India's utility-scale solar tariffs have declined roughly 82% over the last decade. Solar power paired with battery storage has, in recent tenders, cleared below the average pooled procurement cost of several state distribution companies. This means round-the-clock renewable power is often now the cheapest form of new generation. When the economics is so compelling, capital follows naturally.

Speed is another factor. A 1GW solar park can be commissioned in under two years. A comparable thermal plant takes five to seven; a nuclear one over a decade. In a country that must add capacity faster than at any point in its history, execution speed is itself a competitive moat.

India's 500GW non-fossil capacity target for 2030 is often discussed in the context of climate commitments and international negotiations. That context is important. Yet, the target also reflects a broader set of economic and strategic considerations, including energy security, digital infrastructure and India's long-term growth needs.

India imports a majority of its crude oil and a substantial share of its natural gas. Every dollar spent on imported fossil fuel is a dollar that leaves our shores. Every megawatt of renewable capacity, by contrast, is powered by domestic resources: sunlight, wind and land, which no shipping lane. sanctions regime or geopolitical flashpoint can disrupt. Recent events in West Asia have underscored the risks of importing fuels. Renewables, thus, should be seen as a security strategy with co-climate benefits, rather than a climate strategy with security benefits.

The Approved List of Models and Manufacturers framework has matured into the clearest expression of India's industrial intent: List-I for modules is in force, List-II for cells came in mid-2026, and List-III for wafers and ingots is on the runway. An energy transition built on imported cells is not, in any meaningful sense, a sovereign endeavour. The next phase must balance localization with cost competitiveness.

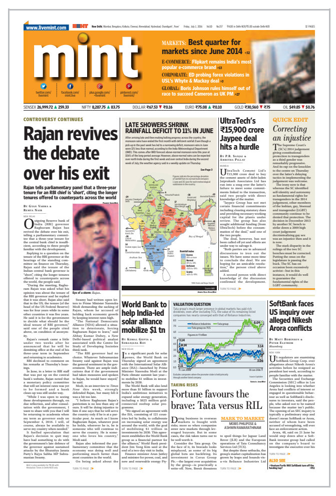
We must address three constraints to sustain renewables expansion. The *first* is the grid. In April 2025, the power systems of Spain and Portugal experienced a cascading blackout that affected tens of millions of people for the better part of a day. An expert report concluded that it was caused by voltage fluctuations and gaps in reactive power control: failures of grid architecture, i.e., not of renewable generation itself.

Spain had generation but lacked the grid to handle it. India must absorb this lesson as an argument to treat grid modernization with the same national focus once reserved for highways. A National Grid Modernization Mission—with its structure, funding architecture and political ownership modelled on India's Bharatmala—is arguably the most consequential reform this sector needs.

The *second* is storage. Solar alone is no longer the destination. The next decade belongs to firm, despatchable, round-the-clock power, and that requires battery storage at a scale India has not yet attempted. Global battery prices have fallen sharply and the trajectory continues to surprise on the downside. With the right combination of viability gap funding, energy storage obligations and competitive tendering, much of which is already in motion, this will be resolved within the decade.

The *third* is the ground reality of land, permits and clearances. Renewables, at their core, are an infrastructure business. They need large tracts in remote terrain often riddled with complexity. The states that moved fast have done so by offering pre-acquired land in dedicated renewable zones, concessional lease terms and single-window clearances. This must be replicated. If India can focus on the grid, storage and execution, renewables will emerge as one of India's competitive moats.

10 YEARS AGO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JUST A THOUGHT

There is nothing so degrading as... constant anxiety about one's means of livelihood.

W. SOMERSET MAUGHAM

THEIR VIEW

Why India's small businesses stay stuck where they are

SAUMITRA BHADURI & SHUBHAM ANAND

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India employs a vast share of its workforce in enterprises that most economists would hesitate to call 'firms.' The Annual Survey of Unincorporated Sector Enterprises (ASUSE) of 2025 counts 79.2 million unincorporated non-agricultural establishments in India. Yet this vast segment generates only 6.5% of national gross value added (GVA). A sector that large, contributing so little, is a story of structural entrapment more than entrepreneurship.

Most of these establishments are own-account units, family-run, often home-based, concentrated in retail, apparel and personal services. In many populous developing economies, such units function as a labour sink when formal jobs are insufficient. Why they remain stuck at low scale and low productivity is the question.

A simple comparison shows the scale gap. The Annual Survey of Industries (ASI), 2023-24, reports that the average registered factory employs 73 workers; ASUSE shows the average unincorporated establishment employs only 1.6. This is near-solo work.

The income implications are stark. Per-worker GVA in this segment is around ₹1.6 lakh a year, and average annual emoluments for hired workers are roughly in the same range, implying monthly earnings near ₹13,000. For many regions, that is barely above subsistence. While the sector may be large, it is not generating broad-based gains in earnings or capability.

The sector has also remained buoyant: in 2025, establishments increased by 8%, employment by 6.2% and GVA by 10.9%. Yet these gains conceal a troubling reality. Output per establishment increased by only 2.9%, per worker by just 4.5% and emoluments paid to hired workers by a mere 3.9%. This means that the sector is simply adding more units, not upgrading the typical unit.

This persistence is not mysterious. When the modern sector does not create enough stable, productive wage jobs, self-employment becomes the default option rather than an entrepreneurial choice. For many households, these enterprises are income-smoothing arrangements that prioritize survival and stability over expansion. In such a setting, staying informal and small reflects rational risk management rather than a lack of ambition.

But why is scaling unusually hard? Because moving from one or two workers to ten is not a smooth incremental step. It raises supervision and coordination needs, requires more reliable input supply and exposes owners to fixed wage obligations even when demand fluctuates. Once you employ non-family labour, a weak sales month can become a cash-flow crisis.

Growth also increases visibility. Larger operations are easier for regulators, inspectors and competitors to notice. When contract enforcement is weak, logistics unreliable and buyer payments uncertain, the risk of scaling can rise faster than expected returns. This explains India's 'missing middle': many enterprises rationally remain tiny because the next step is seen as disproportionately risky.

They're largely fallback options for livelihood that lack the means to scale operations and productivity up

Who owns these enterprises matters as much as how they operate. Female-owned establishments account for 27% of the total, while Scheduled Caste, Tribe and Other Backward Class proprietors together own roughly two-thirds. For many among these groups, informal enterprises are a fallback source of income. In some activities, caste-linked occupational segmentation channels households into low-return niches regardless of effort or skill. These are social constraints and policy that ignores this distinction will continue to misfire.

Moreover, most such enterprises remain disconnected from supply chains and market networks that enable upgradation. Digital adoption is rising, no doubt. About 39% of them use the internet, but connectivity alone does not create profitable investment opportunities. Also, registration remains low where productivity gains matter most. In manufacturing, only about 16.4% of these establishments are registered. If demand is uncertain and margins are thin, finance often funds working capital to survive rather than investment to upgrade.

What does China's experience tell us? Its township and village enterprises of the late 1990s offer a useful contrast. Small firms scaled when they were embedded in an ecosystem: local support, shared infrastructure, dense supplier networks and integration into markets that rewarded quality and scale, especially if aimed at export markets.

India's unincorporated enterprises operate far more in isolation. India has not built an equivalent ecosystem of shared production infrastructure and value-chain linkages that allow small units to grow without bearing the full fixed costs of formalization and market access. This is a policy gap.

Closing that gap requires moving beyond fragmented interventions. The country's priority should be integration: invest in manufacturing clusters and shared production infrastructure, build durable supplier-buyer linkages and reduce the social barriers—gendered, caste-linked and geographic—that hold back their entry to higher-return segments. At the same time, policy must aim to accelerate productive wage employment at scale, so that survival enterprises are not forced to absorb labour by default.

We need not romanticize micro-entrepreneurship. Our goal should be to create real routes from subsistence to scale, so that enterprise growth reflects opportunity and capability, not the absence of better work.

MY VIEW | CAFE ECONOMICS

Exchange rate policy: are traces of political economy inevitable?

Politics often informs currency management. In some cases, it's eventually a negotiation between numbers and narratives

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AFP

The Indian rupee has regained some of the ground it lost against the US dollar in recent months. It traded at 94.63 to a dollar at the close of day on Monday. This is a recovery from the 96.83 level that it touched on 20 May. The interim peace deal between the US and Iran, subsequent decline in international energy prices and policy measures to attract more dollars to the Indian economy have all helped the rupee's external value recover.

Much the same happened in 2013. It was almost the same story as what we have seen this year. India's balance of payments deteriorated, though under different circumstances. India then had a wide current account deficit, while the trade gap is far more modest today. The problem was not an overheated economy, but a drying up of international capital flows into the economy. The rupee had slipped to 68.81 against the dollar on 28 August 2013. It was back at 61.52 a month later. Then, as now, the Reserve Bank of India (RBI) offered an attractive subsidy for dollar deposits by overseas Indians.

For more than two decades, the Indian central bank has said that it does not target a specific value of the rupee. It is only concerned about excess volatility. In practice, there are important nuances in what this formal intention means. In November 2025, the International Monetary Fund (IMF) classified the *de facto* Indian exchange rate regime as a "crawl-like arrangement," which means the exchange rate stays within a 2% band around a trend for at least six months. The multilateral lender had earlier classified the Indian exchange rate regime as a "stabilised arrangement."

What is the difference between the two classifications? A stabilized arrangement functions within a 2% band around a level, or a quasi-fixed exchange rate. A crawl-like arrangement is within the same 2% band but it is around a trend. In other words, it allows a drift of the rupee in one direction. The upshot: Indian exchange rate policy has become more flexible compared to the rigidity during the economic recovery after the pandemic ended.

It is also important to remember the context. India moved from a comfortable balance-of-payments surplus to a worrisome deficit over this period, and hence a currency that was likely to move up against the US dollar on the back of strong capital inflows to one that came under selling pressure as net capital inflows weakened. This aligns with the view that RBI has traditionally intervened in the foreign-exchange market aggressively to prevent rupee appreciation but has generally allowed the Indian currency to lose value when the fundamentals justify a depreciation.

Too many people consider the exchange rate as a measure of national strength rather than a price that is supposed to modulate economic relations with the rest of the world. This is true not only of India. A recent paper by IMF economist Kodjovi M. Eklou that studied the period from 2000 to 2019 shows that "given that the exchange rate is often seen as a barometer of government performance, there could be strong incentives to influence exchange rate valuation during elections." This study found that in a sample of 28 emerging markets and advanced economies, central banks tend to lean against currency depreciation before an election.

This is especially true of emerging markets. Their central banks tend to sell more dollars before an election compared to dollar sales in periods that are not close to polls. Of course, much also depends on the political popularity of the government, or how competitive elections are. India is one of the countries in the study's sample.

While the IMF working paper suggests that the politics of exchange-rate management is prevalent in emerging markets rather than in advanced economies with strong institutional backing for central bank independence, University of Texas economist Carola Binder showed in a 2021 paper that even central banks with high levels of legal independence frequently face pressure from their respective governments. The variable of interest for Binder was not dollar sales to prevent depreciations, but interest-rate policy to stimulate economic activity. Governments always want looser monetary policy, though curiously she notes that such pressure is greater when there is less political competition. Binder worked with data from 118 central banks that covered the period from 2000 to 2018.

The core argument in favour of independent central banks is to insulate them from political pressure, since financial policy has to be stable and predictable for economic agents to take decisions over the long term, while political leaders work with shorter time frames linked to electoral cycles. That led to calls for central banks bound by policy rules in order to minimize "time inconsistency." However, there has been a revival of concerns about unelected technocrats operating independently of elected governments chosen by citizens.

The exchange rate is often described as the single most important price in an open economy. Like it or not, history tells us that exchange-rate policy is not only about economics. It is also informed by a dash of political economy. It is eventually a negotiation between numbers and narratives.

MINT CURATOR

Language diversity: will India's AI aims get lost in translation?

Adapting tools for variation in colloquial speech is a big challenge

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Locally spoken languages in India often have terms borrowed from others. ISTOCKPHOTO

When Prime Minister Narendra Modi hosted world leaders and tech chiefs earlier this year in New Delhi, he declared that AI must be "democratized" and be a "medium of inclusion and empowerment, especially across the Global South."

It is a convenient vision for Silicon Valley, which is in the midst of an ongoing landgrab for the lucrative market. Young, tech-savvy and mobile first, India has become one of the most important growth regions for AI, ranking behind only the US in usage for both OpenAI's ChatGPT and Anthropic's Claude.

But the key to both 'inclusion' and the business dreams of tech diffusion is overcoming barriers to speech. India has nearly two dozen official languages and more than a hundred dialects. If AI cannot close this gap, it will just become another technology that divides the English-speaking elite and everyone else. True localization will depend on whether models can comprehend Bengali voice notes, Gujarati payment queries and code-switched Hindi-English business calls—all the messy and real-world spoken words that drive daily commerce and public life.

Over a billion people speak Indic languages. Yet one study found that GPT5 only achieved about 45% accuracy on a human-curated benchmark covering 11 of them. First generation AI tools were trained on internet text, the majority of which is in English. Technical improvements and better data-sets have helped recent models improve in so-called 'low-resource languages,' those with less data to train on. But the language gap persists, especially for speech, forecast to become the next mass way of interacting with models.

"Voice is the most intuitive interface for humans, especially in more developing regions," Sandeep Chinchali, co-founder of Poseidon, an Andreessen Horowitz-backed data infrastructure startup, told me. And South Asia, he added "uses voice for everything." AI systems that cannot comprehend these interactions will be useless in automating this work, not to mention potentially dangerous in public services.

One problem is a lack of proper benchmarks for non-English models. Leading ones, for example, cannot even agree on what proper Bengali is.

Spoken Indic languages add another layer of difficulty: regional variants, background noise and frequent code-switching in technical and financial conversations. Speech data for AI training requires accurate transcription, longer clips, varied acoustic environments, demographic and regional variants, as well as careful human review before they can truly improve AI models. Systems trained on narrower data-sets often fail in the real world, where conversations mix local slang and borrowed English words in varied settings.

India Inc knows the stakes. Cracking the language challenge has become central to the country's broader sovereign AI push. Building AI that works "at India's scale" presents a massive opportunity, Pratyush Kumar, co-founder of domestic AI hopeful Sarvam AI, said in a statement this month. In April, the startup so many are pinning their hopes on for catching up in a US-China race launched a new evaluation for Indic speech recognition, arguing that the standard metrics were not built for these languages and can distort how such systems are judged.

US tech giants are paying attention too. OpenAI unveiled a framework to evaluate AI systems on Indian culture and language. And the Indian government launched a translation platform that collects spoken data to improve multilingual models. But crowdsourcing is no cure-all. High standards and human curation remain vital. A Stanford team warned in a paper last year that quality has become a key challenge when trying to scale such endeavours. It also raised ethical questions in a sector with a long history of poor pay and exploitation.

The government is already forcing high school students to learn three languages, including two indigenous ones. If the government is serious about making India an AI superpower, it should demand something similar from model builders and craft policy that ensures systems that can truly comprehend its linguistic diversity.

There is also a safety issue. As AI moves into schools, hospitals, courts and public service, language failures have consequences. Safety alignment tends to deteriorate when people engage with AI in low-resource languages. So the people most likely to be left behind by the revolution may also be the least protected from its risks.

Bridging the language divide is key to US tech cracking this market. And Modi's promise that it will deliver "happiness for all, welfare for all" may ring hollow if the technology can't understand the people it claims to empower.

MY VIEW | EX MACHINA

Programmable biology needs rules before we deploy it

RAHUL MATTHAN

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Today, for about $29, you can buy a petunia that glows in the dark. The Firefly Petunia, sold by synthetic biology company Light Bio, was created using genes from luminous mushrooms and emits a soft green light from its buds. After receiving approval from the US Department of Agriculture, it became the first bioluminescent plant to be sold to the public. Even though the condition of sale specifies that it is for personal use only, a petunia can grow from a cutting placed in a glass of water—which means that beyond the terms of the contract, there is nothing to keep this engineered organism from proliferating.

The Firefly Petunia was created by a process increasingly referred to as programmable biology, a phrase inspired by the software industry. Earlier this month, researchers at the Arc Institute released a system called Proto, which took this analogy further than ever before by releasing a programming language for biology. They are designing a system that allows researchers to broadly describe what they want to achieve and have an AI model translate that prompt into genetic sequences.

Proto takes the idea of programmable biology to its logical extreme. It is equivalent to a programming language with a compiler that translates instructions into action. But living cells work differently from computers. Unlike software that sits where you put it on a computer, and does what it is told, code inside a living thing gets copied because organisms reproduce and mutate. And that difference matters a great deal.

Consider a gene drive. Ordinarily, a gene is passed on to only about half of an organism's offspring. As a result, an engineered trait thins out across the population and eventually disappears. A gene drive is a piece of genetic code engineered to copy itself into almost every offspring, so that a single trait spreads through the population till it becomes universal. As a result, it does not just modify an organism; it alters a species.

The most advanced gene drive has been aimed at malaria. Its stated objective is to halt the spread of the disease by collapsing the mosquito population. If successful, it could end a disease that kills hundreds of thousands of people every year. The technology has been proven to work in a laboratory, but has never been released because a gene drive, once let loose into the wild, cannot be recalled. And once that happens, there is no telling what unintended consequences could result.

David Collingridge best described the dilemma we find ourselves in. Early in the life of a new technology, when it is still easy to implement the controls we need, we do not yet know enough about it to act. By the time we know enough, the technology has spread too far to effectively control. Programmable biology makes the Collingridge dilemma all the more acute. By the time we realize the harmful outcomes that could occur, it will be too late to undo.

Engineered genes that can multiply on their own need regulation to keep hidden perils in check

As dangerous as it might be, there are tremendous benefits to pursuing this research. In 2025, gene therapy tailored to a single infant corrected a mutation that no off-the-shelf drug could treat. The malaria drive, if released safely, could save more lives within a decade than any other medicine could in a century.

If we can neither pause nor recall what we release, then our only option is to build defences in advance. This is what philosopher Nick Bostrom calls differential technological development. Instead of halting the technology, he recommends we slow progress on its dangerous aspects and accelerate research on protective features. This would let us put defences in place before the capability arrives. Kevin Esvelt, the Massachusetts Institute of Technology biologist who invented the CRISPR gene drive, has spent a decade doing precisely this by building technologies such as self-limiting, daisy-chain drives that exhaust themselves after a few generations and SecureDNA, which screens every sequence before it is synthesized.

The trouble is that the development of capability and building of defences respond to different incentives. There are buyers for glowing flowers and bespoke cures, but the screening gate and the self-limiting design protect against a hypothetical future harm that will be spread so thin across the population that no one will notice. Markets will pay for what is needed today, but balk at investing in antidotes to dangers that may never arrive. Without government intervention, we may never build the protections we need.

India's Bio-E3 policy, which was approved in 2024, commits us to a $300 billion bioeconomy built on synthetic biology and biofoundries. But while the policy describes the authoring of life in great detail, it says next to nothing about how to defend against the harms that could occur.

A serious bio-economy needs rules and technology safeguards to ensure that nothing that can self-propagate gets released unless we know how to reverse it. Rather than viewing this as a constraint on innovation, we should see this as the foundation on which responsible innovation should be built. If the technology we create cannot be rolled back, we must build safeguards alongside it. And ensure that they are in place well before the capability matures—while they are still cheap and we still can.

The glowing petunia might have been a novelty, but it was also the first consumer product that can't be fully recalled. There will be others. The question is whether the rules arrive before them, or after.

The Statesman
Incorporating and directly descended from the Friends of India -founded 1818

Delayed Recognition

Every democracy owes two debts to its soldiers. The first is to equip them well enough to fight. The second is to acknowledge them with honesty if they fall. The first secures the nation's borders. The second safeguards its conscience. The recent inscription of the names of six military personnel who died during Operation Sindoor at the National War Memorial has reopened questions that extend beyond party politics.

The issue is not whether these brave men were honoured. They were. They received gallantry awards, their families were presented with the medals, and they have now found a place on the nation's Roll of Honour. The question is why a clear, official acknowledgement of their sacrifice as casualties of Operation Sindoor came only a year later.

The government's defence deserves consideration. It has pointed out that the Director General of Military Operations referred to casualties in May 2025, gallantry awards were announced in August, and the memorial inscription followed established protocol.

It has also clarified that Defence Minister Rajnath Singh's statement in Parliament that no Indian soldiers had been harmed was intended to rebut claims that Indian fighter pilots had been killed during the operation.

Yet the controversy has persisted because the minister's recorded remarks were broader than that explanation. They conveyed the impression that India had suffered no military casualties. If a clarification becomes necessary a year later, it is reasonable to conclude that official communication left room for misunderstanding.

This matters because democracies do not diminish military success by acknowledging combat losses. They reinforce public trust by doing so. No modern army can expect to wage operations without risk. Soldiers know it, their families know it, and the nation knows it. What the public expects in return is candour once operational requirements have been met and next of kin have been informed.

India has long understood this principle. During the Kargil conflict, casualty lists were released regularly and the nation watched as fallen soldiers were accorded military honours before being laid to rest.

The Pulwama martyrs were identified immediately and mourned across the country. Other established democracies follow similar practices. Whether in the United States, the United Kingdom, Australia or Israel, operational details may remain classified, but the identities of personnel killed in action are normally made public after their families have been notified. National remembrance is never treated as a military secret.

The nation should not have had to piece together the human cost of a military campaign through local reports, medal citations and, eventually, inscriptions on a memorial wall.

The strength of a democracy lies not in projecting an image of invulnerability but in possessing the confidence to acknowledge sacrifice with clarity and dignity. Those who lay down their lives for the Republic deserve not only medals and memorials, but also the simple honour of being named, openly and without delay. That is the least a grateful nation owes its fallen.

The New Family

For decades, India's social contract rested on an assumption that required little intervention from the state: families would care for their elderly. Public policy focused on pensions, healthcare and poverty because emotional support, companionship and day-to-day caregiving were presumed to come from within the household. That assumption is now under strain, and nowhere is the change more visible than in Kerala.

The state's demographic profile places it at the forefront of a transition that the rest of India will eventually experience. Longer life expectancy, declining fertility and sustained migration have produced a society where parents increasingly outlive the traditional family structure that once sustained them. Their children have not necessarily abandoned them. Many have moved elsewhere in pursuit of education, employment or better incomes. Yet the result is the same: ageing parents find themselves alone even when they remain financially secure.

This distinction is significant because it changes the nature of the policy challenge. Financial assistance can pay bills, but it cannot accompany an elderly person to a hospital at midnight, repair a leaking roof, collect medicines or simply provide conversation after days of isolation. Loneliness has emerged as a public issue rather than merely a private sorrow. It carries consequences for mental health, physical well-being and healthcare costs that governments can no longer afford to ignore. Kerala's decision to create a dedicated institutional framework for elderly welfare reflects an important recognition that ageing is not solely a health or welfare issue. It intersects with urban planning, housing, transport, technology, labour markets and community development. The emphasis on enabling older citizens to remain in their own homes for as long as possible mirrors a growing international consensus that institutional care should be the last option, not the default one.

Yet policy announcements alone cannot compensate for weakening social bonds. A successful ageing strategy requires trained caregivers, regulated senior-care providers, accessible neighbourhood health services, emergency response systems and vibrant community networks. It also demands local governments that treat elderly welfare as an everyday administrative responsibility rather than an occasional welfare programme. Without sustained investment and clear regulatory standards, ambitious plans risk becoming symbolic exercises.

The implications extend far beyond Kerala. States such as Tamil Nadu, Himachal Pradesh, Punjab and even parts of urban Maharashtra are moving along similar demographic trajectories. Migration continues to reshape Indian families, while falling birth rates mean fewer adult children will be available to share caregiving responsibilities in the decades ahead. India's demographic dividend, celebrated for years, is gradually giving way to the realities of demographic ageing.

The real test of a society is not how it treats its young and productive citizens, but how it supports those who have already contributed a lifetime of work. As India's population grows older, the country's social contract must evolve from one that assumes families will always cope to one that ensures no citizen is left to navigate old age alone. Kerala's experiment is therefore an early glimpse of India's future.

Agni Kawach

It is vital to secure a self-reliant nuclear future for India through indigenous risk assessment

India is building its energy future on several pillars at once: bio-ethanol, coal gasification, renewables, and nuclear power. The intent is not diversification for its own sake but a deliberate convergence of energy security, industrial transformation, and long-term decarbonisation.

The scale of ambition is considerable. India has committed to 500 GW of non-fossil fuel electricity capacity by 2030 and roughly 1,800 GW of total installed capacity by 2047, with nuclear power expected to contribute around 100 GW of that total. Nuclear holds this position for a straightforward reason: it is one of the few low-carbon sources that can deliver reliable, high-density baseload power at scale.

Nuclear accounts for about 9-10 per cent of global electricity generation, though the spread across countries is wide. France draws nearly 70 per cent of its power from nuclear; the United States 19-20 per cent; Russia and South Korea roughly 20 and 30 per cent respectively; Canada close to 15 per cent, and China around 6 per cent. India sits at 2-3 per cent. That gap reflects a specific constraint: limited domestic uranium reserves. India recognised this early and structured its entire nuclear programme around it.

India's nuclear programme was designed from the start around the country's resource reality: scarce uranium, abundant thorium. The three-stage structure addresses this directly.

Stage 1: Pressurised Heavy Water Reactors (PHWRs) using natural uranium as fuel.

Stage 2: Fast Breeder Reactors (FBRs) using plutonium and depleted uranium.

Stage 3: Thorium-based reactors using Uranium-233 derived from thorium.

India began its nuclear research programme with the APSARA reactor in 1956, followed by CIRUS, ZERLINA, and PURNIMA. These early reactors built the foundation: reactor physics expertise, fast breeder knowledge, and the trained scientific base needed for indigenous development.

The first commercial nuclear station at Tarapur used Boiling Water Reactors, then India pivoted toward its own technology with the Rajasthan Atomic Power Station and the development of PHWRs. Over time, PHWRs became the backbone of the Indian nuclear power. Indigenous designs grew from 220 MWe to 540 MWe and then to 700 MWe systems, and India achieved self-reliance in heavy water production.

The Fast Breeder programme advanced alongside. The Fast Breeder Test Reactor commissioned in 1985 led to the 500 MWe Prototype Fast Breeder Reactor, a sodium-cooled system representing the critical second stage of the programme. Fast breeders matter because they convert fertile material into fissile fuel, which is how India eventually unlocks its thorium reserves at scale. India also expanded through international partnerships, establishing VVER-1000 Pressurised Water Reactors at Kudankulam with Russian collaboration.

Today, India has standardised 700 MWe PHWR designs and is advancing thorium reactor research toward the third stage. The cumulative achievement is significant: a country that started with almost no uranium has built one of the most coherent long-term nuclear strategies in the world.

India has recently shifted nuclear policy toward a faster growth trajectory. The proposed SHANTI (Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India) Act, 2025, is intended to open the sector to greater private participation and joint ventures in civil nuclear power generation.

Small Modular Reactors (SMRs) are central to what comes next. These are advanced nuclear reactors typically ranging from 50 MWe to 300 MWe per unit. Unlike conventional large plants, SMRs are factory-manufactured, modular, and deployable faster. Their advantages for India are practical: lower upfront capital, shorter construction timelines, enhanced passive safety systems, suitability for remote and industrial locations, flexibility alongside renewables, reduced land and water requirements, and better grid stability. For a country building energy capacity across a vast and varied geography, these characteristics matter. Expanding nuclear capacity and deploying SMRs requires a safety infrastructure that matches the ambition.

Nuclear safety challenges span interconnected domains: reactor physics, heat removal, fire and explosion risk, human-machine interaction, system reliability, and long-term operational maintainability. Although the Government of India does have its Safety Research Institute under the Atomic Energy Regulatory Board at Chennai and has the facility for risk assessment, it is with conventional systems.

India currently lacks a fully indigenous platform for integrated consequence analysis and industrial safety modelling. Despite growing nuclear and industrial infrastructure, regulators and operators continue to rely on imported software such as DNV PHAST, Gexcon FLACS, ANSYS CFD solvers, Shell FRED, and Flydyn systems. That dependence creates licensing constraints, technology vulnerabilities, and strategic limitations in a sector directly tied to national security and critical infrastructure.

To close this gap, scientists and software developers at INDRAX Safety and Energy Solutions are building Agni Kawach™, an AI-enabled Computational Fluid Dynamics (CFD)-based consequence modelling and industrial safety platform. It is the first serious attempt at an indigenous alternative for critical safety infrastructure tailored to Indian local environmental conditions.

The platform is built to simulate gas dispersion, fire scenarios, vapour cloud explosions, blast-wave propagation, thermal radiation effects, and multi-hazard industrial accident scenarios.

It uses Porosity/Distributed Resistance (PDR) modelling, a globally established methodology for dispersion and explosion analysis, integrated into a software architecture designed for nuclear, hydrogen, LNG, refinery, and defence applications.

DR. J P GUPTA

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Agni Kawach™ incorporates GPU-accelerated CFD solvers, RANS and LES turbulence modelling, AI-enhanced surrogate modelling, Physics-Informed Neural Networks (PINNs), CAD-based simulation interfaces, real-time hazard forecasting, and automated compliance reporting. It is being aligned with Indian regulatory standards including PESO, OISD, and MSIHC regulations, with a view to covering future nuclear and defence safety requirements. The system is designed to align with Indian regulatory standards including PESO, OISD, and AERB regulations, and future nuclear and defence safety requirements.

Hazardous Wastes (Management and Handling) Rules, 1989 state that these rules will not apply to radioactive wastes (Rule 2 (e). Radioactive wastes are covered under the provisions of the Atomic Energy Act and rules made there under. Rules 2(b) and 3 of Manufacture, Storage and Import of Hazardous Chemical Rules (1989) under the Environmental Protection Act, 1986 have notified AERB as the authority to enforce directions and procedures as per Atomic Energy Act with respect to radioactive substance.

As India scales its nuclear and industrial energy systems, Agni Kawach™ reduces dependence on costly imported platforms while building sovereign capability in a strategically sensitive area. The parallel to India's achievements in defence, digital infrastructure, and space technology is direct: indigenous safety platforms are as essential to *Atmanirbhar Bharat* as the reactors themselves.

India today possesses one of the world's most comprehensive long-term nuclear energy strategies, centred on energy security, technological sovereignty, and sustainable utilization of thorium resources.

India has one of the most coherent long-term nuclear strategies of any country, grounded in energy security, technological sovereignty, and the eventual large-scale use of thorium. The next phase requires moving from strategy to deployment: faster build-out, private-sector involvement, SMR commercialisation, and a domestic safety ecosystem to support it all.

Thus, the following steps are recommended:

^ The Government of India should aggressively promote SMRs based on fast breeder and thorium technologies to strengthen national energy security and reduce long-term fossil fuel dependence. Reduced nuclear waste in Thorium based Reactors. Nuclear waste is always a concern among the population around the nuclear plants apart from reactor meltdowns.

^ Nuclear reactors, components, instrumentation systems, and safety platforms should be developed domestically to the greatest extent possible under the Make in India framework.

^ A graded incentive and subsidy structure for SMR projects should reward indigenous content. Projects above 50 per cent domestic content may qualify for initial incentives; projects exceeding 90 per cent should receive higher strategic support sustained over a ten-year period.

^ With fast breeder technology, thorium research, and indigenous safety systems advancing in parallel, India should position itself as an exporter of advanced nuclear reactors and SMRs before 2047.

^ Platforms such as Agni Kawach™ should receive national strategic support as part of India's critical infrastructure ecosystem, ensuring technological independence in nuclear safety and industrial risk assessment.

Nuclear energy is becoming one of the central pillars of India's energy security and decarbonisation strategy. Abundant thorium reserves, growing indigenous technical capability, and a rapidly expanding industrial economy give India a credible path to global leadership in advanced nuclear systems.

SMRs are both an energy solution and an industrial opportunity. Developing them through the fast breeder-thorium route positions India as a technology exporter, particularly relevant for developing economies across Asia, Africa, and the Middle East that will need dependable low-carbon baseload power.

India's nuclear future will not rest on reactors and fuel cycles alone. It will rest equally on indigenous digital safety infrastructure, AI-driven risk assessment systems, and sovereign technological capability. Agni Kawach™ represents that next phase.

PHILIPPINE DAILY INQUIRER

The media's crisis of trust

The first came from Reuters Institute's 2026 Digital News Report, released June 16, which found that trust in news in the Philippines had plummeted to 28 percent this year, from 38 percent in 2025.

The second was the June 18 final report of United Nations Special Rapporteur Irene Khan, who warned that freedom of expression was under attack worldwide and pointed to the Philippines as among the nations whose laws are being weaponized against journalists.

The third came days later, on June 22, when Capiz broadcaster Jay Lavapiez survived an assassination attempt. Viewed separately, each development is enough to send alarm bells ringing across newsrooms, but taken together, they offer a terrifying glimpse of the scale of the crisis afflicting the press. The decline in public trust in journalism is often discussed as though it were an inevitable consequence of changing technology, shifting consumer habits or the shortcomings of news organizations themselves. The last one is a bitter pill for the media, because newsrooms make errors, reporters commit ethical lapses, and many outlets fall short of journalistic standards.

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But the erosion of confidence in the press cannot be explained by challenges of the digital age nor journalism's own failings alone. For years now, journalists have confronted a sustained campaign of disinformation designed not just to promote political interests but to undermine the fourth estate, one of few institutions capable of holding power to account. In such an environment, falsehoods compete with verified information on equal footing and fabricated narratives travel farther and faster than impartial reporting. As the Reuters study found, social media has remained the dominant source of news for Filipinos, meaning more people encounter journalism through platform feeds shaped by political messaging and disinformation.

Citizens exposed to a constant stream of attacks against journalists, accusations of bias and outright lies may conclude that nobody is telling the truth. It's a conclusion that serves only those who benefit from the weakening of public trust in the press.

Khan's report places this problem within a broader global context. She warned that those in power are increasingly weaponizing laws to suppress dissent and manipulate information. "In the Philippines, 'terrorism financing' laws have been used against many journalists and human rights defenders, in one case dragging out legal proceedings for five years on dubious evidence while the journalist languished in pretrial detention and eventually received a disproportionately severe punishment," Khan said, alluding to the case of Tacloban-based journalist Frenchie Mae Cumpio. Khan's report highlights how attacks on press freedom do not always come in the form of censorship or shutdowns. They also manifest as legal persecution, online harassment or intimidation and Red-tagging that impose enormous costs on journalists. The effect is a climate of fear, sending the message that critical reporting carries serious, sometimes fatal, consequences.

Letters To The Editor | editor@thestatesman.com

Uncertain status

Sir, Please refer to today's report "Passport not proof of citizenship: MEA". The clarification by the Ministry of External Affairs that a passport is not conclusive proof of Indian citizenship has raised more questions than it intended to answer. While Opposition leaders have slammed the rationale, the government insists that this is neither a new policy nor a recent interpretation.

However, a passport is one of the most rigorously verified documents issued by the government. It requires extensive documentation, identity checks and police verification. Therefore, the assertion that it cannot conclusively establish citizenship appears anomalous. The disconnect lies in the distinction between evidence of citizenship and its absolute proof.

The controversy comes amid the Special Intensive Revision of electoral rolls and citizenship verification exercises. The question arises: what document ultimately proves citizenship? The government's answer is that citizenship is determined by law and supporting evidence, not by possession of any one document. But this stand poses a policy challenge. In a democracy, citizenship is the foundation of voting rights, constitutional protections and political participation. Reliance on a patchwork of documents can leave citizens uncertain about their status. The debate should move beyond whether a passport proves citizenship and focus instead on the need for a clear, transparent framework to establish an individual's status as a citizen.

Yours, etc., Khokan Das,
Kolkata, 26 June.

Confusion

Sir, The Ministry of External Affairs' recent clarification that the Indian passport is a mere travel document and not a citizenship proof has triggered public confusion. This clarification comes in response to the ongoing debate regarding the Special Intensive Revision (SIR) and the utility of the passport in restoring the axed voters. In India, citizens are required to possess multiple documents like Voter Identity Card, Aadhaar Card, Permanent Account Number (PAN), Passport and Ration Card yet none of them are enough to bolster one's identity.

The passport is a globally recognized citizenship document issued after police verification of an applicant. The implication that it has value abroad but not at home reflects a lack of practicality.

Several citizens possessing sanctioned documents were disfranchised ahead of elections and are awaiting restoration of their franchise. The sharp plummet in passport rankings was barely acknowledged but the recent development demands urgent intervention of the Centre.

Yours, etc., Aayman Anwar Ali,
Kolkata, 25 June.

Corporate greed

Sir, The toxic Tamil Nadu ammonia leak, killing several workers and hospitalising dozens, proves that corporate profit systematically supersedes human existence. It is sickening how safety compliance is treated as a minor procedural burden while 100 per cent of the risk falls on defenseless migrant laborers.

This is not an unforeseen accident; it is corporate manslaughter fueled by continuous negligence and zero regulatory vigilance. When a nation proudly celebrates economic growth while callously tolerating workplaces that expose vulnerable citizens to mortal danger, its progress is an absolute illusion. Production figures must never outweigh human survival.

Yours, etc., Dr.Vijaykumar H K,
Raichur, 24 June.

How technology became India's social equaliser

TUHIN A. SINHA

When Prime Minister Narendra Modi launched the Digital India Mission on 1 July 2015, many saw it as an ambitious technology programme aimed at expanding internet access and digitising government services. Eleven years later, it is evident that Digital India was never merely about broadband connectivity, smartphones or mobile applications. It was a transformative governance reform designed to democratise opportunity, restore dignity to welfare delivery and ensure that technology became an instrument of empowerment for every Indian, particularly those who had remained on the margins of development.

Perhaps no government initiative in independent India has altered the relationship between the citizen and the State as profoundly as Digital India. It has redefined governance by making it more transparent, accountable and citizen-centric. More importantly, it has shifted the focus from entitlement to empowerment, ensuring that the benefits of development reach the last citizen without discrimination or delay.

For decades, India's welfare architecture was plagued by leakages, inefficiencies and layers of intermediaries. Subsidies often disappeared before reaching intended beneficiaries, while the poor had to navigate cumbersome bureaucratic processes to access basic entitlements. PM Modi recognised that genuine empowerment could not be achieved merely by increasing welfare expenditure. The delivery mechanism itself had to be transformed.

This is where the Jan Dhan-Aadhaar-Mobile (JAM) trinity emerged as one of the most consequential governance innovations in modern India. By linking bank accounts, biometric identity and mobile connectivity, Digital India created the world's largest digital welfare ecosystem. Today, through Direct Benefit Transfer (DBT), over Rs 49 lakh crore is transferred directly into bank accounts of beneficiaries under hundreds of welfare schemes. Every transfer represents a citizen receiving government assistance without paying commissions, depending on middlemen or waiting endlessly for files to move. Few reforms have done more to restore the dignity of the poor than ensuring that every rupee sanctioned by the government reaches its rightful beneficiary.

This transformation is not merely about efficiency; it is about social justice. For millions of poor households, particularly women, the ability to receive welfare directly into bank accounts has translated into greater financial independence and decision-making within families. Farmers receive PM-KISAN assistance without intermediaries. LPG subsidies, pensions, scholarships, MGNREGA wages and numerous other benefits now reach beneficiaries seamlessly. Technology has quietly dismantled barriers that persisted for decades.

The scale of this transformation is unprecedented. More than 57 crore Jan Dhan accounts, nearly universal Aadhaar coverage and over 109 crore internet users together form the backbone of India's digital revolution. Smartphones have become ubiquitous across both rural and urban India, while BharatNet has extended broadband connectivity to over two lakh Gram Panchayats, bridging the digital divide. Digital access is no longer an urban privilege; it has become a public utility.

Yet, the true success of Digital India lies not in connectivity alone but in the opportunities that connectivity has created.

The Unified Payments Interface (UPI) has fundamentally changed the way India transacts. Today, the neighbourhood grocery shop, the vegetable vendor, the auto-rickshaw driver and the small entrepreneur accept digital payments with the ease of large corporations. India has emerged as the global leader in real-time digital payments, demonstrating that innovation need not remain confined to advanced economies. UPI has brought millions of individuals and small businesses into the formal economy, creating transparency while reducing dependence on cash.

Likewise, platforms such as DigiLocker, UMANG, eSanjeevani, the Ayushman Bharat Digital Mission, Government e-Marketplace (GeM), Open Network for Digital Commerce (ONDC) and the Digital Agriculture Mission have transformed delivery of public services. Students can access academic certificates digitally, patients can consult doctors remotely, small businesses can compete for government procurement, and farmers increasingly receive timely information through digital platforms. Governance has become faster, simpler and more accessible.

One of the defining characteristics of the government's digital approach has been the creation of Digital Public Infrastructure (DPI). Unlike many countries where digital ecosystems are built around private monopolies, India consciously developed interoperable public digital platforms that remain accessible to all. Aadhaar, UPI, DigiLocker, Account Aggregator and other components of the India Stack have together created open digital architecture that encourages innovation while ensuring inclusion.

Today, India's Digital Public Infrastructure is recognised globally as one of the country's most significant contributions to governance innovation. Countries across Asia, Africa and Latin America are studying or adopting elements of India's digital model. International institutions increasingly view India's experience as evidence that digital transformation can be inclusive, affordable and scalable even in large, diverse democracies. What was conceived as a domestic governance reform has evolved into an important pillar of India's global leadership and development diplomacy.

Digital India has also become a catalyst for economic transformation. India's electronics manufacturing sector has expanded dramatically over the past decade, with the country emerging as one of the world's largest mobile phone manufacturing hubs. Policies encouraging domestic manufacturing, combined with a rapidly expanding digital economy, have generated employment, strengthened supply chains and reduced dependence on imports. Digital infrastructure has thus become both a governance asset and an engine of economic growth.

Perhaps the most remarkable aspect of Digital India is that it has empowered those who were traditionally excluded from formal systems. Women, self-help groups, artisans, tribal communities, street vendors and first-generation entrepreneurs have all gained access to financial services, digital marketplaces and government programmes. A woman in a remote village today can open a bank account, receive welfare benefits, make digital payments, access telemedicine and store official documents electronically - all through her mobile phone. That is social transformation.

The impact extends well beyond welfare. Digital governance has strengthened transparency by reducing opportunities for discretion and corruption. Every DBT payment creates an auditable trail. Every digital transaction enhances accountability. Every online service reduces physical interfaces that once enabled rent-seeking. In doing so, Digital India has quietly emerged as one of the most effective anti-corruption reforms undertaken in independent India.

As India enters the next phase of its development journey, Digital India is also laying the foundation for the age of Artificial Intelligence. AI-powered governance, predictive healthcare, precision agriculture, personalised education, multilingual digital assistants and intelligent public service delivery are no longer distant possibilities - they are rapidly becoming integral to India's development strategy. The robust digital architecture created over the past eleven years provides the trusted data infrastructure and secure public platforms necessary for AI to deliver meaningful public outcomes rather than merely commercial applications.

Prime Minister Modi has emphasised that India must lead the AI revolution while ensuring that technology remains ethical, inclusive and human-centric. This vision naturally extends the philosophy that shaped Digital India itself. Just as the first decade focused on connecting citizens and digitising governance, the next decade must focus on using Artificial Intelligence to improve learning outcomes, enhance healthcare delivery, empower farmers, strengthen disaster management, optimise urban planning and create new opportunities for young innovators.

If the first phase of Digital India connected India, the next phase can help India think, innovate and compete at the frontiers of global technology.

This evolution also places India in a unique position globally. Few countries possess the combination of population scale, digital identity, real-time payments, interoperable public platforms and democratic governance that India has successfully integrated. These strengths will increasingly define India's competitiveness in the emerging digital economy. The world is beginning to recognise that India's greatest export may not simply be software or skilled professionals, but an entirely new model of digital governance that combines innovation with inclusion.

Eleven years after its launch, Digital India has become the operating system of New India, quietly powering almost every major governance reform undertaken over the past decade. The digital rails built since 2015 now underpin welfare delivery, financial inclusion, healthcare, education, commerce, agriculture and public administration.

As India prepares for the next decade of technological transformation, the challenge is no longer to prove that digital governance works. The challenge now is to harness emerging technologies such as Artificial Intelligence with the same commitment to inclusion that defined the Digital India Mission. The years ahead can demonstrate how innovation, guided by democratic values and human dignity, can help India emerge not only as a digital power but also as a compassionate and equitable global leader. That would be the most fitting tribute to the vision that set Digital India in motion eleven years ago.

(The writer is a national spokesperson of BJP and an acclaimed author.)

Soft power now speaks a new language

CHAITANYA K PRASAD

Soft power in today's day and age of complex geopolitics has departed from the conventional nomenclature given to it. As a concept, today it is intrinsically woven into communication protocols, defining perceptions and incorporating a different interconnect with policy, outreach and narrative building. With the times, the notion of soft power has drastically changed since Joseph Nye coined the term in the 1980s.

While the ability to influence was limited in scope and objective earlier, it operates today in a much more complex matrix - a matrix that is outlined by new ideas, algorithms, influence, persuasion and credibility aspects. Soft power today operates within the complex architecture of state and non-state actors. Through its varied tools, the concept has become extremely dynamic, always in the search of viability, effective relationships, partnerships, consistent engagement and appeal within the parameters of national and global boundaries. Soft power today when applied in real politics reflects deep insights, aspirations and comprehensive trust. It is no longer limited to a cultural framework. It has become an essential ingredient to showcase growth, progress, legacy, strategic positioning and a value system that reinforces its connection with policy, institutions and people. As a concept it has become an essential ingredient to people-centric development, governance, narrative setting and public-oriented diplomacy.

While culture remains the cornerstone of soft power, it is the variations offered within the concept that have made the idea a must-win input in the practice and performance of diplomacy and foreign policy. This has become more challenging in the light of the 'Digital Age' we all live in. Tech-driven growth and deep-tech partnerships colour soft power through different shades and templates.

In the contemporary global order, the credibility of a nation is no longer shaped only by its economic strength or military capability. It is equally shaped by the way its institutions speak, the way its policies are understood, and the way its people are able to connect with the world. This is where soft power assumes a wider meaning. It becomes a bridge between domestic achievements and global recognition. It carries the ability to translate national progress into a narrative that is understood beyond borders.

In this sense, soft power is not a passive asset. It is an active instrument that demands clarity, consistency and conviction. It requires countries to communicate not merely what they have achieved, but why those achievements matter for humanity, development and shared futures.

The digital environment has further multiplied the importance of this idea. Today, a policy decision, a cultural symbol, a scientific innovation, a sporting achievement or even a public campaign can travel across continents in seconds. The same speed that creates opportunity also creates vulnerability. Narratives are no longer built only through formal statements or diplomatic channels. They are built through public conversations, social media engagement, visual storytelling, influencer ecosystems, academic exchanges, diaspora networks and the credibility of institutions.

Therefore, the management of soft power today requires an understanding of both substance and perception. It is not enough for a country to possess cultural depth or civilisational confidence. It must also have the capacity to present that depth in a manner that is contemporary, relatable and persuasive. Education, knowledge and innovation have also emerged as important dimensions of soft power. Universities, research institutions, start-up ecosystems, scholarships, digital public infrastructure and technology partnerships now shape how a nation is perceived by young people, investors, researchers and policy communities. A country that is able to offer solutions in areas such as climate change, health, digital inclusion, skill development and affordable technology naturally creates goodwill. This goodwill is not artificial. It is built through usefulness, trust and the ability to contribute to global challenges. In many ways, the soft power of the present century is increasingly solution-oriented. It is not only about admiration, but about relevance. It is not only about visibility, but about value.

At the same time, cultural confidence continues to remain an enduring pillar. Languages, cinema, cuisine, literature, festivals, heritage, spirituality, yoga, traditional knowledge systems and creative industries continue to provide emotional familiarity and attraction. However, these cultural markers gain greater strength when they are connected with modern aspirations.

A nation's heritage becomes more powerful when it is not presented as a relic of the past, but as a living force capable of engaging with the present. This balance between legacy and modernity gives soft power its real depth. It allows a country to appear rooted and forward-looking at the same time. It also prevents soft power from becoming ornamental, limited only to symbolic representation without strategic direction. In this changing framework, communication has become the backbone of soft power. The language of communication must be authentic, people-centric and globally conscious. It must avoid overstatement and still carry ambition. It must be able to speak to domestic audiences with confidence and to international audiences with openness. This is particularly important because soft power rests heavily on trust.

Once credibility is weakened, even strong cultural or institutional assets lose their impact. Hence, successful soft power is never built through messaging alone. It is built through the alignment of message, action and experience. What a country says, what it does, and what others experience through engagement with it must reinforce one another. The role of diaspora communities also adds another strong layer to this discussion. Diaspora groups often become living carriers of national identity, cultural memory and professional excellence. They influence perceptions in host societies through their contribution to business, academia, technology, medicine, public life and community networks. Their success often becomes a reflection of the country's human capital and value system.

When connected meaningfully, diaspora communities can create long-term bridges of trust and collaboration. They can also help translate national narratives into local contexts with greater emotional acceptance. It finally turns influence into a deeper framework of respect.

(The writer is a commentator and author. Views are personal. With inputs from Zoya Ahmad and Vaishnavie Srinivasan.)

100 Years Ago

News Items

FOUR-DAY TESTS?

PLAYERS IN FAVOUR OF AN EXTENSION

FROM OUR OWN REPRESENTATIVE
LONDON, JUNE

ALTHOUGH barren of result it was a good match for England, who, with the bowling thoroughly mastered, might have created a batting record for Test matches, says Mr. G. L. Jessop in the Daily Mail.

The declaration was disappointing, it being made on the supposition that England might be able to snatch a win in 4 1/4 hours. This view was unjustified after Saturday's batting, and Australia was given batting practice at the expense of England's bowling.

The newspapers generally stress the futility of the three-day Tests. The Daily Mail points out that fast bowlers like Richardson, Kortright, Lockwood, have disappeared and schemers like Lohmann, Blythe, and Trumble are scarce. Batsmen, too are wearing bigger pads and are protected in a manner inconceivable twenty years ago, and they can, without fearing hurt, step right in front of bowling to which their, predecessors were forced to present their bats. Mr. G. A. Faulkner, writing in the Westminster Gazette, says the first Test was ruined by rain, but the ending of the second was even more ridiculous.

Kilner, Hobbs and Tate are in favour of four day Tests. Root and Strudwick are for playing to a finish.

NEW MINISTERS

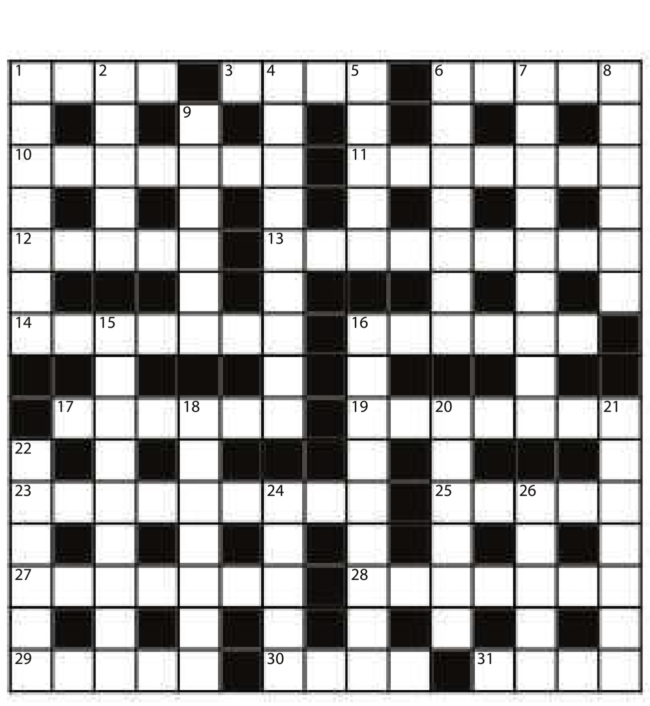
NUCLEUS OF THE MEIGHEN CABINET

OTTAWA, JUNE

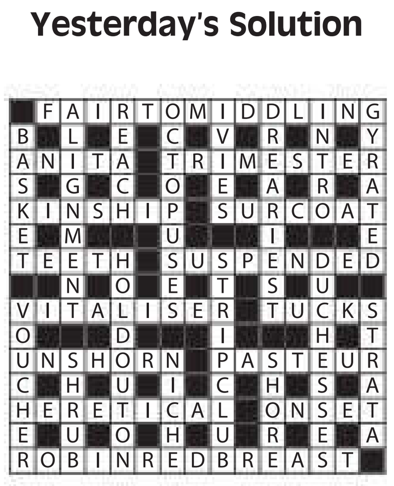
SIX ministers without portfolios were sworn in to-day as the nucleus of the Meighen Cabinet, including Mr. Stevens (British Columbia), who formulated the charges with regard to the customs irregularities which led to the fall of the Mackenzie King Government, as Officiating Minister of Customs, and Sir George Perley, ex-Canadian High Commissioner in London, as Acting Minister of Public Works.

Unofficial opinion is that Mr. Meighen will endeavour to secure the passage of the balance of supply through Parliament, and the conclusion of other unfinished legislative work and prorogue Parliament without announcing any definite policy with regard to dissolving Parliament this year.—Reuter.

Crossword | No. 293507



Yesterday's Solution



ACROSS

1 Plaster frame of artwork in religious establishment (4)
3 Lost boot not seen during football season (4)
6 Energy equals discharged voltage doubled, divided by resistance (5)
10 What could have an unexpectedly beneficial effect? (7)
11 See sign involved creative act (7)
12 Refreshing place with nothing staying the same (5)
13 King follows period in office beset by enemy alien (9)
14 Greatest power invested in certain author (7)
16 Instrument lined with lead to reinforce old metal (6)
17 Brownies regularly press skirts one by one (6)
19 Confusion spread by broadcast and stupidity (7)
23 Person making a claim before proposal (9)
25 Work out zero in school (5)
27 Musical group attempt to tour America (7)
28 Vintage department store regularly checks gold standard for design (7)
29 High-flier who predates good result for part of course (5)
30 Stage is plain to the audience (4)
31 Collide briefly with runners when cycling (4)

DOWN

1 Generous admission of liability stops arrests (7)
2 Romantic writer inspired by lake at sunset (5)
4 Cold air, almost -18C, disrupts a swimming lesson (9)
5 Drink fit for royalty served up (5)
6 Hawking s essential part in proving conclusion (7)
7 Article rendered on screen captures something evocative (9)
8 Guarantee criticism spares leading clubs (6)
9 He should honour contract to the letter (6)
15 What Gollum did in fight scene? (5,4)
16 Fine and bail armed suspect (9)
18 Do over American couple snubbed by judge (7)
20 Head to destination by alternative route (6)
21 Offence exploits openings in person? (7)
22 Original American term for ultra cheap shot (6)
24 Refuse to meet with democrat instead of conservative (5)
26 One takes a bow when playing this part in dramatisation (5)

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

The Tribune
ESTABLISHED IN 1881

Takht vs govt

Constitutional supremacy must guide stakeholders

THE Akal Takht's directive to the Punjab Government to amend the anti-sacrilege law has brought into sharp focus the complex interplay between religion and the State in India. Even as the Akal Takht is the supreme temporal seat of the Sikhs, there are constitutional boundaries separating religious institutions from elected governments. The Constitution guarantees every religious denomination the freedom to manage its affairs under Article 26. These rights, however, coexist with the principles of secular governance and the rule of law. Legislative authority rests with democratically elected legislatures, and governments are accountable to the Constitution rather than to any religious body. The Supreme Court's landmark ruling in the SR Bommai case (1994) affirmed that secularism is part of the Constitution's basic structure.

The intervention by the Akal Takht reflects an unsettling overreach. In a vibrant democracy, religious bodies, civil society organisations and citizens are entitled to express their views on public policy. Governments may consider such opinions alongside those of other stakeholders. However, constitutional legitimacy requires that legislative decisions should emerge through democratic deliberation, public consultation and judicially reviewable processes — not through religious directives.

While the State is duty-bound to preserve public order and prevent communal tensions, criminal provisions must satisfy the constitutional tests of equality, reasonableness and protection of free speech. Any law that is vague or selectively enforced cannot withstand scrutiny. There is a need for carefully drafted legislation that punishes deliberate acts of incitement without stifling legitimate debate, scholarship or artistic expression. The ultimate test of the Jaagat Jot Sri Guru Granth Sahib Satkar (Amendment) Act will not be the stamp of religious approval but its consistency with the Constitution, which remains the supreme law of the land and the common framework governing a diverse society.

Safer chats

WhatsApp's long-overdue privacy reform

FOR years, WhatsApp has championed end-to-end encryption, assuring users that their conversations remain private. Yet one conspicuous privacy gap persisted: anyone wishing to start a chat generally needed access to the other person's phone number. By introducing unique usernames, allowing users to communicate without revealing their mobile numbers, WhatsApp has finally addressed a longstanding weakness. The change reflects the growing importance of digital privacy. A phone number today is more than a means of communication. It is linked to banking, government services and countless online accounts. Sharing it with strangers can invite spam, scams and unwanted intrusion. Usernames give people greater control over their digital identity without compromising the platform's encrypted messaging.

The move also brings WhatsApp in line with competitors such as Telegram, which have long offered username-based communication. As the world's largest messaging platform, with more than three billion users, it was only a matter of time before Meta closed this longstanding privacy blind spot. For professionals, freelancers, small businesses and content creators, the feature makes it easier to interact with clients and audiences while safeguarding personal information. Women and young users, often vulnerable to harassment, stand to benefit the most. The update, however, is no silver bullet. Impersonation and fake profiles could emerge as new challenges. Meta must back this feature with strong verification, effective reporting systems and swift enforcement against abuse.

Privacy is not merely about keeping messages secret. It is about deciding what personal information to share and with whom. WhatsApp's username feature marks a welcome shift towards user-centric privacy. In an era where personal data is increasingly exploited, giving individuals greater control over their digital identity is both timely and necessary.

ON THIS DAY...50 YEARS AGO

The Tribune.

CHANDIGARH, THURSDAY, JULY 1, 1976

National Communism

IT was in 1974 that a meeting of 28 European Communist parties decided to hold a conference of all the European parties not later than the middle of 1975. The time-table had to be postponed by about one year because of various reasons, particularly the refusal of Yugoslavia and the Communist parties of France and Italy to recognise Moscow as the centre of the international Communist movement. The present conference of 29 European Communist parties has been possible by a recognition on the part of Moscow that the days of monolithic Communism are over. In his opening address to the conference, Mr Leonid Brezhnev said: "There is sometimes speculation whether proletarian internationalism is still timely or whether it is not outdated, and whether its maintenance does not signify the intention to restore a centre of decision inside the Communist movement. No one is expressing the idea of creating such a centre." He called for solidarity among the Communist parties "in the strict respect of each party's equality of rights and autonomy." The first crack in the monolithic unity of European parties under Soviet leadership occurred when Yugoslavia was expelled from the Cominform in 1948. The controversy between the Soviet and Chinese parties from 1960 developed two centres of Communist leadership, Moscow and Peking. The decisive turning point in relations between the European parties themselves was brought about by the Soviet policy in Czechoslovakia in 1968. It was disapproved by Yugoslavia, Romania and many European parties, including the Italian, French, Spanish and British.

The kill switch of citizenship

Amid the passport row, it's evident that voter deletion unplugs the citizen from the State

SANJAY HEGDE
SENIOR ADVOCATE, SUPREME COURT

AUTHORITATIVE : The vote and the passport are inalienable rights of an inhabitant of the Republic. ISTOCK

IN Punjab, the passport is not really a document. It is a lifeline. No state in India holds them in such numbers. The rate at which Punjab issues passports per head of population is among the highest in the country. By common reckoning, more than one in five Punjabis carries one. The reason is plain. Almost every family in the state has someone abroad. Someone has a son in Brampton, another a brother in Southall or in Surrey.

The passport is the thread that ties the *pind* to Canada, the United States, England, Australia and the Gulf. Haryana lives much the same way. The north-western plains have sent their young across the seas for a century, since the Ghadar men first sailed to America.

So, the recent statement from New Delhi was heard with particular unease in this part of the country. On Passport Seva Divas (June 24), the Ministry of External Affairs told the nation that a passport is a travel document and not a document of citizenship. As a matter of strict law, the ministry was right. The passport is issued under the Passports Act. Citizenship is governed by the Citizenship Act of 1955. One law regulates a document; the other regulates a status. But the law and the street do not always speak the same language.

What is technically legal is not the common understanding of how things work. For most Indians, the passport is the most authoritative thing the Republic has ever given them. It bears the name of the country. It carries their face. It is honoured at every border in the world because foreign governments trust that India checked before issuing it. The State does not hand out passports to all and sundry. It issues one only after it has satisfied itself that the holder belongs. So, when a citizen is told that the document proves nothing about belonging, the natural question follows: if the passport is not proof, then what is?

The word itself carries the older meaning. "Passport" comes from passing through a port or a gate. It began as a letter from a sovereign, a safe conduct, the State's blessing on a traveller who wished to leave and return. The sovereign vouched for the bearer because the bearer was his own. A passport was an authorisation to leave a country with that country's blessing. A State does not bless a stranger out into the world. It blesses one of its own.

Many Indians knew this in their bones. India does not allow dual citizenship. To keep an Indian passport is to refuse every other. Many an Indian achiever finds that passports of the West are theirs for the asking, as a recognition of their talent. Some, however, prefer to keep the Indian one. For them, as for the Punjabi woman flying out to her grandchild's wedding, the passport was never merely a travel paper. It was a statement of who they were.

So, the timing was cruel. Passport Seva Divas marks the day the Passports Act came into force. It is meant to be a day of quiet pride. Instead, the spokesman made more people anxious than proud. He spoke a legal truth and left a public bruise. Call it the demonetisation effect, applied to passports. In November 2016, the citizen woke up to find that the currency notes that were legal last night were now to be doubted. The notes were still the Republic's. The promise was still printed on them. Yet people stood in queues, unsure whether what they held was good. The passport statement did the same to belonging. It took a thing nobody questioned and taught a nation to question it.

> When the judgment on the Bengal SIR comes, Punjab will be listening.

But the real machinery is not in the passport office. It is in the electoral rolls. We have already seen it work. In West Bengal, the Special Intensive Revision (SIR) struck off 63 lakh names from the rolls. The new government has now ordered that the ration cards of deleted voters be switched off. Strike a name off the voter list and you do not merely remove a vote. You unplug the citizen from the State. The deletion is the kill switch of citizenship.

Now, carry that machinery to Punjab. The Assembly election is due in early 2027. The house-to-house enumeration for the SIR has begun. The revision works by matching names across the old rolls and the new, and flagging what it calls logical discrepancies. Consider what that means for a Sikh name written in English by one clerk, in Punjabi by another, and back into English by a third.

Amreek Singh on one roll becomes Amrik Singh on the next. Jasvinder turns into Jusvinder or Jaswinder. Gurmeet and Gurmit are the same man. So are Harpreet and Harprit, Kuldeep and Kuldip. None of this is fraud. It is the ordinary friction of carrying a Gurmukhi name through three scripts and four clerks. To a matching machine, it is a discrepancy. To the citizen, it is a summons to prove that he is himself.

Imagine then the Punjabi household. The vote goes first. Then the ration card. Then the passport will not be renewed, because the police verification leans on the rolls. The thread to Brampton and California is cut, not by any court that found the man a foreigner, but by a misplaced vowel. Why should a proud border state, which has sent its sons to fight the country's wars and its children to build lives across the world, be put through the wringer of proving its citizenship merely to keep the passports that hold its families together?

Here the Supreme Court was petitioned, and it has so far faltered. In *Association for Democratic Reforms v. Election Commission of India*, decided this year, the Court upheld the SIR of Bihar. Nearly 47 lakh names had been struck off there. The Court found the exercise proportionate and lawful. It held that a place on the rolls raises only a rebuttable presumption of citizenship, and that asking a citizen to prove himself afresh does not offend the Constitution.

Thus, the Court tacitly drew a line through the people. On one side stand the voter citizens, secure in their papers. On the other stand the non-voter doubtful inhabitants, the man with the misspelt name, upon whom administrative vengeance may be wreaked at leisure. Article 14 promises equal protection of the laws. A court that lets the State quietly raise two classes of inhabitants, and protect only one, has not kept that promise. It has failed in its duty as a sentinel on the *qui vive*.

Fifty years ago, in the ADM Jabalpur case, the Court held that even the right to life could be suspended in an Emergency. The judiciary never lived down that judgment and Justice Chandrachud the younger was among those who specifically overruled Justice Chandrachud the elder's concurrence in the habeas corpus judgment.

The Bihar judgment has now taken away, in ordinary times and with no Emergency declared, the right to vote, and with it the ration card and the passport. In the ADM Jabalpur case, the judiciary at least had the excuse of the Emergency. This judgment has none.

Yet the account is not closed. The challenge to the SIR in West Bengal is still pending before the Court, because the judgment has not been delivered. One may still hope that when the Court turns to Bengal, it will see what it failed to see in Bihar. A citizen long on the rolls ought not to be struck off on proof demanded from him, but only on proof brought against him. That the vote, the ration card and the passport are not favours to be switched off by a clerk or an electoral officer; they are the inalienable rights of an inhabitant of the Republic.

So, the country still keeps a question open. Do we have an occasionally fallible Supreme Court or one that repeatedly fails its citizens? When the Bengal judgment comes, Punjab will be listening.

THOUGHT FOR THE DAY

Citizenship is what makes a republic — monarchies can get along without it. —Mark Twain

Time to retire car boot check

ARUN KAMPANI

WHENEVER I drive into a hotel, a security guard asks me to open the boot of my car. I comply without protest. He peers inside with admirable seriousness and shuts the boot, and I proceed with the comforting feeling that national security is not being taken for granted.

The practice became commonplace after the Mumbai terror attacks, when hotels rightly tightened security. The threat was real, the response understandable. Over time, the boot check has become a familiar ritual that visitors accept without a second thought.

I have great respect for security procedures. Most are born of hard lessons and painful experience. But I have also learned that every system, however useful, has a shelf life. The world changes. Technology changes. Criminals change. Terrorists certainly do. Which is why I sometimes wonder whether some security drills have become so familiar that they are no longer drills at all. They are habits.

The trouble with habits is that everyone learns them. Familiarity is useful in many walks of life, but security is not one of them. A procedure that can be anticipated perfectly is halfway to being circumvented. If I know that my car boot will be checked every time I enter a hotel or a mall, surely a terrorist knows it too. In fact, he has probably studied the routine more carefully than I have. Once a procedure becomes predictable, it ceases to surprise the very people it was designed to deter.

Security is, in many ways, a contest of adaptation. One side devises safeguards, the other looks for loopholes. The advantage belongs not to the side with the longest checklist but to the side that remains unpredictable. Random checks, changing patterns and occasional surprises create uncertainty. Predictability does the opposite.

This is not an argument against security. Quite the contrary. Security is too important to become mechanical. The purpose of a security drill is not merely to reassure the innocent; it is to introduce doubt into the mind of the guilty. The best time to rethink a procedure is before it becomes a ritual.

There is a broader lesson here. We live in an age where obsolescence sets in before we realise it. Technology is updated, professional skills are refreshed and systems redesigned. The challenge is not merely to create procedures but to recognise when they need renewal.

I say this as a retired policeman: retirement is not a punishment; it is recognition of long and honourable service. Security measures deserve the same respect. They should be appreciated for what they have achieved and, when the time comes, succeeded by newer ideas.

The boot check has rendered faithful service for many years. Perhaps it is now ready for a pension.

The writer is a retired IPS officer

LETTERS TO THE EDITOR

Betrayal of public confidence

Refer to 'Chanda chori charge'; people donate to religious institutions by virtue of their faith, believing their offerings will serve noble and charitable purposes. Misuse of sacred funds for personal gain, corruption or political ends is a serious betrayal of public trust and an affront to the sanctity of religion. Transparency and accountability strengthen religious institutions. Strong laws and strict penalties are essential to curb embezzlement and ensure that every contribution is used solely for genuine religious, educational and charitable purposes.

BS KAKKAR, JALANDHAR

Donations hold public trust

Apropos of 'Chanda chori charge'; the culprits, irrespective of their position, influence or status must be identified and given exemplary punishment. Temples are among the most sacred places; vulnerability to corruption and political interests raises questions of morality and righteousness. There is an urgent need to create a foolproof system for collection and documentation of donations, whether cash or in kind. Periodical audits, transparency and accountability must become mandatory in big religious institutions. The situation reminds me of a couplet: *Yeh dhuan kabhi jhooth nahin bolta yaaro, mere shehar mein koi basti jali to hai.*

HARISH MONGA, FEROZEPUR

Leaders lack ideological conviction

Refer to 'Politics of splits, defections'; MLAs and MPs seem to possess weak ideological moorings these days. A leader chosen by the party for the Rajya Sabha is elected by the MLAs of his/her party, who, in turn, were elected by voters from their constituencies. The anti-defection law should be given a relook so that nobody can dare to escape its strong framework.

RAVINDER KUMAR JAIN, LUDHIANA

Ladakh leads the way

With reference to 'Protecting Ladakh'; the imposition of Rs 50,000 fine each on four tourists for illegal off-roading is a welcome decision. Similar norms should be implemented in states/UTs like Uttarakhand, Himachal Pradesh and Jammu & Kashmir. The greatest environmental damage is caused by tourism under the guise of religious pilgrimage, where visitor numbers become difficult to control. It is up to local authorities and residents to rise above short-term gains and personal benefits and bring in reforms to protect nature.

KRISHAN BHATIA, HANSI

Disservice to Op Sindoor heroes

The delay in informing the nation about the six soldiers who attained martyrdom during Operation Sindoor is disgraceful. A government cannot be ungrateful to the martyrs. Families, soldiers' units and regiments of the war martyrs deserve utmost respect for their sacrifice. It would be a befitting tribute if the names of the six soldiers are put up on the Baisaran Martyrs Memorial wall, which bears the names of the 26 terror victims in Pahalgam.

BRIJ B GOYAL, LUDHIANA

Farmers not resisting change

Punjab's worsening groundwater crisis is the result of excessive paddy cultivation, aggravated by distorted agricultural incentives. Expecting diversification of crops without guaranteed procurement is economically unrealistic. The solution lies in extending MSP-backed procurement and developing strong value chains, storage, processing industries and market linkages for alternative produce. Punjab's farmers are responding rationally to policy incentives, not resisting change. Sustainable farming begins with sustainable market incentives. The government must reform procurement policies.

AMRINDER SINGH, BY MAIL

Letters to the Editor, typed in double space, should not exceed the 200-word limit.
These should be cogently written and can be sent by **e-mail to: Letters@tribunemail.com**

Politics takes a religious turn

NIRMAL SANDHU
SENIOR JOURNALIST

HISTORY was made on June 29, 2026, when an Akal Takht Jathedar summoned members of the elected legislature to his *durbar* and asked them to explain why they had passed a particular law. Constitutionally, what legislators say or do in the Assembly is unchallengeable. They are answerable to the Speaker, the courts and the electorate.

Well-prepared, Jathedar Kuldeep Singh Gargaj treated the people's representatives from various political parties as schoolchildren, scolding them at times for not giving proper answers, and sent them back with homework to be completed within a month.

One thing became very clear: legislators do not care to read laws they pass. Many of them pleaded ignorance when asked by the Akal Takht Jathedar to explain certain provisions of the Jaagat Jot Sri Guru Granth Sahib Satkar (Amendment) Act.

As it heads for elections, the Aam Aadmi Party definitely needs better-informed, more educated candidates for governance rather than just having seat occupants in the Assembly. The party seems to have reset its priorities. Moving away from embracing secularism, the AAP now competes with the Akali Dals and the BJP in pandering to voters' religious impulses.

A government has chosen to obey a religious diktat in a departure from the time-honoured principle of governance of keeping state and church separate. The AAP is exploring new avenues of appeasement, including religion.

Emulating the BJP's Ram temple example, AAP leader Arvind Kejriwal has announced that the Punjab government will build and repair temples, organise devotional events and extend the free pilgrimage scheme to more religious places. Kejriwal is concentrating on Hindu votes in cities, leaving rural voters to Bhagwant Mann.

This is a first of its kind religion-driven move to woo Hindu minority voters in Punjab. How it unfolds remains to be seen. The BJP's Hindutva brand of politics is widely known and accepted, though currently, it is selling a secular image in Punjab.

Lately, the party has been hawking the "Sarkar-e-Khalsa" model, little realising that Maharaja Ranjit Singh's was a secular, sovereign state — a dream project of Khalistan advocates. For the AAP, playing to the religious gallery may be a gamble in a largely secular state.

PTI

DILEMMA: The AAP is damned if it implements the Akal Takht's list of amendments, and also if it doesn't.

Bhagwant Mann has been in politics for long enough to understand games political rivals play. The misuse of religion for political gain is common, justified under the Sikh Miri-Piri concept. Yet he and his Cabinet colleagues seem to have walked into the well-laid trap by the Akali Dal.

The AAP is damned if it implements the Akal Takht Jathedar's list of amendments and damned if it does not.

Bhagwant Mann has publicly ruled out any changes in the law. He may have to eat his words. If the party turns down the Jathedar's suggestions, the whole purpose of Monday's gathering stands defeated.

Before passing the anti-sacrilege law, the Mann government could have made wider consultations. Had the Chief Minister taken the SGPC on board and not gone to town congratulating himself for the achievement, his zealous opponents might not have taken so unkindly to it.

> Sukhbir Badal controls the SGPC, his calculated strategy was to put Bhagwant Mann on the spot. And he has succeeded.

Sukhbir Badal controls the SGPC that picks and drops Akal Takht Jathedars at will without following any due process. His calculated strategy was to put Mann on the spot. And he has succeeded. Desperate for a comeback, he is trying every available trick.

That ordinary Sikhs had wholeheartedly welcomed the anti-*beadabi* law set alarm bells ringing. Sukhbir sensed a possible loss of Sikh votes. He would not forgive Mann for that. The custodial interrogation of his chartered accountant and a former Jathedar's statement to the SIT further rattled him.

After Mann was declared "Guru *Dokhi*" and "Panth *Virodi*", the Chief Minister's first response was appropriate. He denied that he was the man in the controversial video. People generally accepted it, as was clear from the crowds at his public meetings.

However, by reportedly sending cops to Gurugram and making claims about the use of a mask, Mann just messed it up. Or, is it someone in his own tent trying to throw him under the bus? Anyway, his own role in tying himself in knots cannot be underestimated.

A leader, it is said, should speak softly and carry a big stick. Mann speaks loudly and carries a twig. As the Home Minister, he has much to answer for. The continuance of problems he had inherited — drugs, gangsters, illegal mining, among them — speaks of his failure.

Other than reconstituting SITs, Mann has done pretty little in taking the Bargari, Behbal Kalan and Kotkapura sacrilege and firing cases to their logical conclusion. The 2017 Maur Mandi bomb explosion that claimed seven lives, including five children, remains stuck. These issues also surfaced on Monday.

Mann may have his compulsions in appearing before Akal Takht, but the Chief Minister broke decisively with norms that hold sway. When summoned, former President Giani Zail Singh and five-time Chief Minister Parkash Singh Badal did not rush to Akal Takht. They chose their own timings. Surjit Singh Barnala (former Chief Minister) and Buta Singh (former Union Home Minister) presented themselves before Akal Takht to seek pardon only after relinquishing their constitutional positions.

Playing politics on emotive issues cuts both ways. Who knows it better than the once ruling Akali leadership, now reduced practically to one MLA. Kejriwal may be patting his own back for his clever idea of courting urban Hindu voters. However, if votes are cast on religious lines, Hindus may opt for the more promising BJP rather than settle for its B-team.

Sukhbir Badal's identity politics too can drive Sikh voters to Amritpal Singh's camp. Thanks to the BJP-AAP strategy of keeping Amritpal in Dibrugarh jail for so long, he has emerged as a victim who is likely to get Sikh sympathy votes. The Akali Dal Waris Punjab De, despite organisational handicaps, may well emerge as the dark horse.

The biggest gainers in the ongoing political drama may well be the BJP and the Congress. Now, in a slow-motion process of leadership reshuffle, the Congress may well become the first choice of secular voters. And their number is not small.

Warning bells for Punjab's future


SHEHZAD POONAWALLA
BJP NATIONAL SPOKESPERSON

RUDRAKSH ANEJA
GEOJURISTODAY RESEARCH FOUNDATION

THERE was a time when Punjab symbolised prosperity. The land of five rivers not only inherited greatness, it also earned it through enterprise, sacrifice and an unshakeable belief in its future. The overwhelming mandate for change in 2022 today feels increasingly distant.

Punjab finds itself under mounting fiscal pressure, rising security concerns, weakening industrial confidence and an economy still searching for direction. The promise of transformation has steadily given way to the reality of drift.

In 1993, Punjab ranked third among Indian states in per capita income. Today, at least 15 states have overtaken it. This deterioration has been long in the works. The average GSDP growth from 1991-92 to 1995-96 was 4.36 per cent. While other major states rode the wave of liberalisation and grew their per capita income, between 2001-02 and 2005-06, its average GSDP growth fell to 4.34 per cent. Since then, the averages have grown but not at a rate required for faster growth.

The numbers tell an equally sobering story. Today, Punjab's per capita income is 106.7 per cent of the national average, placing it behind 17 states and union territories.

Most strikingly, Haryana, carved out of Punjab in 1966, now stands at 176.8 per cent of the national average. This highlights how far Punjab has slipped from its position as one of India's most prosperous states.

Consider the ledger. Punjab's debt has risen from Rs 2.83 lakh crore, when the AAP inherited power in 2022, to a projected Rs 4.17 lakh crore.

More worrying is how that borrowed money is now being used, with a debt-to-GSDP ratio of nearly 46 per cent, against Haryana's 25.5 per cent. The state currently has the highest per capita debt in the country at Rs 1.23 lakh per citizen.

This essentially means that from every Rs 100 taken, Rs 35 goes in clearing the old liabilities and Rs 50 goes towards interest payments. This leaves merely Rs 15 for the state's productive investments, of which, Punjab is spending only 3.9 per cent on capital expenditure. The bulk of the state's revenue receipts is consumed by salaries, pensions, interest and subsidies. There is little left to build anything.

DISTANT: Promises made by Bhagwant Mann and his Delhi mentors remain unfulfilled. FILE PHOTO

A government that cannot fund a school or a road on its own income is not governing a state; it is managing a slow bankruptcy with a smile.

And what of the promises made to the people in their hour of hope? The women of Punjab — the *bibis* and *dhiyan* who form the spine of every household — were told they would receive Rs 1,000 every month. They waited one year, then two, then three, then four. The scheme finally found place in the March 2026 Budget, with payments timed to begin as the 2027 election heaves into view. Four years of silence, and then a largesse, precisely when votes are needed.

> The promise of transformation has steadily given way to the reality of drift.

To call this welfare is an insult; it is electoral arithmetic wearing the mask of empathy. The women were not served. They were strung along.

Then there is the wound that bleeds without pause. *Udta* Punjab was once a film's subject; it is now a daily obituary. Bhagwant Mann and his Delhi mentors thundered across the state, promising a *nasha-mukt* Punjab within four months. The slogan went up on every wall; the *chitta* kept coming anyway. Drug-related deaths climbed: from 89 in 2023 to 106 in 2024. Punjab topped the country's drug overdose charts. Punjab increasingly risks acquiring the reputation of a narcotics hub, a fertile land hollowed out by a narcotics economy it cannot escape.

Punjab has seen more than 30 grenade and explosive attacks on police posts since September 2024, with ISI-backed modules and a revived gangster-terror nexus, handlers operating from across the border and extremist elements within the overseas diaspora working to keep this strategically vital state unsettled.

Meanwhile, Punjab's industrial engine sputters. Ludhiana, dubbed 'the Manchester of India', watches opportunity slip away. It is not that investors have stopped investing; they are simply investing elsewhere.

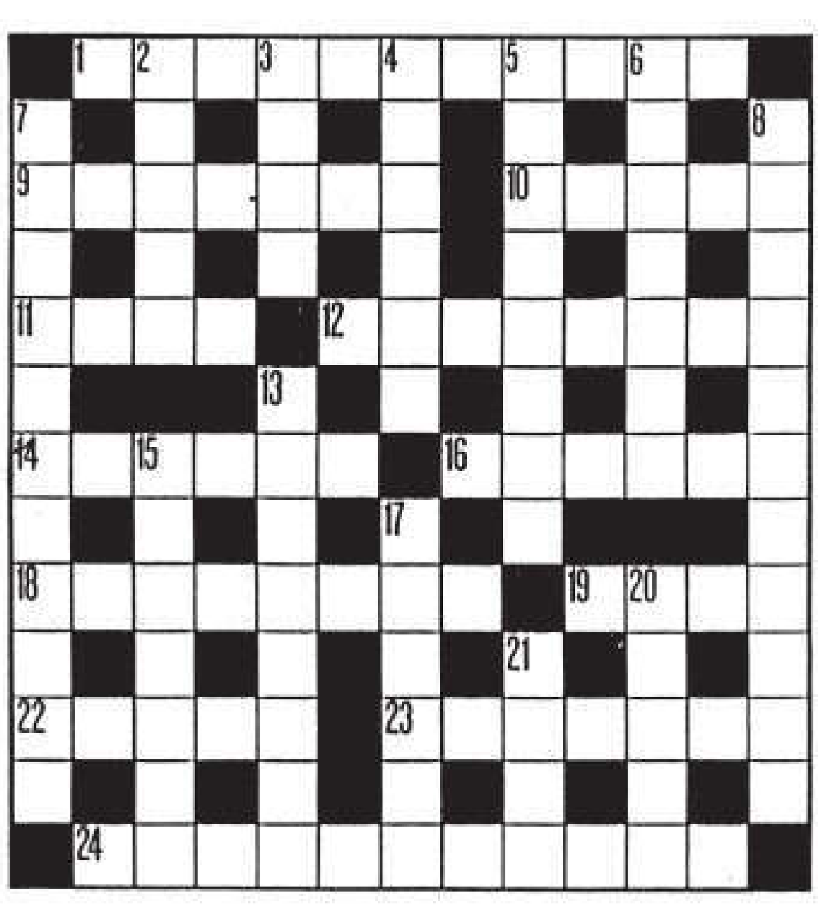
Capital follows stability, policy certainty, efficient governance and investor confidence. States like Uttar Pradesh and Gujarat have become magnets by creating that environment. Investors do not move out due to sentiment, they move towards certainty, and that is precisely what Punjab's investment ambience is failing to attract.

West Bengal, too, once India's industrial and intellectual crown, was talked into a slow, ideological decline that took a generation to even recognise. Punjab is being walked down that same road. The conviction it took Bengal to finally demand a different future is the conviction Punjab needs now, before another decade is lost.

This is not a plea for pity. Punjab has never asked for pity and should never do it. It is a plea for recognition, that this land of *sarbat da bhala*, of Guru Nanak's seva and the Green Revolution's audacity, of *rangla* Punjab, deserves far better than the managed decline it has been subjected to.

The *chardi kala* still smoulders in every Punjabi heart. What is missing is not the people. It is governance that is worthy of the Punjabis.

QUICK CROSSWORD



ACROSS

1 A dependable last resort (5,6)
9 Shrewd discernment (7)
10 Feign (3,2)
11 Discard (4)
12 To hand down (8)
14 Cordial (6)
16 Tract of grassland (6)
18 Ill feeling (3,5)
19 Hostile criticism (4)
22 Scope (5)
23 Violent windstorm (7)
24 Trading ships (11)

DOWN

2 Undue eagerness to act (5)
3 Irritably nervous (4)
4 Stag's branched horn (6)
5 Taken prisoner (8)
6 External (7)
7 Let slip an opportunity (4,3,4)
8 Following as a result (2,3,4,2)
13 Strong and vigorous (8)
15 Capable of being heard (7)
17 Shakespearean heiress heroine (6)
20 Permission (5)
21 Strength of character (4)

Yesterday's Solution

Across: 1 Bauble, 4 Stimulus, 9 Retard, 10 Priority, 12 Barn, 13 Model, 14 Mean, 17 Condemnatory, 20 Once in a while, 23 Exit, 24 Harry, 25 Wilt, 28 Hat trick, 29 Boring, 30 Lemonade, 31 Demean.

Down: 1 Bareback, 2 Untiring, 3 Lark, 5 Tercentenary, 6 Mood, 7 Loiter, 8 Saying, 11 Countenanced, 15 Feint, 16 Prowl, 18 Divisive, 19 Pentagon, 21 Lethal, 22 Victim, 26 Bran, 27 Ooze.

SU DO KU

1	5			3	7			4
			5		9	2		8
	6	8	4			7		
7	4					5	6	
3								1
	2	9					8	7
		3			4	9	7	
5		4	6		1			
2			7	8			4	5

V.EASY

YESTERDAY'S SOLUTION

4	7	6	2	5	8	1	9	3
3	1	9	4	7	6	2	5	8
8	2	5	9	1	3	4	7	6
1	6	7	3	2	5	8	4	9
2	3	4	8	9	7	5	6	1
9	5	8	1	6	4	3	2	7
9	7	2	5	3	1	6	8	4
6	4	3	7	8	2	9	1	5
5	8	1	6	4	9	7	3	2

CALENDAR

JULY 1, 2026, WEDNESDAY

- Shaka Samvat 1948
- Ashadh Shaka 10
- Ashadh Parvishte 17
- Hijari 1448
- Krishna Paksha Tithi 1, up to 7:39 am
- Indra Yoga up to 4:05 pm
- Purvashadha Nakshatra up to 6:52 am
- Moon enters Capricorn sign 1:32 pm

FORECAST

SUNSET: WEDNESDAY 19:28 HRS
SUNRISE: THURSDAY 05:25 HRS

CITY	MAX	MIN
Chandigarh	35	28
New Delhi	37	28
Amritsar	37	27
Bathinda	39	28
Jalandhar	38	27
Ludhiana	39	31
Bhiwani	40	30
Hisar	41	30
Sirsa	40	31
Dharamsala	31	19
Manali	24	15
Shimla	23	16
Srinagar	33	21
Jammu	30	24
Kargil	32	15
Leh	28	11
Dehradun	39	27
Mussoorie	28	19

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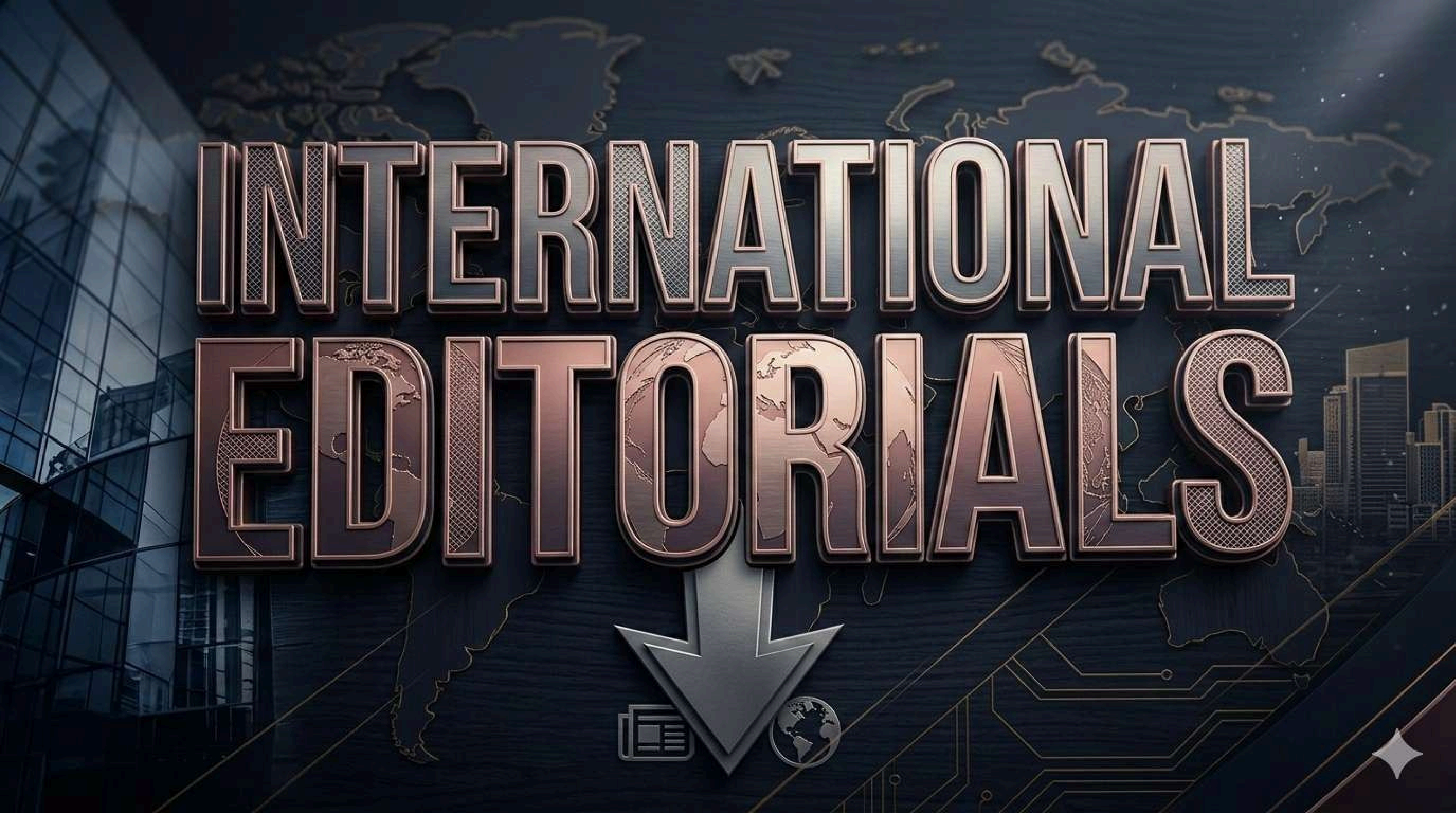
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Radical localism alone won't fix the UK economy

Burnham's speech hits the right political notes, but lacks a roadmap for growth

Speaking, perhaps inevitably, in his home base of Manchester, Britain's prime minister-in-waiting Andy Burnham on Monday outlined a 10-year vision for the country that was heavy on plans to devolve power from Westminster, reindustrialise the economy and revive high streets. As a political exercise, it arguably hit the right notes. The central message will undoubtedly resonate with "left-behind" regions that have increasingly turned to Nigel Farage's poll-leading Reform UK party. But whether Burnham's radical localism will be enough to lift the country out of its long-running economic malaise is the bigger question.

An ambitious devolution plan can be part of the answer to driving faster productivity growth. The UK is one of the most fiscally centralised nations in the rich world. This contributes to its vast regional economic inequalities, and helps to explain why the country's second cities lag so far behind their international peers. Greater regional autonomy would allow policy to be tailored more closely to local needs, while giving local authorities a stronger incentive to foster economic growth.

But how decentralisation is delivered matters, too. If local authorities are to drive growth they will need the resources, personnel and, above all, the right tax and spending tools. National levies will also need reforming. The taxes that many regions can currently tap for funding, including council tax and business rates, are poorly designed to begin with. Burnham will need to set out more detail beyond his gimmicky proposal for a "No 10 North" coordinating body. Otherwise, his agenda risks becoming little more than a rebrand of previous governments' unsuccessful attempts at "levelling up" regional economies.

Either way, devolution is a long-term project. It should not become a distraction from the more immediate need to rebuild private sector confidence. On this front, Burnham has sensibly reiterated his commitment to sound public finances and Labour's fiscal rules. That said, business and investors will remain concerned that higher tax rates, particularly on capital gains, may be needed to fund his costly plans to bring utilities, housing, transport and energy further into public control.

Businesses want to hear more from Burnham about how the Greater Manchester authority has supported the city region's revival by empowering the private sector, through policy stability, looser planning rules and the pursuit of foreign direct investment. In his speech he emphasised the more socialist elements of what he dubs "Manchesterism".

On industrial policy, his ambitions to boost young people's technical skills, build up industrial capabilities in critical sectors and use public procurement to support the growth of UK companies are all sensible ideas. But Burnham must define more clearly what he means by backing "re-industrialisation" or it risks turning into yet another wasteful and poorly targeted growth strategy, spanning everything from the steel sector to town centre retailers and life sciences. Indeed, his speech made little mention of how he would strengthen Britain's existing comparative advantages in financial services and technology, and align the country to future growth sectors. AI was notably absent.

> Without more detail, the prime minister-in-waiting's agenda risks becoming little more than a rebrand of previous unsuccessful attempts at 'levelling up'

Burnham's emphasis on devolution speaks to a genuine structural problem in the UK economy. But it is no panacea for the country's long-running struggle to raise productivity. What the country needs is a forward-looking growth model, centred on the private sector, rather than the statist and industrial nostalgia that coloured large parts of his foundational speech.

Opinion Politics

Burnham's big challenges on his devolution plans

Ewan White

Stephen Bush

Why does the UK have sluggish growth? Why does the British state struggle to deliver the basics? Andy Burnham has a good and persuasive answer to this question: that government has become too centralised, that too much of what it does is better done by the cities, towns and regions, and that by pushing power out of Whitehall, the country can achieve both a stronger economy and a more effective state.

While some of his solutions are better than others, Burnham's overarching thesis is correct. The UK is a world leader in how much government spending is both raised and allocated nationally. The result has been tiers of government without meaningful power or a vested interest in driving up growth. A risk-averse central state hesitates to experiment with policy delivery and frequently ends up with "one size doesn't fit anyone" policies.

> One danger is that the shift of power is, in practice, a boost for cities against the suburbs

Burnham is far from the first politician to recognise this — without George Osborne, there would be no Greater Manchester mayoralty, and without that, there would be no third act for Burnham, a politician twice defeated for the Labour leadership but who is set to become prime minister by acclamation. Still, he is the first politician to enter Downing Street as a committed advocate for, and beneficiary of, devolution.

However, while this is good news for anyone who wants a less centralised UK, it did not become a champion in centralisation simply due to the lack of committed devolutionists in positions of power. There are strong political forces that drive the centralisation of more and more power in Whitehall — ones that Burnham will have to take great care not to revive.

The first is that, broadly speaking, what strong devolved government needs is large quantities of people, money and power. Creating local authorities or mayors that have all these things often produces boundaries that local people do not like or recognise. As Burnham himself experienced as mayor, not all of Greater Manchester's constituent boroughs were initially supportive of the idea of the role itself. Managing the complicated politics of where, exactly, devolution will happen is why Sir Keir Starmer's local government reorganisation hasn't come to anything much. For Burnham's to be more successful, he will have to overcome both Whitehall's centralising instincts and also its well-learnt risk aversion.

When Harold Macmillan's government created London's modern boroughs, it did so with far fewer consultations and much less care for local feeling than modern governments. It still took six years to go from the blueprint to passing the new boroughs into law, and a further two for the new boroughs to begin administering the capital. Just nine of the 32 boroughs were able to agree a name for themselves without ministerial interference.

This is where Burnham's Downing Street of the North is a clever idea. What he needs to do is present the shift of power from Whitehall to city hall as something being done to Whitehall, when the reality is that it will be just as much about doing something to city halls that not everyone will like. Although it is rare to find people who long for London's older boroughs, not everyone will thank the government for devolution at first.

Tackling British political aversion to risk-taking will have benefits that extend well outside devolution: the same approach that leads to death by a thousand consultations, to departments that take ages to sign off or make decisions, is the one that has to be dismantled. This is true both if Burnham is to succeed in giving power away but also if the central state is to improve at the responsibilities it retains, whether that be building more nuclear power stations or providing genuinely modern defence policies.

One danger is something Burnham is already alive to: that devolution is seen not as empowering the whole country but as the victory of one region over another. He was wise therefore to praise London and to namecheck the South West and the East of England, two regions that Labour's internal debates about devolution often seem to forget.

But the bigger and perhaps most dangerous obstacle to him is that the shift of power is, in practice, a boost for town centres and cities against the suburbs, which will lose power more often than not at a devolved level. As those same suburbs demonstrated in the 1980s and 1990s, if they find that the new arrangements are not to their liking, they are more than capable of outnumbering the cities at a general election. Burnham's big task is to make sure that his devolution agenda doesn't end up creating local government that is powerful, effective, but unloved by middle England.

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EU should resist calls to water down its methane regulation

Warnings from the US and Qatar that the EU methane regulation will cause supply shortages and higher energy prices should be treated with caution ("US and Qatar urge EU to ease methane rules", Report, June 24).

The available evidence suggests otherwise. Analysis by the Oslo-based consultancy Rystad Energy indicates that gas supplies capable of meeting the regulation's initial monitoring and reporting requirements substantially exceed current European imports. The question is therefore not whether compliance is possible, but how implementation is managed.

Legitimate implementation questions should not be confused with arguments for weakening or delaying the regulation. Energy markets already operate amid regulatory, geopolitical and commercial uncertainty. These challenges are routinely managed through standards, contractual arrangements and practical guidance rather than demands for perfect certainty before action.

At its heart, the EU methane regulation is a transparency measure. Europe still has only a partial understanding of the methane emissions associated with its imported gas. Better information supports better markets, investment decisions and energy security.

Methane leaks, venting and flaring waste enormous quantities of energy that have already been produced, transported and paid for.

The International Energy Agency estimates that more gas is lost this way each year than has been cut off due to the closure of the Strait of Hormuz. The first principle of energy security should be not to waste the energy we already have.

Methane is responsible for roughly a third of current warming. Its short lifetime in the atmosphere means that cutting these emissions can slow warming within years and help reduce the risk of climate overshoot.

As Europe experiences another period of extreme heat, weakening methane measures would be a mistake. The challenge is not simply how to secure additional energy supplies but how to stop wasting so much of the energy we already have.

Sir David King
Founder, Climate Crisis Advisory Group; Former UK Government Chief Scientific Adviser 2000-2007, Cambridge, UK

Chocks away on Brussels' biometric border chaos

The EU Commission's claim that long airport waiting times are most often not related to the operations of the new border entry-exit system but to pre-existing factors, such as staff shortages and flights being concentrated in specific slots, is out of touch with the reality of passengers stuck in long queues and of airlines waiting with near-empty aircraft at gate closing times ("Rome airport chief warns of 'disaster' over EU border controls", Report, June 26).

It is well known that summer is a busy season for air travel. Airline schedules are published at least one year in advance, which means peak hours of travel are also known well in advance. It is the responsibility of national authorities to manage staffing at border control. They know that EES checks take four times longer than the border checks before — and that's assuming the system works.

When we know there aren't enough staff or machines during the busiest season and at peak hours, the right thing to do is to take action to prevent long queues and delayed flights.

Ourania Georgoutsakou
Managing Director, Airlines for Europe (A4E), Brussels, Belgium

UK electoral experience at odds with Meloni's claims

Giorgia Meloni argues that her proposed electoral reform "does give whoever gets the most votes the power to have a majority to govern for five years" (Report, June 27). That claim warrants a degree of caution, given recent British experience, with repeated changes of prime minister and severe internal party crises despite substantial governing majorities.

Indeed, Italy has long been a byword for churning through prime ministers. But its governments have usually fallen because they were coalitions, liable to crumble amid political power games. Britain, by contrast, has refined the art of producing government crises even when a single party enjoys a significant majority.

Electoral engineering may change the arithmetic in parliament, but it cannot by itself manufacture political discipline, cohesion or durability.

Maurizio Zanardi
Professor of Economics, University of Sussex Business School, Brighton, UK

Horns of a dilemma?

Vikings did not use horned helmets, for all the photographs of Norway fans at the World Cup ("Norway grabs Viking heritage by the horns", Report, June 27). The kit sits better with Danish or "Celtic" teams. According to my late wife, an archaeology professor who chaired the archaeology division of Norway's largest history museum, very few helmets have been found from the Viking era in Norway, absolutely none with horns, unlike Bronze Age finds in other countries. So if anyone should cheer their team on in horned helmets they should certainly not be dressed as Vikings — but possibly as Celts.

Paul Hofseth
Oslo, Norway

Clarification

● John Van Reenen, whose Letter to the Editor arguing for the retention of Rachel Reeves as chancellor was published on June 29, is a former chair of her economic advisory council.

OUTLOOK
MIDWEST

Head to tail: business grapples with 100 per cent fish initiative

by Patti Waldmeir

It's an idea as old as the Great Lakes and the Indigenous nations around them: use every part of every fish. Waste nothing. Respect the bounty of nature. Now that ancient ethic is being reborn, transforming fish skins, bones and scraps into pet treats, fish leather and fertiliser.

The modern "100 per cent fish" idea may have originated in Iceland, but it resonates with the US Midwest culture of thrift.

"Back in the 1970s, 45 per cent of every Atlantic cod was used, the rest — the head, skin, bones, blood, guts — primarily went to landfill, to sea, or to low-value applications," Alexandra Leeper, chief executive of the Iceland Ocean Cluster and one of the leading advocates of the 100 per cent fish initiative, tells me.

"Now we estimate that more than 90 per cent of every single cod has a value product created out of it," she says. A fish once worth about $12 for its fillets can now potentially generate as much as $5,000, if its parts are converted into high-value products such as skin grafts or collagen drinks.

Advocates admit that not every fish will generate anything like those returns. But the idea of commercialising fish waste has caught on in the Midwest, where companies representing over 90 per cent of the region's commercial fish production have signed the 100 per cent Great Lakes Fish Pledge. This has "effectively ended the landfilling of commercial fish byproducts" in the region, programme manager John Schmidt tells me, and extending the initiative to recreational fishing will double the volume covered. The region's governments are hoping this can create new jobs in struggling lakeside communities, while making the fishing industry more sustainable.

The products are starting to show up even in my local Chicago-area coffee shop, where fish-based dog treats are on sale. "It's the best of both worlds," Farm to Pet Treats founder and CEO Jackson Jones says. He buys scraps left over after trimming walleye fillets — the fishery previously paid a local mink farmer to take them — to turn them into fish chips.

Everett Omstead's family has been in fishing for five generations. Their processing business, John O Foods in Wheatley, Ontario, has started selling waste instead of giving it away. "Before, we were trying to get the guts and head and bones out of the building as quickly as possible" — again, to a mink farmer. "Now we work with two or three companies that (buy) our waste and we get a higher value from it."

Other signatories say they are rescuing waste. Joe Manthei, of mom-and-pop operation Fiskur Leather in northern Minnesota, makes fish leather backpacks and handbags. He tells me his supplier otherwise dumps skins at the local landfill. "An item that would normally be thrown away is being repurposed into something meaningful, beautiful and sustainable," he says.

Sceptics might say "100 per cent fish" — at least in the Great Lakes — sounds more green than it is. "It's not like we're taking 5mn cars off the road, but a lot of the development comes in impoverished rural areas where fishermen are working on insanely thin margins," Schmidt tells me. Iceland's Leeper says this is "an example of the circular economy in action". Still, she says, "it has to be done with a good business model in place in order for it to be successful".

A recent study of the Great Lakes project concluded that it will take time and money to move beyond pet food and fertiliser: "Higher-value chains like medical applications show promise but require significant investment, innovation and/or co-ordination between industries to be profitable." It doesn't help that the Great Lakes fishing industry is only a tiny fraction of the Icelandic one.

Even among tribal communities, the whole-fish ethic needs reviving. Doug Craven, natural resource director of the Little Traverse Bay Bands of Odawa Indians, tells me his tribe is "reacquainting" the community with other uses for fish parts. "The cultural norm would be to utilise everything and not discard things" but that has not been the case for decades, he says. Now we are all trying to relearn that ancient frugality: for the health of the Great Lakes and its economy, as well as its waters.

The writer is a contributing columnist

Opinion

Is artificial intelligence an exoskeleton for the mind?

TECHNOLOGY
Sarah O'Connor

My favourite part of my cycle to work is the steep hill I have to climb just before I reach the office. I switch my e-bike's power setting to maximum and sail smugly upwards, saying a silent prayer of thanks to whoever invented such wonderful technology.

By the time I am old, I might be similarly grateful to the inventors of "everyday exoskeletons": devices such as bionic trainers and robotic hip belts that are designed to help older people with declining mobility to stay more active than they could otherwise manage.

Is artificial intelligence a similar sort of technology — only for the brain, rather than the body? Researchers who conducted an experiment into AI use with consultants at Boston Consulting Group drew this comparison. The technology was "enhancing workers' capabilities while they attempt new skills", they found, but "when the 'exoskeleton' is removed, little to no knowledge is retained independently".

This is a useful analogy, up to a point. Exoskeletons can help people to do things they couldn't otherwise, which is mostly to be celebrated. But they could also lead to atrophied muscles due to lack of use. Which group of people would you least want to use exoskeletons regularly? Surely young people, whose muscles have not even fully developed yet.

There is already evidence that when young people use "exoskeletons for the mind", they can indeed impair the development of their own cognitive muscles. A new study of almost 27,000 Chinese students found that AI adoption raised homework scores but lowered exam scores significantly.

One could conclude that the problem is the exams, not the students. If AI has made knowledge cheap and abundant, the curriculum will have to change to focus on the skills that employers now need, such as critical thinking and interpersonal skills.

But this argument can be taken too far. For one thing, I am not persuaded that you can "think critically" about something you know nothing about. For a second, the idea that knowledge is no longer necessary does not align with the signals we are getting from the labour market. In the programming profession, for example, the fact that demand for senior developers is rising suggests technical expertise is still highly valuable — both to manage AI agents and to avoid letting errors through.

> It can help people do things they couldn't otherwise, but it could also lead to atrophy

One alternative conclusion would be to say that AI should simply be banned in educational settings. I don't buy this either. If young people are expected to use these tools in the world of work, a ban at school and university would hardly be good preparation. What's more, research suggests AI can actually help people to learn when it is used as a personal tutor. This is where the exoskeleton analogy breaks down. LLMs can both help to develop your muscles and tempt you not to use them at all.

One study of students learning how to code at a Chinese university found that many of them thought they were using their LLM as a tutor, when they were actually relying on it for answers. "It felt like having a senior programmer sitting right next to me," one student told the researchers. "When I got stuck, I would explain the problem to it, and we would work through the problem together." But when the researchers checked the student's interaction logs with the LLM, they found "one-shot imperative prompts followed by rapid acceptance, a pattern more consistent with transactional delegation".

The good news is that the problem has a relatively simple solution. If you make sure that core school and university assessments (whether written or practical) have to be completed in exam conditions without AI, it will send the right incentives back down the system. It might be a bumpy road, but over time teachers, students and institutions will probably find creative ways to use AI to enhance learning, while having a strong incentive to eschew methods that short-cut it.

Daisy Christodoulou, director of education at educational technology company No More Marking, draws an analogy with chess players. "All the best chess players use chess engines to prepare, and there is no doubt that makes them better," she told me. "But they're not using it as a crutch because they're all working towards an end goal where you can't use technology."

There is one more advantage of banning AI in assessments: it will ensure they remain effortful. We all have the instinct to avoid things that are hard. I know I do. That's why I love my e-bike. But if my education had felt like an effortless whoosh up a hill, I don't think it would have set me up well for life.

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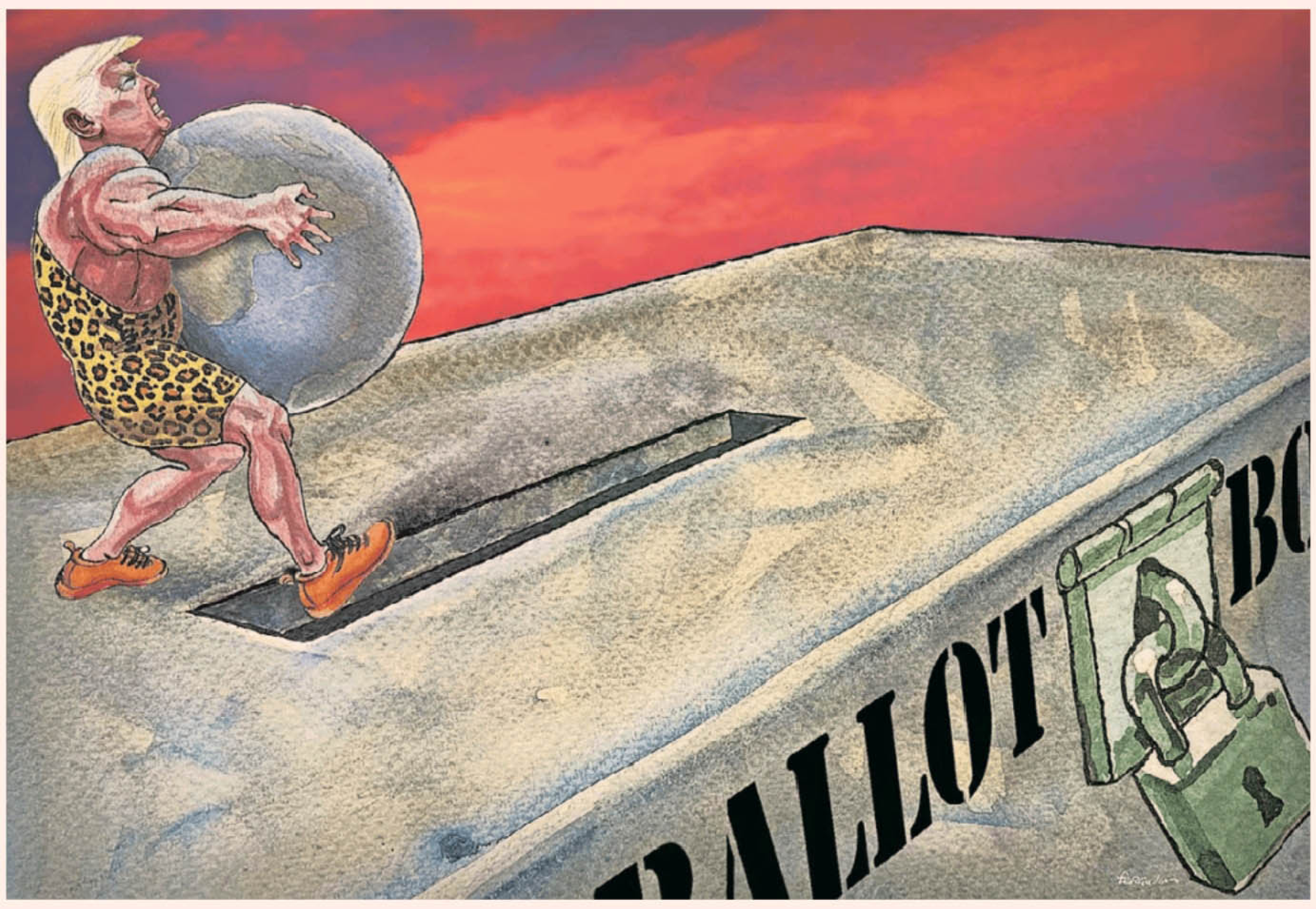
Trump and how strongman leaders fall



GLOBAL AFFAIRS
Gideon Rachman

The "Save America Act" sounds hard to oppose. But, much to US President Donald Trump's frustration, the legislation is stuck in Congress. The bill's opponents see it as an effort to rig the electoral system by getting Democrats off the voter rolls ahead of this year's crucial midterm elections.

Attempting to tilt election law in your favour — and to entrench yourself in power by fair means and foul — are classic tactics of strongman leaders. The good news is that it doesn't always work. In Brazil, Hungary and the Philippines, recent efforts by strongman leaders to take decisive control of their countries' institutions failed — leading Jair Bolsonaro, Viktor Orbán and Rodrigo Duterte to lose power.

When I wrote a book called *The Age of the Strongman* a few years ago, I had to wrestle with the question of whether it is fair to lump together leaders such as Xi Jinping or Vladimir Putin — who operate in genuinely authoritarian systems — with those like Trump or Orbán who were legitimately elected.

My conclusion was that strongman leaders — whatever the system they operate in — frequently share instincts and methods. They encourage a cult of personality, they centralise power around themselves and they fight against independent institutions they cannot control — whether that is the courts, the media or an electoral commission. Strongmen also often abolish constitutional term limits so as to extend their stay in power. Xi, Putin and Turkey's Recep Tayyip Erdoğan have all done this — while Trump's superfans keep speculation alive about an unconstitutional third term for him. Strongmen are also almost invariably male, nationalist and populist. Their personalised leadership encourages cronyism and the corruption that flows from it. All this, as they say in car showrooms, "comes as standard".

The difference lies not in the instincts of the strongmen but in the robustness of the systems they operate in. If a strongman ruler is already governing in a largely authoritarian system — like Xi or Saudi Arabia's Mohammed bin Salman — they are almost impossible to get rid of. It might take a coup or an unusually effective ruling-class conspiracy to make a change at the top.

But if the strongman has come to power in a system that still has free elections — plus courts that retain independence and a military that will not follow unconstitutional orders — then it is still possible to evict them from office.

You can expect a strongman leader to try a familiar array of tricks to tilt a democratic system in their favour. Rich cronies can buy up the media. Judges and generals who show too much independence can be replaced. Electoral boundaries can be redrawn. The constitution can be rewritten or ignored. The end result is often an election that is free but not fair, because the odds are stacked against the opposition. Even so, if a strongman is sufficiently unpopular he can still lose the vote.

That is what happened to Hungary's Orbán. Despite massively slanted television coverage that ignored his opponent, Péter Magyar, he went down to a crushing defeat in April's elections.

When Bolsonaro narrowly lost the Brazilian presidential election in October 2022, he refused to accept the result and put pressure on military leaders to launch a coup. When they refused, he incited his followers to storm Congress, the supreme court and the presidential palace. But Brazil's legal system was robust enough to get him tried and sent to prison for many years. His best hope now lies in his son, Flávio, winning the presidency in October.

> In a system that still has free elections, it is still possible to evict them from office

As president of the Philippines from 2016 to 2022, Duterte had political opponents arrested and imprisoned, forced out the head of the supreme court and targeted the independent media. But he was unable to push through a change to the constitution that would have allowed him to run for a second term. After losing power, he was extradited to the International Criminal Court in The Hague, where he is awaiting trial for crimes against humanity.

In Israel, meanwhile, Benjamin Netanyahu has made strenuous efforts to curb the independence of the courts and to marginalise critical media. But he has been unable to stop his trial on corruption charges and may well lose power in elections later this year.

But not all democratic systems have proved sufficiently robust to resist a determined would-be autocrat. Recep Tayyip Erdoğan has been in power in Turkey since 2003 — first as prime minister and now as president. His political opponents have made determined efforts to defeat him by working within the system. But Erdoğan's autocratic methods may have given him an impregnable grip on power.

Ekrem İmamoğlu, the popular mayor of Istanbul, was widely regarded as the most credible electoral threat. But he is currently in prison, charged with everything from corruption to terrorism and espionage. His fate mirrors that of charismatic opposition leader Selahattin Demirtaş, who has been in prison for almost a decade — despite repeated calls for his release by the European Court of Human Rights.

Trump is a confirmed admirer of Erdoğan, and recently called him a "great leader". But — fortunately for the US — America's courts, media and electoral system currently look more robust than those of Turkey. A healthy country needs strong institutions, not a strongman leader.

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What would multilateral 'AI arms control' look like?

Chris Miller

With the strictly limited release of OpenAI's GPT 5.6 model last week, it isn't only Anthropic that's bearing the brunt of the Trump administration's newfound zeal for regulating AI. Sam Altman, OpenAI chief executive, announced his company's latest model while noting delicately that "this isn't quite the process that we think is optimal".

Yet America's AI regulation debate isn't limited to the White House and leading AI labs. It is being shaped by competition with Beijing. Could China and the US agree to rules that would address the risks in advanced AI systems while in the middle of the race?

The frontier model contest changes nearly daily but Chinese companies continue to progress. The latest example is Z.ai's newly released GLM 5.2 model, whose capabilities led David Sacks, co-chair of President Donald Trump's Council of Advisors on Science and Technology, to declare: "We now have a Chinese open-weight model that is as good as the currently available models from OpenAI and Anthropic."

In fact, model quality is growing harder to compare as the industry questions the efficacy of standard benchmarks such as mathematical problem completion. These benchmarks can be gamed if the model is trained on the specific problems in advance. What's more, as OpenAI researcher Noam Brown recently noted, the right definition of capability is not only what problems a model can solve but how quickly and at what cost.

For complex, long-horizon tasks — the ones Anthropic and OpenAI are focused on — US companies may well have a longer lead than simple benchmarks suggest. But there's no doubt Chinese models are improving. Before Trump, the Biden administration had hoped its AI chip restrictions on Beijing might give the US such a commanding lead in AI that Washington could dictate terms. This compute advantage has kept US companies ahead when measured by model capability or revenue, but it has not prevented Chinese competitors from releasing their own high-quality models. If Trump tightly regulates US companies he will kneecap American AI leaders without fully addressing global security concerns.

> It's nearly impossible to imagine the US and China agreeing not to use it for cyber operations

There is one alternative to unilateral regulation: a deal between China and the US to address AI safety. The Trump administration appears keen for talks with Beijing. The two sides reportedly discussed the topic before the May Xi-Trump summit, though Beijing has not agreed to formal negotiations. So it is worth asking what a multilateral "AI arms control" regime could look like.

To start, we need to take cyber security — the reason that the White House is restricting foreign access to Anthropic's Fable model — completely off the table. It's nearly impossible to imagine the two countries agreeing not to use AI for cyber operations because it's already happening so widely. Both Chinese hackers and the US National Security Agency use leading Anthropic models for this purpose, according to reports. This isn't surprising: any model good at computer programming will be good at identifying cyber vulnerabilities.

A second regulatory priority is limiting the ability of AI to enable production of dangerous pathogens. It's not impossible to imagine that China and the US could develop shared principles for assessing a model's biosecurity risk. However, China's record of biosecurity transparency is not reassuring. Nor are the cold war arms control parallels. When the US and Soviet Union signed the Biological Weapons Convention in 1972, the US had already begun dismantling its bioweapons programme. But the Soviets, convinced the US was lying, expanded work on anthrax and smallpox.

Could AI controls extend into the sphere of weaponry?

China's pre-existing support for talks on banning autonomous weapons may sound reasonable. But will any major power renounce use of autonomous missiles or automatic missile-defence systems?

An even bigger issue is assessing compliance.

If a country promised not to use AI for a specific purpose, how could this be proved? It was hard enough to count missile silos during the cold war, even though these were visible from space. Neither China nor the US will give the other access to sensitive source code.

"Trust but verify" was Ronald Reagan's wise approach to US-Soviet talks in the 1980s. So long as we distrust and cannot verify, we should not expect a significant deal. Both Washington and Beijing are likely to conclude that the priority is to keep racing instead.

The writer is author of 'Chip War'

Argentina's warning for Venezuela on debt restructure

Hector Torres

Venezuela's government intends to restructure its public debt of about $240bn. If completed, this would be the largest sovereign debt restructuring in history. Yet, remarkably, Delcy Rodríguez's government appears determined to negotiate with creditors before securing an IMF debt sustainability analysis (DSA) or the fund's financial support.

In doing so, it seems to be following the same strategy pursued by Argentina's former economy minister, Martín Guzmán, in 2020: first reach an agreement with private creditors and then use their support to induce the IMF — a preferred creditor — to align itself with the restructuring.

Argentina's experience suggests that this is unlikely to succeed. Private creditors were understandably reluctant to commit without knowing whether the IMF would endorse the underlying debt sustainability assumptions and continue refinancing its own exposure, or insist on being repaid while forcing the country to impose even larger haircuts on those creditors. Not surprisingly, without an IMF-backed framework, investors had little confidence that the restructuring would restore Argentina's debt sustainability. (I was executive director at the IMF for Argentina during the 2005 debt restructuring, but had no involvement in 2020.)

That uncertainty was immediately reflected in market prices. Instead of enjoying the customary "honeymoon" that often follows a successful restructuring — when the price of newly issued government bonds appreciates as default risk recedes — Argentina's government debt quickly traded at deep discounts. Markets concluded that the restructuring had not resolved the country's underlying financing problem. Eventually, the government was forced to request a new IMF bailout.

> Without an IMF-backed framework, investors had little confidence in Buenos Aires' debt sustainability

The importance of early involvement by the IMF extends beyond financing. An IMF DSA is valuable not only because it is a precondition for unlocking fund resources, but also because it serves as a co-ordination mechanism between private creditors. Sovereign debt restructurings involve hundreds of investors, all of whom have different incentives, risk assessments and expectations. The fund's assessment provides a common benchmark for what constitutes a sustainable debt burden and the amount of debt relief required to restore sustainability.

Without that anchor, each creditor must now form its own expectations about Venezuela's future financing needs and the IMF's eventual role. This will make negotiations more difficult, weaken confidence in any agreement that is reached and increase the likelihood that the restructuring will fail to restore market access.

The co-ordination role played by the IMF is often overlooked. But debt restructurings are not simply negotiations over how to distribute losses among creditors; they are exercises in rebuilding confidence.

The DSA reduces informational asymmetries among investors, while the fund's financial support signals that the adjustment strategy is technically sound and adequately financed. Together, they provide the foundation needed for markets to believe that the restructuring marks a genuine turning point rather than merely delaying the next crisis.

As it works out its own future, Venezuela should make sure it draws the right lesson from Argentina's experience. Attempting to negotiate first with private creditors and only bringing the IMF on board later is unlikely to strengthen its bargaining position. On the contrary, it risks undermining the very confidence on which a successful restructuring depends. Without IMF support, a restructuring may secure signatures — but it is unlikely to restore credibility.

The writer is a senior fellow at the Centre for International Governance Innovation, a former executive director at the IMF and former WTO staff member

COMMENT

Editorials

Justified, calibrated countermeasures aim to prompt Tokyo to rethink its path

The latest export controls on Japanese entities China unveiled on Monday indicate that Beijing is opposing Japanese neo-militarist policy while protecting normal economic and trade exchanges between China and Japan.

The move added 20 Japanese entities, including the National Institute for Defense Studies, to China's export control list, while placing another 20, including Mitsui E&S, on a watch list because their end users and the end uses of certain dual-use items could not be verified.

Announcing the move, the Ministry of Commerce said that the measures were intended to safeguard national security, fulfill the country's nonproliferation obligations and curb Japan's remilitarization. The controls remain a calibrated signal, as they target only selected Japanese entities and apply solely to dual-use items, leaving normal trade untouched.

China's February sanctions of Japan targeted 20 organizations associated with Japan's military establishment. The June list, however, broadens the scope to shipbuilding, advanced machinery, electronics, information technology, aerospace and research institutions.

The message is that modern military power no longer resides solely in weapons factories. It runs through industrial software, robotics, precision engineering and maritime technology. This is why the measures are an institutionalized economic security policy.

Entities on the watch list may apply to be removed if they cooperate with end-user verification requirements. In other words, Beijing is not simply imposing penalties; it is establishing a compliance framework that can be tightened or relaxed over time. Export controls are becoming a standing policy instrument rather than an occasional response to the rise of neo-militarism in Japan.

The precision of the targeting is equally notable. China remains one of Japan's largest trading partners, and Japanese investment is deeply embedded in China's manufacturing ecosystem.

Instead, Beijing has chosen a narrower route: raising the cost of operating in strategic sectors while preserving broader commercial ties. Strict licensing procedures, compulsory approval timelines and sweeping end-use reviews increase compliance costs even when exports are ultimately approved.

None of this guarantees immediate changes among the Japanese military-industrial complexes. It does suggest gradually rising transaction costs for Japan's remilitarization.

Since taking office last October, Japanese Prime Minister Sanae Takaichi has pursued an irresponsible, provocative and aggressive posture toward China by expanding military capabilities, deepening military cooperation with allies and promoting closer technology-military coordination with like-minded partners. Tokyo brazenly claims these steps are necessary responses to the "external threat" posed by China. The result is a familiar action-reaction cycle in the region that exposes Japan as the real threat to regional peace and stability.

In less than a year, the Takaichi government has systematically undermined the postwar order, interfered in China's internal affairs, rewritten security policy, liberalized arms exports, ballooned military budgets, whitewashed militarist history, and fueled regional military rivalry — all in flagrant violation of the pacifist Constitution of the country, the postwar restrictions on Japan and the spirit of the Tokyo Trials.

The Takaichi government's drive to remilitarize Japan is being pursued through a multifaceted strategy that mobilizes legislative, political, economic, cultural, technological, industrial and commercial tools alike. Far from being ad hoc or reactive, this approach represents a dangerous amalgam of historical revisionism, political adventurism, diplomatic expediency and resurgent militarism.

By posing as a "peacekeeper" while convening allies and distorting the facts, the Takaichi government is pushing Japan further down a path of error and peril.

As a spokesperson for the Ministry of Commerce said on Monday, it is hoped that the Takaichi government will come to a timely recognition of its erroneous actions, desist from its current destabilizing policies, and, through thorough and honest reflection, restore itself to a course consistent with international law, historical justice and the shared interests of the region.

Testament to 'China Opportunity 2.0' appeal

In an era marked by rapid global economic shifts and rising uncertainties, the concept of "China Opportunity 2.0" has emerged as a symbol of new possibilities for international trade and innovation.

While some China doomsters have expressed "anxiety" over China's advances in technology and industrial innovation, even promoting the narrative of a so-called "China Shock 2.0" that groundlessly frames China's development as a "threat" to the global economy, the reality is that "China Opportunity 2.0", as Chinese Premier Li Qiang said last week, represents comprehensive innovation-driven empowerment and high-return investment prospects. Speaking at the 17th Annual Meeting of the New Champions of the World Economic Forum in Northeast China's coastal city of Dalian, Li underscored China's potential to offer high-return investment prospects and its fostering of mutually beneficial technological collaboration worldwide.

The ongoing visit to China of David Eby, premier of Canada's British Columbia province, serves as a testament to the substantive appeal of "China Opportunity 2.0". Eby has stressed that the purpose of his trip is to strengthen British Columbia's ties with China as a strategic move to diversify the province's trade relationships.

"We're seeking to reduce our reliance on the United States and obviously, Asian markets have been a major focus for us," Eby told the media last week before embarking on his first China trip on Saturday. This includes the goal of doubling trade to non-US markets within the next 10 years. "China will be part of that," he added.

By targeting key sectors such as forestry products, energy — specifically liquefied natural gas development — and tourism, he is seeking to unlock new avenues for growth and job creation in British Columbia. This aligns with the principles of "China Opportunity 2.0", which emphasizes mutual benefits and shared development.

The visit follows Canadian Prime Minister Mark Carney's trip to China earlier this year, the first by a Canadian prime minister in eight years. Carney's visit laid the groundwork for the healthy development of China-Canada relations, with multiple cooperation agreements signed across trade, customs, energy, construction, culture and public security. Eby's trip builds on this momentum, signaling a proactive approach to deepening collaboration and exploring innovative opportunities. According to Canadian media, his itinerary includes Beijing, Shanghai and Guangzhou.

The strategic sectors targeted for collaboration are indicative of a balanced approach that prioritizes mutual benefits and sustainable growth.

China-Canada relations have experienced ups and downs in recent years, but there are no territorial disputes or clash of fundamental interests between the two countries, and they can become partners for achieving mutual success.

This year marks the 56th anniversary of the establishment of diplomatic relations between China and Canada, as well as the 21st anniversary of the establishment of their strategic partnership. It is an important chance to reflect on the past and think about the future. Eby's visit shows that an objective and rational attitude toward China is conducive to strengthening cooperation with a positive and open spirit. Reinforcing this, Canada's Minister of International Trade Maninder Sidhu recently revealed in a media interview that he plans to meet with his Chinese counterpart this fall.

Although certain Western policymakers have been drawn into the rhetorical vortex of a purported "China Shock 2.0", the evolving arc of China-Canada ties points to the emergence of a countervailing cohort of countries that chooses to assess the situation objectively and remains open to the considerable potential of "China Opportunity 2.0".

As Li put it in his speech at last week's Summer Davos, to overcome the global growth challenge, innovation-driven cooperation is imperative. To this end, countries should forge closer connectivity and collaboration by joining forces and pooling resources to innovate. China possesses a complete industrial system and well-integrated industry clusters, which underpin efficient, reliable production and supply chains for businesses worldwide. By rejecting the notion of a "China Shock 2.0", countries stand to capture the vast opportunities presented by China's dynamic economy and superlarge market.

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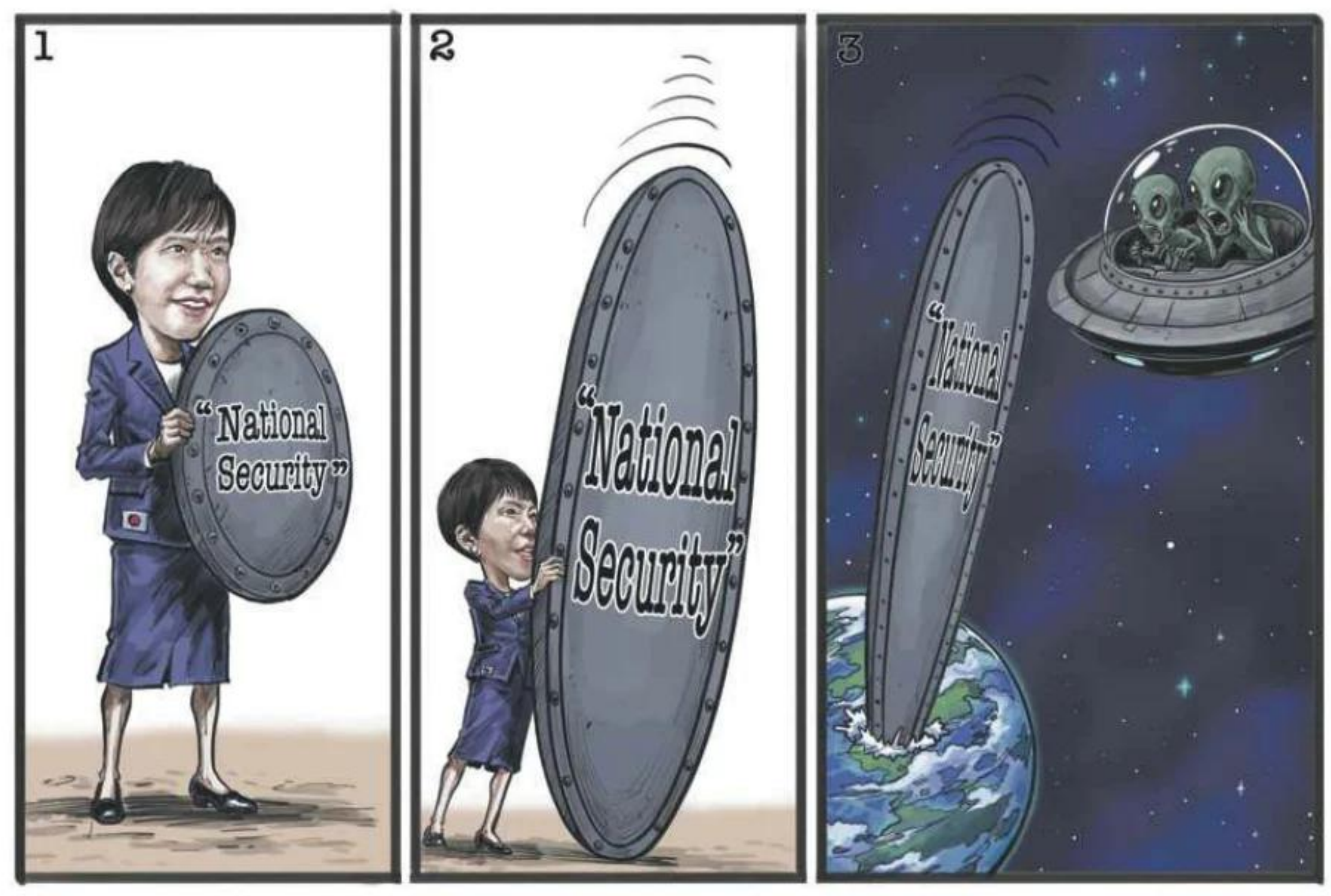

Opinion Line

Europe requires cool heads, but Brussels prefers hot air

Europe is discovering an uncomfortable truth: ideology is a poor substitute for air conditioning.

For years, Brussels has treated climate policy almost like a "religion", where virtue was measured by how much discomfort one could endure in the name of the planet. Then June arrived with temperatures soaring past 40 degrees Celsius. Schools closed, roads buckled, hospitals overflowed with patients and, tragically, lives were lost. Across the continent, Europe's infrastructure wilted almost as quickly as its gardens.

Suddenly, Europeans who had spent years debating whether air conditioners represented environmental excess found themselves desperately looking for one. Store shelves emptied. Installation waiting lists stretched for weeks. Portable units became prized possessions. Asian manufacturers, especially Chinese brands, found themselves answering Europe's unexpected SOS. Reuters reports that demand has surged across France, Germany, Spain and the United Kingdom, with Chinese manufacturer Midea's portable systems selling out as Europeans searched for solutions compatible with the continent's aging buildings.

So, it turns out, that after all the talk about "strategic autonomy", when the thermometer climbs high enough, nobody checks whether the air conditioner they are buying carries the correct "passport".

That is not surprising given that quality Chinese products have increasingly become practical solutions. For industries, Chinese equipment and components facilitate industrial upgrading, green transitions and deeper integration into global value chains. According to the United Nations Conference on Trade and Development, intermediate-goods trade with China helped increase the number of developing economies serving as key global trading hubs from six in 2007 to 11 in 2024. For households struggling with persistent inflation in developed economies, affordable Chinese products ease financial pressure. The European Central Bank estimates that a 10 percent increase in Chinese imports into the European Union in 2026 would reduce overall import prices by 1.6 percent. That sounds less like an economic "shock" than an economic cushion. There is something almost theatrical about policymakers discussing new trade barriers inside air-conditioned conference rooms while people scramble to buy the very products those same officials portray as "strategic threats".

The bureaucracy seems fascinated by drafting ever more elaborate restrictions on Chinese green products, even as Europe's own consumers demonstrate that they value affordability, reliability and availability over political slogans.

Trade wars are wonderfully "exciting" to some — until someone else has to pay the electricity bill. The irony extends beyond air conditioners. Europe's heat wave has exposed something basic — aging houses poorly suited for rising temperatures, insufficient cooling infrastructure, energy shortages, cumbersome installation rules, fragmented local governance and slow bureaucratic responses cannot be solved by raising tariffs. Instead, restricting access to competitively priced Chinese green products simply increases the cost of Europe's own green transition. Inflationary pressures are intensifying precisely at a time European economies can least afford additional burdens.

Nor is China likely to absorb such measures passively. China has repeatedly demonstrated that it will defend its legitimate trade interests. Escalating restrictions inevitably invite countermeasures that benefit nobody. Fortunately, Beijing has consistently left the door open for candid dialogue to manage disagreements and expand areas of cooperation.

During the first five months of this year, China's imports grew by 20.5 percent, exceeding export growth by 8.7 percentage points. Among China's 50 largest trading partners, 32 recorded faster export growth to China than import growth from the country. This counters the narrative that China seeks permanent trade surpluses at others' expense.

Perhaps EU politicians should spend less time inventing new trade barriers and more time listening to the people's heated complaints. The continent's latest heat wave has delivered a lesson far more persuasive than any policy paper: when reality arrives, practical cooperation matters far more than political posturing. Hot air belongs to the atmosphere, not to trade policy.

— LI YANG, CHINA DAILY

What They Say

Power plan to spark green energy transition

Editor's note: *China aims to establish a clean, low-carbon, secure and efficient new energy system by 2030, according to a plan released recently. China Central Television spoke to Tian Lei, a researcher at the Academy of Macroeconomic Research of the National Development and Reform Commission, and Wang Peng, a professor at the North China Electric Power University, on the future of new energy development. Below are excerpts of the interview. The views don't necessarily represent those of China Daily.*

The shift to clean energy has two major implications. First, renewable energy will move from a supporting role and become the primary driver of the energy system.

Second, this transformation will drive technological upgrades in the power system, reshaping its operational models and overall structure. The expansion of renewable energy will also spur the growth of electric vehicles and emerging technologies.

Achieving these goals and sustaining the rapid growth of renewable energy will require strengthening the energy storage capacity through coordinated efforts on both the supply and demand sides.

On the supply side, developing new energy storage technologies and pumped-storage hydropower is essential to provide rapid balancing capacity during peak demand periods. At the same time, greater emphasis will be placed on hydrogen storage by converting surplus renewable electricity into green hydrogen, enabling long-duration energy storage.

On the demand side, the focus will be on enhancing the flexibility of electricity users by aggregating adjustable loads from households, businesses and factories so they can help in peak-load regulation.

Future energy investment will focus on three broad areas: ensuring energy security, advancing the green transition and fostering new growth drivers. The plan calls for coordinated national deployment, discourages homogeneous local investment, strengthens market regulation and addresses disorderly competition, including below-cost pricing and mandatory project bundling.

At the same time, the development of a unified national electricity market will align power generation projects more closely with electricity demand and grid absorption capacity.

The plan also aims to enhance energy self-sufficiency in eastern China, while recognizing that the overall pattern of transmitting electricity, natural gas and coal from the western to eastern regions will remain unchanged.

Long-distance energy transmission inevitably involves electricity losses and requires extensive infrastructure for transporting coal. From the perspective of resource allocation, using more energy where it is produced in western China would significantly improve efficiency. However, this would also require the gradual relocation of industries to western regions.

There is a strong demand for computing resources in the more developed eastern regions of China, while abundant energy resources are concentrated in the west, making western China a natural location for large-scale computing centers. This requires close coordination between computing resources in the eastern and western regions, as well as a more efficient nationwide energy allocation.

VIEWS

Sun Jingying and Zhang Yuyan

Inspirations from China's journey

For many developing nations, a persistent question is: How can a populous country with limited resources achieve widespread and lasting improvements in the quality of life for its people?

Over the past century, China has provided the answer. Under the leadership of the Communist Party of China, the country has moved from widespread poverty and food shortages to building a moderately prosperous society and is now pursuing common prosperity.

China's path may not be a blueprint for others to copy, but the principles behind it offer valuable lessons for countries facing similar development challenges.

A consistent focus on improving people's livelihoods has been a defining feature of China's development journey. In the early years of New China, the priorities were straightforward: restore production, stabilize prices and secure basic livelihoods.

With the reform and opening-up, poverty reduction became a central mission. Over several decades, large-scale poverty alleviation programs transformed living conditions across rural China.

From 2012 to 2020, all 98.99 million rural residents living below China's current poverty line had been lifted out of poverty, and all 832 designated impoverished counties had shed that label. Absolute poverty, a problem that had plagued China for centuries, was eliminated.

LI MIN / CHINA DAILY

The scale of the transformation is reflected in everyday indicators. Life expectancy has risen from about 35 years in 1949 to more than 79 years today.

The Engel coefficient — a measure of the share of household spending devoted to food — has fallen below 30 percent, placing China in a category generally associated with relatively affluent societies according to standards used by the Food and Agriculture Organization of the United Nations.

China's poverty reduction efforts, notable for both their speed and scale, have received widespread recognition from international organizations, including the UN and the World Bank.

Yet China's ambitions extend beyond eradicating extreme poverty. In recent years, the focus has shifted toward common prosperity — a concept often misunderstood abroad.

It does not imply absolute egalitarianism, nor does it imply that everyone becomes wealthy. Rather, it seeks to ensure that the benefits of growth are more broadly shared while maintaining incentives for innovation, entrepreneurship and productivity.

The significance of common prosperity lies in the institutional arrangements supporting it. China's approach combines three layers of distribution.

Primary distribution relies on markets and economic activity to create wealth. Redistribution, through taxation, social security and transfer payments, helps narrow excessive disparities. A third layer consists of voluntary contributions from businesses and high-income groups to support broader social development.

Equally important is the effort to expand access to basic public services. A nationwide compulsory education funding system, medical insurance coverage exceeding 95 percent of the population and a pension system reaching virtually all citizens have helped translate economic growth into tangible improvements in daily life.

At the same time, regional development strategies and rural revitalization programs seek to reduce geographic inequalities.

The experience of Zhejiang province, China's pilot demonstration zone for common prosperity, offers a notable example.

Through measures ranging from stronger village-level collective economies to coordinated regional development, Zhejiang has reduced the urban-rural income gap ahead of schedule.

The broader relevance of China's experience lies more in the principles underlying its policies than in specific measures.

First, lasting improvements in living standards require strong political commitment and effective state capacity. In many developing countries, social progress is constrained not only by scarce resources but also by limited ability to mobilize those resources or implement long-term policies.

Second, gradual reform often works better than abrupt transformation. China's social security system was not built overnight. From rural subsistence assistance to basic medical insurance, catastrophic illness coverage and long-term care insurance, reforms were introduced incrementally, tested locally and refined over time.

Third, development and distribution should advance together. Some countries have struggled with unsustainable welfare commitments introduced before sufficient economic foundations were established.

Others have experienced deep social divisions after prioritizing growth while neglecting equity. China's approach has sought a middle path: promoting growth while steadily expanding social protection and preventing excessive inequality.

Fourth, improving people's livelihoods is not solely the responsibility of the government. Public institutions provide the foundation, markets deliver diverse services, social organizations contribute additional support, and families and individuals remain active participants.

This balance helps avoid both welfare dependency and the fiscal burdens associated with excessive state intervention.

This does not mean China's experience can be transplanted elsewhere. Every country faces unique political, economic and social conditions.

Nations with different political systems will need different coordination mechanisms.

Countries still struggling with extreme poverty may need to prioritize clean water, basic healthcare and food security before pursuing broader goals of equal access to public services.

For this reason, China has consistently emphasized sharing experience rather than exporting models.

Today, the world faces overlapping challenges: the lingering effects of the pandemic, mounting debt pressures, climate change and geopolitical tensions.

Across many countries, livelihoods are under strain. Against this backdrop, China's century-long journey — from securing basic subsistence to pursuing common prosperity — offers a simple but powerful insight: improving people's lives is not merely the outcome of development; it is also its purpose and driving force.

Large-scale improvements in human welfare are neither automatic nor easy. But with political commitment, pragmatic reforms and strategic patience, they are achievable.

The challenge for other countries is not to replicate China's path, but to draw experiences from it while forging development strategies suited to local realities.

In that shared search for more equitable, sustainable and dignified development, there is much that nations can learn from one another.

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Abdulwahed Jalal Nori

Water a strategic asset that ensures economic resilience

For more than a century, oil has been the lifeblood of modern civilization, fueling industrial revolutions, shaping geopolitical alliances and influencing the rise and fall of nations. Control over energy resources often translated into economic strength and strategic influence.

Yet as the world enters an era increasingly defined by climate uncertainty, technological transformation, and environmental stress, another resource has quietly emerged as the foundation of future prosperity and stability: water.

The strategic significance of water has long been underestimated. Unlike oil, there is no substitute for freshwater. While economies can diversify their energy mix, replacing coal with solar power or oil with hydrogen, there is no substitute for water.

Every aspect of human life — from food production and public health to industrial development and energy generation — depends on reliable access to freshwater.

This reality is particularly relevant for Asia. Home to nearly 60 percent of the world's population and some of the fastest-growing economies, Asia faces a convergence of pressures that could make water one of the defining strategic challenges of the 21st century.

Rapid urbanization, industrial expansion, agricultural demand, population growth, and climate change have placed unprecedented strain on rivers, lakes, reservoirs and groundwater systems across the continent.

The challenge is not just environmental, but also has geopolitical and developmental dimensions. Manufacturing hubs require reliable water supplies. Agriculture depends on predictable irrigation systems. Expanding cities need resilient infrastructure capable of withstanding both floods and droughts. Water is no longer simply a resource to be managed, but a strategic asset that underpins economic resilience and social stability.

Global Lens

Climate change is intensifying these pressures. Rising temperatures are altering rainfall patterns across Asia.

Prolonged droughts are becoming more frequent in some regions, while others face increasingly severe floods. The Himalayan glaciers, often described as Asia's water towers, feed many of the continent's major rivers, including those that sustain hundreds of millions of people.

The implications of these changes extend beyond national borders. Many of Asia's most important rivers are transboundary waterways. The Mekong River alone supports the livelihoods of millions across China and Southeast Asia. What happens to the river system upstream inevitably affects communities downstream. As demand for water increases, effective management of shared resources will become one of the most important tests of regional cooperation.

Contrary to alarmist predictions, the future need not be defined by water conflicts. History demonstrates that shared resources can encourage cooperation as much as competition. The challenge for Asia is to move beyond reactive management and embrace a proactive framework for water governance. In this regard, China and the Association of Southeast Asian Nations have a unique opportunity to provide global leadership.

China's development experience offers valuable lessons. Over the past decades, the country has invested heavily in water infrastructure, flood control systems, advanced irrigation technologies and large-scale water transfer projects.

These initiatives reflect an understanding that water security is inseparable from long-term development planning. As China advances its vision of high-quality development, water efficiency, ecological sustainability, and climate resilience have become important pillars of national strategy.

ASEAN countries confront similar challenges. Rapid urbanization, food security concerns, and climate-related risks have placed pressure on water systems across Southeast Asia. Rather than address these challenges separately, a stronger China-ASEAN partnership on water security could be substantially more beneficial for the entire region.

Several practical policy initiatives deserve serious consideration.

First, China and ASEAN should establish a permanent China-ASEAN water security cooperation mechanism to facilitate regular dialogue, information sharing, joint research, and coordinated responses to droughts, floods, and other water-related emergencies. Water diplomacy should become a central pillar of regional cooperation, alongside trade, connectivity, and technological innovation.

Second, both sides should increase investment in smart water technologies. Artificial intelligence, satellite monitoring, big data analytics and digital water management systems can significantly improve efficiency and reduce waste.

A China-ASEAN water innovation fund could support collaborative research to design affordable solutions for developing economies.

Third, greater emphasis should be placed on water-efficient agriculture. Agriculture is the largest consumer of freshwater in most ASEAN countries. Joint initiatives focused on precision irrigation, drought-resistant crops, and sustainable farming practices could improve food security while reducing pressure on water resources.

Fourth, regional cooperation on climate adaptation should be strengthened. Shared early warning systems for floods and droughts, coordinated disaster preparedness mechanisms, and joint environmental monitoring programs would help build collective resilience against climate-related shocks.

Fifth, water security should be incorporated into broader regional development frameworks, including the Belt and Road Initiative and ASEAN's long-term community-building agenda.

Infrastructure projects should not only support economic growth but also enhance environmental sustainability and water resilience.

Most importantly, policymakers must broaden their understanding of security itself. Traditional notions of security often focus on military capabilities and geopolitical competition. While these are important, the most significant threats in the coming decades may arise from resource scarcity, environmental degradation, and climate disruption. A nation might have sophisticated military capabilities, but it remains vulnerable if it doesn't have adequate water resources.

For Asia, the lesson is clear. The era in which oil dominated strategic thinking is gradually giving way to a new reality. Water is emerging as the resource that will shape economic resilience, food security, environmental sustainability, and regional stability. The question is no longer whether water security will define Asia's future.

The question is whether governments will act with sufficient foresight to ensure that it is defined by cooperation and shared prosperity rather than crisis and scarcity.

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Property management sector could do with an overhaul

In recent years, property management disputes have been on the rise in China.

According to the Supreme People's Court, in the first quarter of 2026, courts in China handled 294,700 such cases, up 37.28 percent from the same period last year.

But the actual number of complaints might be even higher. Whenever a property management dispute arises, people tend to first complain to the community committees, dial the consumer hotline number 12345, or visit relevant departments under the local government. Approaching courts is often the last resort.

More than 67 percent of the over 1.4 billion Chinese population now lives in cities and towns and about half of them dwell in apartments built in the past three decades or so.

When hundreds or thousands of people live in the same complex, property management becomes a necessity. Unlike in many other countries where house owners have to pay a huge sum in real estate taxes, those in China are not required to do so as they don't own the land on which their apartment buildings are built.

However they usually have to pay a significant management fee to the service-providing companies.

Depending on the locality and service quality, the fee could range from 2,000 to 7,000 yuan ($295-$1,033) a year for a two-bedroom apartment.

Efforts have been made by both the central and local governments to standardize property management operations.

In the early years after house owners move into an apartment complex, the property management service is usually satisfactory, thanks to the good condition of public facilities and the fact that the fees are paid in a timely manner. With the passage of time, however, quality dwindles.

Some house owners first complain to the property management companies about the dirty corridors, stinking garbage bins, dripping water from the ceilings, poor maintenance and high repair charges.

They also complain about the shortage of parking space and the lack of transparency regarding what the management companies earn by renting out the basements and/or parking spaces or allowing other companies to paste ads inside the elevators.

Failing to get satisfactory answers from the management companies and seeing no improvement in service quality, some homeowners stop paying property management fees. In some extreme cases, almost half the residents of an apartment complex have followed suit.

With the flow of money curtailed, the related property management companies cannot afford to take care of the apartment complexes anymore, even doing away with the support staff members who were doing some work, however unsatisfactory.

Thereafter, those house owners and management companies start suing each other, leading to prolonged litigation as both sides make a strong case against the other.

Reports suggest that in some apartment complexes, house owners set up their own committees and removed the existing property management companies, replacing them with new operators, who worked efficiently for a few years before a rerun of the same story.

Efforts have been made by both the central and local governments to standardize property management operations.

Relevant national regulations have been revised at least three times in the past two decades, with further adjustments expected to be made.

Each revision made clear the duties and obligations of both the house owners and the property management companies. However, the rising number of complaints and court cases shows that there is still a long way to go before many property management companies work efficiently, making the house owners happy.

In the interest of the masses, the arms of the owners' committees should be strengthened under the supervision of local community committees — a grassroots governmental organization.

At present, many apartment complexes have yet to establish owners' committees.

However, where they exist, there have been reports of some owners' committee members being bribed by property management companies to keep their mouths shut regarding certain irregularities.

The good news is that the discipline inspection bodies at different levels have started probing into malpractices related to people's livelihood, including in the property management sector.

The sector should be regulated in a way that property management companies make their income, expenses, and the services they provide more transparent to the fee payers.

This will help avoid many misunderstandings and disputes, bringing relief to judges and those at the consumer hotline receiving complaint calls.

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EDITORIALS

Chicago separated its mental health emergency response from public safety. Bad idea

Mental health clinicians meet with other members of the city's Crisis Assistance Response and Engagement CARE team, including police officers and paramedics, at the start of a workday in 2022.
BRIAN CASSELLA/CHICAGO TRIBUNE

Former Mayor Lori Lightfoot in 2021 created a pilot program called Crisis Assistance Response and Engagement to weave mental health experts into public safety responses.

The idea was both compassionate and practical. Many 911 calls involve people suffering psychiatric crises, severe depression, schizophrenia, bipolar disorder or substance abuse, situations where a mental health clinician may be better equipped than an armed police officer to de-escalate. CARE was designed to provide that expertise while remaining part of Chicago's broader emergency response.

It was set up as a co-responder model, incorporating Chicago police, a mental health clinician and Chicago Fire Department paramedics.

Mayor Brandon Johnson on the campaign trail criticized the co-responder approach and, upon taking office, made drastic changes.

He made CARE permanent. He doubled staffing. Worse, he shifted the program from the original co-response model to one run by the Chicago Department of Public Health with clinicians and EMTs but no police officers. In doing so, he removed police officers from CARE field responses, an unsurprising move from an administration famously skeptical of police.

Johnson's redesign moved CARE toward a stand-alone public health response rather than an integrated public safety partnership, treating public health and public safety as competing systems instead of complementary ones.

What's followed is a program that became less coordinated, less available and far less used.

Tribune reporting shows CARE responses peaked at 773 in 2023; by 2024, responses dropped to 239. That drastic decline tracks with Johnson's transition.

It took journalists asking questions to get these numbers. Chicagoans no longer have access to the city's public dashboard that displayed response volume over time, after Johnson replaced it with a page that shows a single data point on the program, as the Tribune reported.

CARE has lost access to key police dispatch terminals, arguably for good reason, given the lack of a police partnership. It operates in extremely limited hours, remains understaffed and has gotten bogged down in inter-agency conflict — the opposite of the 24/7, dispatch-integrated, accountable models that work elsewhere.

Mental health intervention is a good thing when deployed properly. But it should be fully integrated into Chicago's broader public safety system, not treated as a stand-alone service.

Johnson weakened coordination in a system in which coordination actually is the key ingredient. On top of that, his CARE team operates only on weekdays between 10 a.m. and 4:30 p.m.

Unfortunately, mental health crises aren't restricted to regular business hours.

Analysis of the program from the University of Chicago Health Lab acknowledges real operational challenges under the pilot but also concludes that the Chicago Police Department and CFD were engaged partners. It says the evaluators did not observe evidence that police or fire were removed because of adverse incidents or lack of support. Today, CDPH is now the only agency involved in CARE field responses, as Health Lab noted.

What makes this particularly striking is that Health Lab's evaluation pointed in a different direction from the path City Hall ultimately chose. The experts did not recommend separating CARE from police and fire. Rather than making the case for separation, the report repeatedly stressed stronger coordination among CDPH, CPD, CFD and the Office of Emergency Management and Communications, better dispatch integration, clearer governance and improved staffing. Not for the first time, Johnson let his ideologically driven mistrust of the police lead him to provide weaker services to Chicagoans.

Denver offers an instructive contrast. Its civilian STAR teams are housed in the health department, but they operate alongside — not instead of — a police co-responder program. Both are part of Denver's 911 emergency response system.

The lesson isn't that Chicago should simply restore the original pilot, it's that emergency response works best when agencies work together rather than apart. Whatever its shortcomings, Lightfoot's pilot was built around coordination among police, fire, public health and dispatch.

Johnson's team told the Tribune it is building another pathway to route mental health calls to CARE and plans to launch a second evening shift by October. Those are welcome improvements. But they don't answer the bigger question: Why isn't CARE more deeply embedded within the emergency-response system Chicago already has?

"You're the executive, buck stops there," Progressive Caucus co-chair Ald. Andre Vásquez, 40th, told the Tribune. "If we came into office saying we're trying to deliver this as the opposite of neoliberal solutions, you can't leave that thing lying on the table."

Exactly.

Mental illness doesn't keep office hours, and neither should the system designed to respond to it. Chicago needs a CARE program integrated into public safety, not one operating in isolation.

The Supremes protected states' rights. But Illinois is out of whack on mail voting

It's settled now. States can count mail-in ballots after Election Day if postmarked by that day.

Justice Amy Coney Barrett's opinion for the majority in Monday's 5-4 ruling on vote-by-mail was straightforward. In interpreting federal law, the opinion read, "The electorate's choice is made when voting is complete, not when ballots are received."

That's the right approach to this thorny issue. States oversee their elections within the confines of federal law, which sets a date for each national election. So long as voters decide by that date, states should have the flexibility to determine the different ways in which those eligible can vote and how much time should be allowed to receive their votes.

But that's not to say that states should take too much advantage of this flexibility. Illinois unfortunately is a perfect example of a state that does just that. Too much delay causes conspiracy theories to fester and undermines voters' trust.

The Land of Lincoln provides up to two weeks after Election Day for mail-in ballots to make their way finally to election boards. Only one state, Washington, has a more liberal policy, according to the National Conference of State Legislatures. It allows for 14 days after a primary and up to 21 days after a general election.

The remainder of states dominated by Democrats provide for shorter time frames to receive mail-in ballots, and some impose an Election Day deadline. The latter include Connecticut, Rhode Island, Vermont and Colorado.

Even Alaska, where mail service is more challenging than virtually any other state, provides just a 10-day grace period after Election Day.

Thirty-six of 50 states require mail-in ballots to be in hand on Election Day in order to count. Among them are all of the states surrounding Illinois, including Wisconsin, Michigan and Minnesota.

In response to the Supreme Court decision, Democratic Party leaders in Illinois were triumphant. Just one example: "In Illinois, we are focused on maximizing voter participation — not voter suppression," Attorney General Kwame Raoul said in a statement.

Encouraging people to vote — and making it easier for them to do so — indeed are laudable goals. But common sense shouldn't be simply ignored. There's a price to be paid when election outcomes aren't determined for weeks.

Chicago and Cook County, in particular, are susceptible. The sorry legacy of machine politics and manipulation — manifested in jokey cliches like "vote early and often" — help propel these narratives, even if the level-headed among us don't believe that type of corruption remains prevalent in our election apparatus.

There's a simple way to address the issue: There should be no more than a week for mail-in ballots to land at election boards. That's the standard in California, New York and Oregon. In New Jersey, it's six days. In Massachusetts, it's just three.

Illinois isn't a battleground state, so our hyper-flexible mail-in rules typically aren't an issue in presidential elections. But in state and municipal elections they certainly can be.

Just two years ago, 11 days elapsed before Eileen O'Neill Burke declared victory in her primary contest with Clayton Harris III for Cook County state's attorney. Over the anxious days awaiting an outcome, a spokesperson for the Chicago Board of Elections failed to disclose the existence of more than 9,000 mail-in ballots that had in fact been received by Election Day and was chagrined to have to do so days later. It was a simple error, but the race was so close that bad memories of past shenanigans were triggered.

At the time, we called on state Democrats to reduce the time for mail-in ballots to trickle in. It's only a matter of time, we argued, for another hotly contested race like that one to be kept in limbo for too long, unnecessarily fraying nerves and fueling suspicion.

With the Supreme Court now having ruled that states indeed can call their own shots on this question, Illinois should strike a blow for common sense and act in the interest of fostering more confidence in our voting system.

ON THIS DAY 26 YEARS AGO: A SURPLUS OF OPTIMISM

Interest rates are rising. The economy inevitably will cool. Yet in Washington, in this election year, politicians are behaving as though the laws of economics have been repealed—allowing the boom to go on forever.

Now hear this: They haven't and it won't.

Yet there was President Clinton this week, standing in the Rose Garden, felt-tip marker in hand, showing off the latest forecast from his budget office. We are now informed that in the future, the U.S. economy will grow by an average of 3 percent per year, not the 2.7 percent previously estimated. As a result, federal budget surpluses will leap by an additional $1.3 trillion over the next decade, putting the nation on course to wipe out its accumulated national debt by 2012.

...

But what if the forecasts of growth eternal are wrong? What happens if there's a recession, perhaps even a protracted one to mirror the current expansion? Or a severe stock market downturn? What happens if today's taxable capital gains become tomorrow's tax-loss carry-forwards?

That's why this Congress must resist the urge to spend that which is not yet real. And to resist binding commitments based on ephemeral forecasts.

Take that Medicare drug benefit. Unless carefully structured, such a subsidy could well make worse the problem of runaway pharmacy costs. Certainly that would be the case if the benefit is simply tacked on to Medicare's fee-for-service program. Managed care is the way to ensure medicines are cost-effectively prescribed. Yet Medicare is squeezing HMO reimbursements to the point that fewer and fewer quality health plans want to participate.

Congress should pass a responsible 2001 budget and go home. Like those blooms in the Rose Garden, this boom won't last forever.

Tribune editorial board, June 30, 2000

EDITORIAL CARTOON

MICHAEL RAMIREZ

OPINION

During an extreme heat warning, people cool off in Lake Michigan's Margaret T. Burroughs Beach in Chicago on Monday. **ANTONIO PEREZ/CHICAGO TRIBUNE**

Extreme heat is a public health emergency for Chicago, not a seasonal nuisance

By Chuka Onuh and Symphony Fletcher
SPECIAL TO THE TRIBUNE

France recently recorded its hottest day in history. Across Europe, heat emergency systems have been overwhelmed, hospitals strained and lives lost as governments rush to protect their most vulnerable. Just weeks ago in Chicago, one of us treated a heatstroke patient in an emergency department — notably on a day not nearly as sweltering as the heat wave hitting our city this week.

What is happening in Europe and now in Chicago is not an anomaly — it is nature's warning. Heat does not respect borders. Emergency departments across our city are already seeing an early wave of preventable heat-related visits, with the season having barely begun.

For those of us working in medicine, rising temperatures foretell what will fill our emergency rooms: cases of dehydration, heat exhaustion, kidney injury and heatstroke. Extreme heat is the deadliest weather-related hazard in the United States, killing more Americans most years than hurricanes, floods and tornadoes combined. Research shows that heat-related deaths have increased 117% over the past two decades.

Now is the time for Chicagoans to familiarize themselves with one of the city's most important yet underused resources: cooling centers. In 2024, less than 3% of Chicagoans used one. That statistic should be alarming, given that only about 30% of single-family homes in Chicago have central air, compared with 76% nationwide — an average that conceals a starker reality.

South and West Side neighborhoods such as Englewood, Austin and North Lawndale are already hotter than Lincoln Park or Lakeview because they have less tree cover and more heat-absorbing pavement. It's no coincidence that during recent heat advisories, ZIP codes 60620, 60623, 60628 and 60651 — Chatham, Little Village, Roseland and Humboldt Park — saw the most heat-related calls for service in the city.

The most serious heat-related illness is heatstroke, in which the body loses its ability to cool itself. When body temperatures exceed 104 degrees, the brain and organs can suffer direct damage, leading to seizures, organ failure and death within hours. Its most common initial symptoms, confusion and tiredness, are too often overlooked as simple exhaustion. People who are unhoused, adults older than 65, people without air conditioning, those with chronic illnesses and children are among the most vulnerable.

Past reporting found that last year, many of our city's cooling centers closed in the early evening — despite dangerous temperatures persisting well into the night, and nearly half of the city's cooling locations were outdoor splash pads. Historically, the only overnight cooling options were police stations, which are not neutral spaces for many unhoused residents, immigrants and people of color.

As of this week, the Garfield Center at 10 S. Kedzie is the only 24-hour cooling center in Chicago — a single location for a city of nearly 3 million. This must change.

Many people wrongly assume they can sleep off a hot day, or they hesitate to run the air conditioner overnight due to electricity cost — concerns that are valid — which is exactly why cooling centers matter: They offer relief and safety to the financially vulnerable populations at greatest risk.

For many families, avoiding dangerous heat is not as simple as adjusting the thermostat. Housing conditions, financial constraints and neighborhood infrastructure all influence who can stay safe during Chicago's hottest days. The 1995 Chicago heat wave killed over 700 people, primarily in low-income and vulnerable communities — a reminder of how poverty, inadequate housing and limited access to cooling can turn a weather event into a public health disaster.

To our city leaders: With a dangerous heat wave looming, centers should remain open during appropriate hours, be clearly marked and accessible via public transit, equitably located and properly ventilated. The Chicago Park District and city webpages should update their outdated listings so residents have accurate information when it matters most.

This summer is not just about protecting ourselves — it's about caring for each other. If you notice an elderly or vulnerable neighbor without air conditioning, check on them. If you can't reach someone, request a wellness check via the CHI311 app or by calling 311.

Chicago respects the cold. We plan around wind chill advisories. Heat deserves the same respect.

This summer, locate your nearest cooling center, save the 311 number and check on a neighbor. As temperatures rise, so must our commitment to keeping our fellow Chicagoans safe.

Chuka Onuh is a third-year medical student at the University of Chicago Pritzker School of Medicine. Dr. Symphony Fletcher is an emergency medicine resident physician at the University of Chicago.

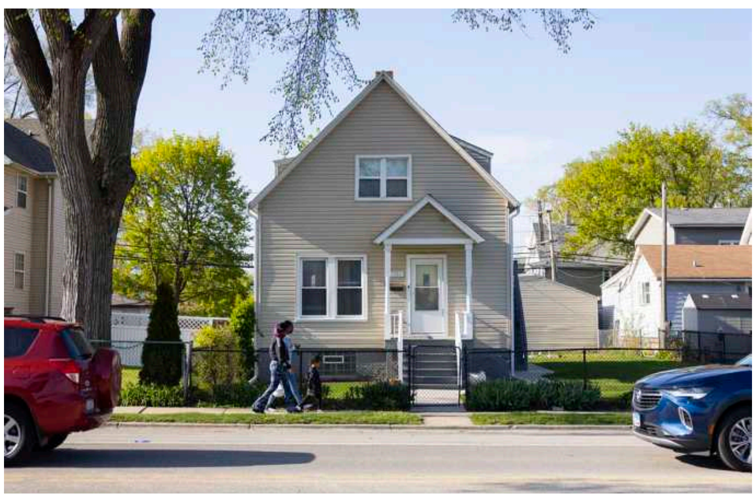
Evanston's reparations won't make up for housing discrimination

By Curtis Hill
SPECIAL TO THE TRIBUNE

The good people of Evanston — the self-proclaimed trailblazers of municipal virtue — have really done it. They've become the first city in America to actually cut checks for reparations to Black residents reportedly harmed by historical housing discrimination. Twenty-five grand a pop, funded by weed taxes, for the lingering sins of zoning ordinances from 1919 to 1969. How progressive. How healing. How have they been discrimination-free since 1969?

As a former Indiana attorney general, with years prosecuting cases and defending commonsense measures such as voter identification laws, I've long opposed reparations for slavery — not because America's past is spotless (it's not), but because turning legitimate historical atrocities into a modern government payout scheme is a misplaced moral pretense. Evanston's solution of paying off on old discriminatory local housing ordinances may allow municipal leaders to sleep at night, but it does not make up for the harm done to the actual victims who experienced the sting of government-sanctioned housing discrimination over 50 years ago.

One core challenge for this proposed fix is determining eligibility. Who counts as sufficiently Black to cash in? What about the Evanston resident with one Black grandparent and three others who are white, whose ancestors arrived after 1969? Or the recent Nigerian immigrant whose family did not face Evanston redlining but checks the right box? Evanston's payout program ties eligibility to living in the city between those dates or being their direct descendants — yet somehow skips the messy business of proving individualized harm while demanding current taxpayers foot the bill.



People walk along Emerson Street in Evanston in 2023.
EILEEN T. MESLAR/CHICAGO TRIBUNE

The absurdity compounds quickly. If one could go back to 1958 and compensate a person's great uncle for the actual harm he experienced, that would be one thing to consider — but calculating a cash award to a third- or fourth-generation legacy is meaningless.

Meanwhile, other groups begin lining up for their own claims. The Italian American whose grandfather was denied housing in the same era due to ethnic covenants? Tough luck; wrong melanin. Asians barred by exclusion acts? Native Americans with tribal claims predating the city? Reparations rhetoric ignores the full American tapestry of struggle, achievement and, yes, discrimination.

This isn't justice; it's selective feel-good action that has no rhyme or reason. Determining who qualifies as Black devolves into the very racial essentialism civil rights leaders once fought to dismantle. Today's scheme reduces complex lineage to a bureaucratic blood quantum farce — complete with paperwork, appeals and inevitable lawsuits, as Evanston is now discovering in federal court.

And the broader reparations push? Slavery's legacy demands we confront ugly truths: family breakdown, crime and dependency metrics that no check can fix. But equating 19th century chains to 21st century transfers ignores time, intermarriage, mobility and progress. Black Americans' median wealth and outcomes today dwarf many global populations — thanks to capitalism, not central planning. Handing out selective reparations while ignoring root causes such as fatherless homes (hovering near 50% in some communities) or cultural shifts is technicolor theater. It divides citizens into perpetual debtors and creditors based on skin — breeding resentment, not reconciliation.

Evanston's facade crumbles further under scrutiny. It touts $25,000 for home repairs or down payments as "restorative." Yet these programs may subsidize poor decisions, inflate local costs or vanish into consumption rather than building lasting capital.

What of the working-class taxpayers — Black, white and every shade — who fund this via marijuana sin taxes? The single mom whose ancestors faced their own hardships, now subsidizing someone else's? The program's expansion to cash payments only heightens the concerns.

Practical fixes exist without this circus. Enforce equal protection under the law. Promote school choice to shatter failing systems. Champion two-parent families, workforce skills and enterprise — the real engines of mobility my father's generation leveraged despite barriers. End race preferences that insult competence. Secure borders and the rule of law so opportunity isn't diluted.

Evanston's reparations aren't healing discrimination's legacy; they're monetizing it. This prosecutor's eye sees the cons: impossible to administer fairly, guaranteed to be litigated endlessly and destined to fail the very people it claims to uplift.

America advances by rejecting racial score-settling for individual striving. The sooner cities like Evanston ditch the ancestral ATM, the sooner we can pursue actual justice — for everyone.

Curtis Hill is senior adviser to the Free Enterprise Project of the National Center for Public Policy Research, a Project 21 ambassador and a former Indiana attorney general.

OPINION

The powers that be in Venezuela are exploiting a tragedy as its people suffer

Daniel DePetris

A U.S. aircraft flies over an area struck by earthquakes in La Guaira, Venezuela, on Sunday. PEDRO MATTEY/AP

Major disasters have a way of bringing people together. The Sept. 11 terrorist attacks ushered in months of unity and bonhomie among New Yorkers. The 1985 earthquake in Mexico City, which killed approximately 5,000 people, did much the same, with Mexican civilians teaming up to launch their own rescue operations as the federal and city governments were floundering.

That's not entirely the case in Venezuela. On the one hand, the twin earthquakes that rocked the Venezuelan coastal state of La Guaira and parts of the capital Caracas have inspired remarkable teamwork, which this South American country hasn't seen since the devastating mudslides of 1999, when at least 10,000 people were killed. Still, Venezuela remains in political turmoil, with the country's interim authorities struggling to cater to Washington's wishes on a daily basis and its politics remaining the most fractious in Latin America.

In an ideal world, everybody would let go of political agendas during a tragedy of this scale and focus on saving as many people as possible. Unfortunately, the disaster response has been politicized by pretty much everyone. President Donald Trump, Venezuelan interim President Delcy Rodríguez and Venezuelan opposition leader María Corina Machado, arguably the three most important people in Venezuelan politics today, are hoping to use the natural disaster still roiling the country to bolster their own reputations and positions.

To Trump's credit, the White House's response to the earthquake was immediate. The Trump administration quickly authorized a $150 million package of aid, dispatched search and rescue teams to assist Venezuelan authorities, and ordered the U.S. military to provide air-lifting capabilities to assist with the evacuation of the injured. A U.S. team was also dispatched to Simón Bolívar International Airport, which serves Caracas, to repair runways and ensure aircraft carrying supplies could land.

The U.S. aid is appropriate and desperately needed, from a moral and humanitarian standpoint. But let's be honest: Trump isn't sending cash and rescue personnel out of the goodness of his heart. There are geopolitical and personal reasons behind the decision as well. Trump points to Venezuela as the prime success story of his foreign policy, a chief illustration of his decisiveness and an example of how the "Donroe Doctrine" is a smashing success for U.S. power and influence in the Western Hemisphere. Trump's marveling over the daring Jan. 3 U.S. raid that led to the arrest and extraction of former Venezuelan dictator Nicolás Maduro has become a staple in his public remarks.

You can't blame him; with Maduro out of the way, Venezuela has transformed from one of Washington's chief adversaries in Latin America into a de facto puppet state, with U.S. officials effectively controlling Venezuela's crude oil revenue and dictating where that money can be spent.

Trump doesn't want the earthquakes to become a political crisis for Rodríguez, Maduro's former vice president who ascended to the top job with Washington's blessing. Although Rodríguez may be an old-school Chavista who served in multiple senior roles when Maduro was in the presidential palace, Trump likes what he sees so far: deals, deals and more deals. The Rodríguez government has handed Trump pretty much all he could ask for, including opening up Venezuela's mining sector to American companies, reforming the country's nationalistic oil policies and working with the U.S. intelligence community to go after the criminal syndicates that prospered during Maduro's nearly 13-year tenure. In short: Trump wants Venezuela's new regime to survive.

Rodríguez, of course, wants to survive as well. This means not only ingratiating herself with her new overlords in Washington but also strengthening her political position amid a Venezuelan opposition bloc that won the 2024 presidential elections but was nevertheless forced to swallow the indignities of the Chavista regime staying in power.

The Chavistas are making a public display of their leadership during a time of crisis and appear more interested in hampering the opposition's own rescue efforts than implementing a successful disaster response of their own. The Venezuelan security forces have reportedly tried to block the distribution of supplies and collection points managed by Vente Venezuela, the political coalition headed up by Machado. And the regime is attempting to use its dominance over the airwaves to project strength, resolve and competence despite eyewitness accounts revealing anything but.

Machado, the Nobel Peace Prize-winning politician, isn't above politicizing a tragedy either. Ever since she snuck out of Venezuela in December to claim her prize, Machado has tried to reenter the country to reinvigorate her political movement and influence how any Venezuelan political transition — assuming one actually occurs — progresses. The Trump administration has advised her against doing so, partly due to her own personal safety and partly because it sees Machado as a potentially destabilizing force that could upend a status quo that's working.

The earthquakes have only emboldened Machado in this regard. While she would never admit this publicly, Machado likely views the earthquakes as a golden political opportunity to embarrass Rodríguez for being an illegitimate head of state who is simply overwhelmed by the tasks in front of her.

There is something to that argument. The Venezuelan government's track record in the week since the earthquakes struck has been abysmally poor, a consequence of the state's institutional capacity having been hollowed out from within over the last three decades. Considering her lifelong dream is to lead Venezuela, Machado could use any help she can get to bolster her own credentials.

While ordinary Venezuelans continue to dig with their bare hands for survivors, the powers that be are trying to figure out how to spin a catastrophe for their own ends.

Daniel DePetris is a fellow at Defense Priorities and a foreign affairs columnist for the Tribune.

Voice of the People

Chicagoans concerned for safety

Over the Juneteenth weekend, 39 people were shot across Chicago. At least eight people were killed, leaving families to grieve while another cycle of gun violence unfolded in neighborhoods that have endured far too much loss.

This past week, Mayor Brandon Johnson signed an executive order creating the Office of Gun Violence Reduction. The initiative reflects an important commitment to reducing violence, but its success will depend on whether it becomes more than another layer of bureaucracy. It should also confront a less visible challenge: why some otherwise law-abiding residents feel compelled to carry firearms for protection in the first place.

Over the past two years, I interviewed 29 African American men in Chicago arrested for unlawful firearm possession and completed a prosecutor-led gun diversion program. They were employed as information technology professionals, postal workers, entrepreneurs and security guards — not career criminals or repeat violent offenders.

What stood out most was what these men had in common. They were working, supporting families and building stable lives. Yet they all described the same reality: They did not feel safe.

Many had been victims of gun violence or had watched friends and family members become victimized. Others described slow police response times that left them believing they alone were responsible for protecting themselves and their families. They carried firearms out of fear and a belief that no one else would protect them.

That does not excuse illegal firearm possession. But if we want to reduce it, we must first understand why otherwise law-abiding people decide to carry.

My research also uncovered another overlooked issue. Many participants misunderstood Illinois firearm laws, believing a firearm owner's identification (FOID) card authorized them to carry a concealed firearm. Others were waiting for a concealed carry license or could not afford the costs associated with licensing and training. These misunderstandings often resulted in felony convictions that affected employment, housing and future opportunities.

Reducing illegal firearm possession requires more than arrests. It requires restoring confidence that violent crimes will be solved, improving public trust, and ensuring residents understand the laws they are expected to follow. If the Office of Gun Violence Reduction hopes to make a lasting impact, legal education and community trust should be central to its mission.

We cannot arrest our way out of fear. Safer communities require both justice and trust.

— Aaron Mallory, CEO, GRO Community

Student loans for doctors

When the One Big Beautiful Bill Act was signed into law a year ago, Medicaid rollbacks and cuts to federal health spending were widely reported — with many in the medical community sounding the alarm.

But another slate of changes that could be equally harmful to the practice of medicine has garnered less attention: cuts to student loan programs that are certain to exacerbate the physician shortage here in Illinois and across the nation.

Effective July 1, future physicians will be capped at $50,000 per year in student loan borrowing, with a lifetime cap of $257,000 for undergraduate and medical school combined. While that's certainly a formidable sum, it's no match for the current cost of medical school, which averages between $300,000 on the low end and over $400,000 at private medical schools, according to the Association of American Medical Colleges.

And the cuts won't affect only aspiring doctors. Other health professions — including nursing, physical therapy and occupational therapy — will face even tighter lending restrictions.

Meanwhile, a separate program called Grad PLUS that closes the gap between federal loans and the full cost of attendance has been eliminated, cutting off a crucial lifeline when future doctors need it most.

What does this mean for patients?

When prospective doctors are forced to choose between high-interest private loans or skipping medical school entirely, it can result in only one thing: fewer physicians in the pipeline to help treat you.

The effects of the shortage are already measurable. Appointment wait times are up 48% since 2004. And the AAMC predicts a shortfall of up to 86,000 physicians by 2036, just as the population of Americans older than 65 is projected to exceed 77 million — sending care demands skyrocketing. At the state level, it is estimated Illinois will face a shortage of 6,200 doctors by 2030.

As a physician, I have seen firsthand how these loans create a realistic pathway for people like me who are passionate about serving their community. As a patient, I have watched wait times for specialist appointments stretch to many months.

That's why I urge Congress to act quickly to reverse these changes and craft policies that strengthen the physician workforce so Americans can access necessary care for decades to come.

— Dr. Tripti Kataria, president, Illinois State Medical Society

So many taxes on Illinoisans

After reading the report "Illinois to see greater protections from 'junk fees,' ticket-buying bots, Pritzker says" (June 26), I find myself asking if reform doesn't work better from the top. How about the city, county and state start by removing "junk taxes." They have small to medium taxes and surcharges on everything from tires, cellphones and liquor to cable TV.

If Gov. JB Pritzker really cares about costs and transparency, he could start by being honest with Illinois residents on how much all this government costs. If we all had a one-line total bill showing our personal share of the costs, revolt or revolution would certainly break out, just as it did 250 years ago.

— Mark Todd, Villa Park

Dependence on fossil fuels

I read that the current federal administration is spending $765 million to to buy back leases from Invenergy, a Chicago-based wind energy producer, for upcoming projects. This brings the total outlay for canceling wind energy projects to $2.6 billion. This will eliminate competition for fossil fuel energy producers.

We are still in the throes of an energy crisis caused by a 20% decline in oil supply on the global market. Despite our nation's large holdings in fossil fuel infrastructure and supply, we were still seriously impacted by this event.

China, on the other hand, was not significantly bothered because of its past decade of investment in alternative energy sources, such as solar, wind, geothermal and hydraulic power.

There is an old adage: Don't put all your eggs in one basket. China understood that and acted to soften supply-demand ripples. We could learn something from that country.

That $2.6 billion could have been spent to put solar arrays on public building rooftops and parking garages or otherwise investing in alternative energy. Wind farms seem to be making a buck on their own, as they are producing energy more cheaply than fossil fuels without government subsidies, such as those enjoyed by the fossil fuel industry.

— Margaret Sents, Glenview

Solar panels on data centers

The Tribune reported that five data centers are being built on a campus in Hoffman Estates ("Local officials take reins to regulate data centers," June 29). The expansive rooftops of those centers look ideal for an array of solar panels, which would help offset the centers' enormous electricity needs.

— Mike Magliane, Chicago

Note to readers

Bike lanes in Chicago inspire a lot of passion. We'd like to hear your thoughts. Do you support bike lanes? Or are you opposed? Whether you're for or against, do you have advice for the city on its approach? Send a letter of no more than 400 words to letters@chicagotribune.com by Wednesday, July 1. Include your full name and city/town.

For online-exclusive letters, go to www.chicagotribune.com/letters. Email your letter submissions, 400 words or less, to letters@chicagotribune.com. Include your full name, address and phone number.

OPINION

The Russian Reckoning

GLOBAL VIEW
By Walter Russell Mead

Could Russia be losing its hard-won post-Cold-War status as a great power? As the bad news for Vladimir Putin piles up, the question of Russian decline—and its implications for world geopolitics—is coming into focus.

Recent weeks have been nightmarish for the Russian leader. Kyiv's drone strikes deep into Russian territory have disrupted the lives of millions of Russians who had been told they were winning a war against a weak and ineffectual Ukraine. The unrelenting pace of military casualties continues to bleed Russia's declining population without significant battlefield advances. As blackouts and fuel shortages hobble Russian-occupied Crimea—where desperate tourists and residents are struggling to escape the hard-hit peninsula via war-damaged routes—Mr. Putin faces his greatest political challenge since Boris Yeltsin handed him the keys to the Kremlin in 1999.

The news on the battlefront and in the air war is bad enough for the Kremlin; the big picture looks even worse. From a military point of view, the most salient aspect is the failure of Russian power in and around the Black Sea. In 2022, Russia's armed forces failed to capture the economically and strategically vital port of Odesa. Things have deteriorated ever since. Ukraine lacks a powerful navy, but missile strikes as well as drone attacks by air and sea have forced Russia's Black Sea fleet out of Sevastopol in occupied Crimea and neutralized Russian sea power.

Russia has largely dominated the Black Sea since the 18th-century reign of Catherine the Great. Securing that dominance lies at the heart of the imperial vision that drives Mr. Putin and his nationalist supporters. But Russian power in and around this vital waterway is significantly weaker than it was in 2022, and the outlook for gains is currently bleak.

The longer the war goes on, the more Russian power in other former Soviet republics diminishes. The situation in the Caucasus and Central Asia is moving against Russia. The U.S., China and Turkey are all developing economic and even military links that threaten Russia's hopes for control in territories first conquered by the czars. At the same time, the shifting balance of power is making itself felt in Belarus, where President Alexander Lukashenko is worried enough about Ukraine's threats that he is resisting pressure from Mr. Putin to use his territory to assist Russia's war.

Finally, Russia's energy problems go well beyond the fuel shortages caused by recent Ukrainian drone attacks. The Middle East crisis, which only recently seemed to be throwing Mr. Putin a lifeline by spiking energy prices, has eased. If Iran and the U.S. reach agreements that allow substantial amounts of Iranian oil back onto world markets, Mr. Putin will face collapsing oil revenue. Ukrainian attacks on refineries and other facilities are curtailing Russia's ability to export. Put falling prices together with reduced output, and Russia faces some grim downshifts in government revenue—even as the war demands every ruble Mr. Putin can find. In the longer term, the likelihood of increased production in places like Venezuela and Argentina even as China cuts back on imports suggests lower prices. Progress toward a route for Central Asian oil and gas that avoids Russian territory further lessens Russia's power over world energy markets.

The Ukraine war, less oil revenue and restive ex-Soviet republics all shrink Moscow's sway.

It is too early to write off Mr. Putin or the country he leads. Russian scientists may find effective counters to Ukraine's current technological advantages. And while the Russian ruler has never been much of a military strategist, he has pulled off more than one unlikely diplomatic win—and he continues to seek ways in which Russian assets like its nuclear arsenal and its capabilities in cyber, hybrid and information war could tilt the balance back in Moscow's favor.

But the laws of historical gravity ultimately make themselves felt. Russia's declining population, the failure of its tech industry to reach world-class levels, its broader economic failures since the end of the Cold War, the rise of China to the east, and the continuing force of nationalism in the ex-Soviet republics from Kyrgyzstan to Ukraine all weaken Russia's position in the world.

Russia won't disappear, but Moscow's descent into the ranks of middle powers looks ever more likely. A world in which Russia no longer has much ability to threaten its neighbors would be a different place. The momentum for European rearmament would likely disappear. A China tempted by Russian weakness might seek the return of territories lost to the czars even as it looked to draw the Central Asian republics further into its embrace. Freed from its worries about Russian power, Turkey would look to expand its economic and political power in the Balkans and the Middle East.

Mr. Putin hoped to revive Russia as a superpower. His successors, it seems increasingly likely, may have to content themselves with less ambitious goals.

What Real Diversity Looks Like

MAIN STREET
By William McGurn

Philadelphia

Thomas Jefferson was wrong about religion in America. Yes, Jefferson drafted the Declaration of Independence, which we celebrate on the Fourth of July. He correctly regarded freedom of religion as a right given by God, not government. But he also believed most Americans would exercise their religious liberty by eventually becoming Unitarians.

No better evidence is there of how wrong Jefferson was than the Becket Fund for Religious Liberty and its annual Canterbury Medal dinner, which recalls the infamous 12th-century clash between King Henry II and Archbishop Thomas Becket. Their feud ended with Becket murdered by four knights of the king in Canterbury Cathedral. Becket thus became a martyr for the idea that you don't render unto Caesar the things that are God's.

"The constitutional order that Jefferson helped create has sustained a deeper and more diverse religious life than even the Founders themselves anticipated," says Mark Rienzi, a law professor at Catholic University who serves as president and CEO of Becket.

As galas go, Becket's is a doozy, with guests sporting kippahs, turbans and zucchettos. As the nation marks the 250th anniversary of Jefferson's Declaration, this year's gala was held in Philadelphia's National Constitution Center, a short walk from Independence Hall, where both the Declaration and the Constitution were debated and adopted.

The attendees proved as compelling as the setting. Pastor Robert Soto was decked out in full garb as a feather dancer and member of the Lipan Apache Tribe of Texas. Becket successfully defended his right, and the rights of his congregation, to use eagle feathers in Native American religious ceremonies.

Or you might have been at the table of the Little Sisters of the Poor, a religious order of Roman Catholic sisters. President Barack Obama and a couple of state governments tried to force them and other religious organizations to provide contraceptives in their health plans. But the Little Sisters prevailed three times at the Supreme Court, and Becket will be at their side if they are forced to go back.

Becket also handles more familiar bigotries such as antisemitism. On Oct. 7, 2023, Hamas launched mass atrocities from Gaza on southern Israel. Not long after, the harassment of Jews at UCLA began—which the university administration did little to stop. Last July Becket won a huge victory when UCLA accepted a court judgment and settlement forbidding it from allowing such things as a "Jew Exclusion Zone" on campus.

In short, Becket is where men and women representing a variety of strong religious beliefs find common ground without compromising their principles. The cause that unites them remains vital. On Friday, President Trump's Religious Liberty Commission delivered him a report highlighting the many ways in which the free exercise of religion continues to be threatened in America.

The Becket Fund defends religious liberty for people of disparate faiths.

It was for this reason Kevin "Seamus" Hasson, a Notre Dame alumnus and attorney with Williams & Connolly, founded Becket in 1994. Mr. Hasson saw a hole in America: No group akin to the Legal Aid Society or the NAACP was devoted to religious liberty. Thus was born the Becket Fund for Religious Liberty—which Viet Dinh, a former assistant attorney general, calls "God's ACLU."

At one Canterbury Dinner, Mr. Hasson said Becket's legal strategy was based on "prudence," which he defined as "the wisdom to know when to throw the first punch."

In 2011 Mr. Hasson stepped down, handing the reins to New York-based Bill Mumma. A 30-year veteran of Wall Street, Mr. Mumma stepped down as Becket's CEO in 2021 but remains its board chairman.

Perhaps Becket's greatest victory was defeating the Obama administration's contraceptive mandate. Other triumphs include *Agudath Israel v. Cuomo* (2020), in which the Supreme Court ruled against New York state's Covid zones that singled out Orthodox Jews for harsh treatment compared with comparable secular entities. In *Holt v. Hobbs* (2015), Becket successfully defended a Muslim prison inmate's right to grow a half-inch beard.

When Becket was founded, among its challenges was persuading donors and defenders of religious liberty that as a movement they had to defend more than the rights of their own respective groups. Defending religious liberty meant recognizing that they are all in it together. At Becket they say they represent "Anglicans to Zoroastrians."

Manifestly they have the better argument. Becket is undefeated at the Supreme Court, with 13 victories, six of them unanimous. And it's something to watch faiths whose adherents are at war with each other elsewhere in the world come together here in bonhomie to toast the Constitution.

"If our first 250 years have taught us anything, it is that our strength comes from our freedom," Mr. Rienzi says. "Nothing is more American than fighting for religious liberty—even when we disagree."

Write to mcgurn@wsj.com.

The Political Dilemma for Jews Today

By Joseph Epstein

No small blessing that Donald Trump isn't Jewish, as many New York real estate moguls have been. A Jewish President Trump could have increased and intensified the antisemitism now rampant in the U.S. and Europe. I wouldn't be keen to have had Mr. Trump among my coreligionists.

Mr. Trump has been accused of everything from fascism and monarchism to simple wretched taste. The one thing one can't justly accuse him of is antisemitism. A saying has it that one isn't really Jewish unless one's grandchildren are Jewish. Mr. Trump has Jewish grandchildren, through his daughter Ivanka's conversion and marriage to Jared Kushner. Mr. Trump has done more than any other American president to benefit the Jews, from his locating the U.S. Embassy in Jerusalem to standing by Benjamin Netanyahu throughout the recent conflict in the Middle East.

Politicians never seem more phony than when they invoke religion to disguise their lust for power. A candidate who claims he seeks to do God's work is appalling. Proclaiming one's own deep religiosity is the ultimate virtue signal.

Repelled by the GOP, they are attacked in the Democratic Party.

Mr. Trump has never sunk so low, though when he does strike the religious note—at the National Prayer Breakfast, or when dealing with clergy—he is less than convincing. The one thing he really believes in, one senses, is himself.

What Stalin and Hitler, and current-day extremists of left and right, have in common is antisemitism. Without the Jews, so goes their supposition, the world would be a better place. Why should this be so? That the Jews have combined the learning of both the West and the Orient, that Jews have survived millennia of persecution, that they have provided some of the greatest intellectual and artistic figures the world has known—all this, for the antisemites, counts for nothing. Instead, the more Jews succeed, the more they seem to be despised. That old rigged coin has long come into play against them: heads they lose, tails they also lose.

If Mr. Trump were Jewish, would many Jews leave the Democratic Party, where they have long found a political home, to vote for him? It seems doubtful. This isn't only because of his vanity, his crudity and his immodesty, but because the Jews have a problem with Republicans generally. They bear the party a historical grudge. Years ago, when quotas were set to keep Jews out of Ivy League and other elite colleges, Republicans set those quotas. When Jews couldn't be hired by large corporations, those corporations were run by Republicans. When Jews were restricted from large neighborhoods, those neighborhoods were lived in by Republicans. Growing up in a Jewish neighborhood in Chicago, I never met a Jewish Republican until I went to university.

Meanwhile the Democratic Party, in its leftward swing, a strong plank of which is its anti-Israel position, has itself become less hospitable to the Jews. Repelled by the Republican Party, attacked within the current-day Democratic Party, the Jews, with nowhere to turn, find themselves politically homeless. Theirs is a true dilemma, off whose horns no easy exit is apparent.

Mr. Epstein is author, most recently, of "Never Say You've Had a Lucky Life."

BOOKSHELF | By Jeffrey Collins

A Good Man In a Crisis

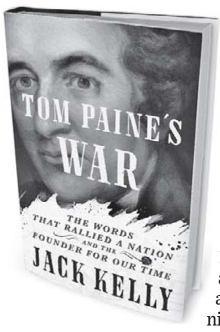
Tom Paine's War

By Jack Kelly
St. Martin's, 352 pages, $31

Among the worst defeats suffered by Americans during the Revolutionary War occurred on Nov. 16, 1776, when Fort Washington fell. Having already seized New York City, Britain's Gen. William Howe ordered a pincer advance on the fort—a defensive position built on Manhattan, 300 feet above the Hudson River—driving American troops into its walls. Facing a massacre, the troops surrendered. Nearly 3,000 patriots were taken prisoner, 2,000 of whom would die in brutal captivity. From Fort Lee, across the Hudson, Gen. George Washington watched the catastrophe in agony. He is said to have wept.

Among the other horrified onlookers at Fort Lee was Thomas Paine. Paine's "Common Sense" had been published in January that year and had kindled the cause of independence. Shortly after the Declaration of Independence was publicly read in July, Paine enlisted in the Pennsylvania militia.

In "Tom Paine's War," Jack Kelly, a public historian whose books include "God Save Benedict Arnold" (2023), recounts Paine's time in military service, primarily as aide-de-camp to Maj. Gen. Nathanael Greene. The book covers a narrow chronology, from September 1776 to January 1777. These were the darkest days of the Revolutionary War. They were also the months that produced some of Paine's most famous writings. The conjunction of these events and ideas is the subject of Mr. Kelly's narrative.



It is easy to forget how perilous the American position was in late 1776. The loss of New York and advance of British troops from Canada threatened to bisect the colonies. The British fully commanded the seas. Their seasoned troops, reinforced by Hessian mercenaries, faced an amateurish and poorly provisioned army of colonials. New York and New Jersey, moreover, had no shortage of Loyalists. The British flaunted supreme confidence. One American officer recalled the British advancing up Manhattan island to the sound of "Bugle Horns as is usual after a Fox Chase . . . to crown our Disgrace."

After the loss of Fort Washington, the Continental Army beat a panicked retreat from Fort Lee south through New Jersey, across the Delaware River and into Pennsylvania. "They marched two abreast," reported one witness, "some without a shoe to their feet and most of them wrapped in their blankets." It was, Greene observed, "a very pitiful army to trust the Liberties of America upon."

Surviving the dire months of late 1776 was a near-run thing. Several factors converged to save the Americans. The first was resourceful naval resistance on Lake Champlain, led by Benedict Arnold. Though not ultimately successful, this delayed the British advance from Canada.

Second was the tactical conservatism of the British officers, in particular Howe, his brother Adm. Richard Howe and Gen. Charles Cornwallis. These men trusted in the loyalism of Americans. An iron fist, they believed, would backfire. "Better to let the rebellion die out on its own," Mr. Kelly writes of their attitude. They "avoided unnecessary risks, limited bloodshed, and encouraged loyal inhabitants." Repeatedly, in moments of advantage, we are told, the British command failed to "snap the trap shut." Yet they also failed to prevent their soldiers from raping and plundering. Purposeful military violence might have won the war, but random cruelty combined with strategic hesitancy proved ruinous.

Thomas Paine was a direct witness to the desperation of late 1776. His exhortations to continue fighting kept the cause alive.

A third factor aiding the Americans, perversely, was the capture of Gen. Charles Lee. The experienced and arrogant Lee, Washington's second-in-command, practiced what he described as a "virtuous kind of treason." He had defied direct orders to march to the aid of his superior during the desperate retreat through New Jersey; he preferred guerrilla tactics undertaken by a militia while Washington was eager to consolidate a larger force. Such divisions hampered the war effort. And so Washington's authority was solidified when Lee, clad in a shirt and slippers, was surprised in a New Jersey tavern and captured.

Finally, there was Paine, a direct witness to the military desperation of late 1776. His most famous words belong to this dark valley of the war:

> *These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of his country; but he that stands it now, deserves the love and thanks of man and woman.*

These magnificent phrases have rung down through the ages. They appeared in the first installment of Paine's "The American Crisis" series, published on Dec. 19, 1776. The pamphlet railed against British atrocities, condemned servile loyalism, and confidently projected military recovery.

"The American Crisis," Mr. Kelly writes, "spoke to citizens' fear and despair, but also to their anger, their sense of family, their feelings of manhood, duty, and pride." The tract may have revived militia enlistments in Pennsylvania and New Jersey. Legend has it that Washington ordered it read aloud to his distressed troops. There is no evidence of this, but the pamphlet spoke for, and perhaps inspired, a resurgence of the army's initiative. It was but a week after its appearance that Washington and his men crossed the icy Delaware River by night and surprised Hessian mercenaries in Trenton, N.J. It was a vital victory at the pivotal moment, and saved Washington's faltering reputation. Paine, Mr. Kelly writes, "could hardly have expected that his words would bear fruit so quickly."

Mr. Kelly quotes a British officer who inspected Fort Lee after the Americans abandoned it "like scared rabbits." They left behind more than 40 loaded cannons, provisions and "some of that scoundrel Common Sense man's letters, which we can read at our leisure." It is a scene that vividly captures Paine's writings not as canonical classics but as writings with urgent purpose in the midst of unpredictable events.

Soon enough, Paine's words and Washington's generalship would disabuse the nonchalant confidence of the British. Centuries later, Americans accustomed to our current global dominance would do well to remember the hardships of their fight.

Mr. Collins is a professor at and the associate director of the Hamilton School for Classical and Civic Education at the University of Florida.

OPINION

REVIEW & OUTLOOK

A Split Decision on Executive Power

The President can fire agency heads—except for the Federal Reserve.

It took 91 years, but the Supreme Court on Monday abandoned the fiction of independent agencies (*Trump v. Slaughter*). Yet in a somewhat paradoxical decision (*Trump v. Cook*), the Court enshrined the Federal Reserve's independence despite its exercise of vast executive powers.

In the first case the conservative 6-3 majority helped restore the Constitution's proper separation of powers that have been eroded by Woodrow Wilson's "rule by experts." Going forward, the President will have free rein to fire members of agencies that exercise executive power as America's founders intended.

The case arose after President Trump fired Rebecca Slaughter, a Biden appointee, from the Federal Trade Commission. Ms. Slaughter challenged her removal under the Court's *Humphrey's Executor* (1935) precedent, which was grounded on the misconception that the FTC's duties are "neither political nor executive, but predominantly quasi-judicial and quasi-legislative."

"From the start, *Humphrey's* was tethered to a highly circumscribed and almost fictional view of the FTC's role," Chief Justice John Roberts writes for the majority. The FTC today enforces some 80 statutes that cover "almost every facet of the Nation's economy, and the tasks it undertakes are 'the very essence of "execution" of the law,'" the Chief writes.

He stresses that the Court's decision merely recognizes "what has been clear for a century—that those who fall within the President's 'general administrative control' must be removable by the President at will." His opinion chronicles how America's founders designed the Constitution to ensure the president could "operate with proper energy & vigour."

Humphrey's undermined this aim by preventing the President from removing officials charged with enforcing the laws. The precedent has also compromised the power of Congress, as lawmakers have increasingly delegated rulemaking authority to agencies, a point Justice Elena Kagan made in a 2001 Harvard Law Review article cited by the Chief.

Justice Neil Gorsuch writes in a corker of a concurrence that Congress might not have handed over so much power to such agencies "had it known that the President would come to control them." *Humphrey's* made "independent agencies more tempting repositories for delegated powers that the President could not access with quite such ease," he writes.

The result has been a steady accretion of power to an alphabet soup of administrative agencies that write and enforce laws. He calls for Congress to reclaim its legislative power and for the Court to resurrect its dormant non-delegation doctrine, which holds Congress cannot transfer its core legislative powers to another branch of government or private entity without an "intelligible principle." "We have sometimes shrunk from applying that rule," Justice Gorsuch laments.

The three liberal Justices issue an overwrought dissent warning that overturning *Humphrey's* will "unleash only chaos." But the Court's decision merely acknowledges reality that agencies are political creatures, not disinterested experts.

* * *

Meanwhile, the Court—in a 5-4 decision with the three liberals joining the Chief and Justice Brett Kavanaugh—carved out an exception to the President's removal authority for the Fed. The majority held that Mr. Trump can't remove Lisa Cook, a Biden appointee, from the Fed Board of Governors without first providing notice and opportunity to respond. Mr. Trump tried to fire her based on unproven allegations of mortgage fraud. But the Chief's majority opinion sets a high bar to prove cause.

"Without such constraints in place, any perceived or alleged misstep (past or present) could provide a ready pretext for a Governor's removal—a fact that he would surely know, and that would surely weigh on him as he decided what to say and how to vote," the Chief writes.

More significant, the five Justices went further and held that the Fed has unique status as an independent agency in the government owing to its role in monetary policy. The Chief cites the tradition of the First and Second Banks of the U.S., which Congress chartered in part to regulate the currency.

But Justice Clarence Thomas points out in an incisive dissent that those banks "possessed no sovereign power," while the Fed has vast executive authority to regulate financial institutions. The Chief brushes past this inconsistency, but the decision could prompt legal challenges to Fed banking regulation.

Our guess is that the Chief and Justice Kavanaugh made the pragmatic judgment that they simply don't trust Mr. Trump to run monetary policy. They're right on the politics, but Justice Thomas makes a powerful case on the law.

The Aircraft Drone Danger

A drone strike Monday and a near-miss last week are warnings.

A JetBlue pilot reported Monday that his plane was struck by a drone as he came in for a landing at New York's John F. Kennedy International Airport. The plane landed safely, without notable damage, but is it too much to ask our aviation authorities to better protect air traffic from rogue drone operators?

The pilot of JetBlue Flight 948 says the Airbus A321 was struck at about 3,000 feet on its final approach to land. "It hit us right, uh, right above the cockpit," the pilot told air-traffic control, according to the Journal.

JetBlue says it took the plane out of service for inspections. Drones can't fly near airports, but the Federal Aviation Administration receives about 100 reports of sightings a month. A United Airlines plane nearly collided with a drone last week as it came in for a landing at Newark Liberty International Airport.

The FAA is investigating the incidents, and these are cases where violators should be prosecuted and punished. As everyone knows, it's riskier to life and limb to drive a car than to fly in a passenger airline.

But it may be only a matter of time before a drone strike is more serious and causes a deadly accident. The risk of bird strikes is already high, and there's no excuse for man-made drone accidents that make flying less safe.

Liberal Wins on Mail Votes and 'Geofencing'

Two big Supreme Court rulings, with Alito and conservatives in dissent.

So much for the "MAGA Supreme Court." That's the Democratic cliché for attacking the Justices, yet they released four major rulings Monday, and the liberals won in three. That includes a pair of cases, both with Justice Samuel Alito in fierce dissent, upholding late mail ballots and erecting a legal bar for police "geofence" investigations.

Sluggish election results are terrible for public confidence. But purely for voter convenience, many states give residents until Election Day to mail their ballots, and then officials spend a week or more afterward counting tardy arrivals. The question for the Justices: Does this violate federal laws, passed starting in 1845, that set a uniform Election Day?

No, says a 5-4 majority of Justice Amy Coney Barrett, Chief Justice John Roberts, and the liberal trio. Election Day is when "the electorate must make its choice," Justice Barrett writes in *Watson v. Republican National Committee*. "The electorate's choice is made when voting is complete, not when ballots are received." The challengers, she adds, "have no statutory basis for making ballot receipt the magic moment." She says states accepted tardy mail ballots amid World War I, while seven authorized the practice during the 1940s.

Dissenting for four conservatives, Justice Alito argues those were "short-lived outlier rules" that "shed little light on the original meaning of 'election.'" He focuses on voting during the Civil War and says states then didn't accept late ballots: "When Congress enacted the three election-day statutes, having the 'election' on a particular date meant that ballots would be collected by that date."

Also, what about late ballots without postmarks? If a handwritten date says Election Day is that fine? How about votes delivered to officials a week later by partisan ballot harvesters? "The majority's decision opens Pandora's box," Justice Alito says. The good news is Congress can override it by revising the Election Day laws. This would be a better push for Republicans than the doomed SAVE America Act.

The second case involves a criminal mastermind, Okello Chatrie, who robbed a credit union while carrying a smartphone that had a "location history" feature enabled with Google. Police caught him by using a "geofence" warrant to get two hours of data on devices in the vicinity of the crime. The robber argued this violated the Fourth Amendment's protection from "unreasonable searches and seizures."

The 6-3 outcome is that when police asked Google for the data, it was a "search" under the Fourth Amendment. "An individual has a reasonable expectation of privacy in records about his cell phone's location," Justice Elena Kagan writes in *Chatrie v. U.S.* "We leave to the Court of Appeals the further question whether, given the warrant issued, the search here was reasonable." Lawyers rejoice: More litigation.

Justice Alito, joined in part by Justices Barrett and Clarence Thomas, says this decision "destabilizes" Fourth Amendment law by announcing a new rule: "The police must obtain a warrant every time they access *any* cell-phone location information from a third party, however brief the duration, however innocuous the request, and however voluntarily that information was disclosed by the user."

How much will this hamper future criminal investigations of robberies, assaults, and other serious crimes? What other digital paper trails might five Justices similarly see as demanding an expectation of privacy? Good questions, and not what anyone would have to ask if this really were a lockstep conservative majority.

LETTERS TO THE EDITOR

Trade Vulnerabilities or Economic Privileges?

Scott Bessent's five principles of economic statecraft in his op-ed "Hamilton Inspires Trump's Economic Statecraft" (June 24) deserve serious engagement. Yet two of them cannot simultaneously be true.

His first principle holds that economic security requires reducing trade imbalances. His fourth celebrates dollar primacy as a pillar of American power. But the world's willingness to hold dollars is precisely what allows the U.S. to run persistent trade deficits. Trade imbalances are not evidence of American weakness; they are one consequence of issuing the world's reserve currency. What Mr. Bessent frames as a vulnerability is the price of an extraordinary privilege. Treating it as a problem to be solved risks undermining one of the principal advantages of American financial leadership.

On Hamilton, the secretary is more selective than the record warrants. Hamilton wasn't arguing for retreat from global commerce. He was arguing that the U.S. needed to become credible enough to engage in it as an equal. He warned that the want of central regulation meant that "no nation acquainted with the nature of our political association would be unwise enough to enter into stipulations with the United States." His concern wasn't exploitation by trading partners. It was American unreliability.

That concern bears directly on Mr. Bessent's third principle: that America must write the rules of the next economy. That requires convincing partners that the rules will hold. You can't simultaneously signal that existing commitments are conditional and expect others to bind themselves to new ones. The country that tears up frameworks doesn't get to author the replacement. It simply loses the pen.

Hamilton was writing for a small agrarian republic struggling to establish its credibility in a world dominated by British industry. The U.S. is now the issuer of the world's reserve currency, the center of the global financial system, and the principal architect of the international economic order. The challenge isn't whether America can compete. It is whether it can distinguish real vulnerabilities from the privileges it mistakes for burdens.

Brian J. Gross
Austin, Texas

Take a Look in the Mirror Not the Camera Lens

Regarding Ben Sasse's op-ed "Keep Cameras out of the Supreme Court" (June 25): In the summer of 1975, my father was the state-appointed hearings officer for the desegregation of the Springfield, Mass. public schools system. I was young, but I remember well the controversy when he didn't permit the hearings to begin until the television cameras were removed from the courtroom. The hearings were suspended for over a day. I asked my dad one night at dinner why he wouldn't permit the cameras. He explained that people might misbehave if the cameras were present. I responded with surprise, "You mean there will be kids in the courtroom?" He explained that he was concerned that adults would misbehave. That mystified me. Unfortunately, as I grew into an adult, I came to learn that in fact that temptation to play to an audience is all too real.

Alex Roth
London

Let's remove cameras from most congressional hearings, too. As Mr. Sasse describes, congressional hearings now often devolve into a circus in which attention-hungry politicians try to get their 15 minutes of fame. This hurts the hearings' purpose, which is to inform our lawmakers about the issues pressing our nation and provide them with the necessary information to combat these problems. Without cameras, representatives would no longer be able to get in quick jabs during a hearing that they then turn into clips to spread across social media. Absent this distraction, lawmakers would be more encouraged to actually do the work of policymaking, to listen and participate in hearings in a sincere way. Instead of trying to force the Supreme Court to ape Congress's antics, we should consider making Congress more like the reflective and respectable high court.

Ryan Rich
Rock Hill, S.C.

I agree cameras should be kept out of the Supreme Court. But I'd go further: Put in mirrored walls. Psychologically, mirrors heighten self-awareness, and thus prompt people to behave better overall, more in line with ideals. A little silvered glass could be worth its weight in gold.

Bill Apple
New York

The Real Failure Wasn't Microfinance Itself

Microfinance hasn't fulfilled its early promise for billions of the world's poor, but the problem isn't that microlending is inherently flawed. It's that a useful humanitarian tool is too often turned into a profit-driven lending industry ("Hundreds of Billions in Loans Fail to Dent Global Poverty," Page One, June 12).

I lead a small faith-based nonprofit that works through churches in impoverished communities where many people live on less than $3 a day. In our experience, microlending can change lives when three things are kept in place. First, the purpose must be empowerment, not profit. A program should become sustainable, but sustainability must not be the only goal. Second, loans must come with training and caring relationships. Many families need more than capital; they need coaching, encouragement, faith and help building habits that overcome the poverty mind-set and support growing incomes. Third, local institutions matter. Some borrowers repay in grain, eggs or even livestock. Church associations can aggregate and sell those goods in bulk, giving families better returns, reducing the power of middlemen and lowering costs.

Microlending is a valuable tool for helping families rise out of poverty. But who lends, why they lend and how borrowers are treated determine whether it becomes a ladder up or another weight on the backs of the poor.

Rev. C.H. Dyer
CEO and President, Bright Hope
South Barrington, Ill.

It's 'Pursuit' That Matters

In "What 'Created Equal' Means in America" (Politics & Ideas, June 17), William A. Galston posits that part of equality in America is that "people who work hard, follow the rules, and do their best to sustain their families and communities deserve decent and dignified lives, even if the unfettered market doesn't provide them."

One of the inalienable rights with which all Americans are endowed equally by their creator is "the pursuit of happiness." The operative word is "pursuit." No person has a right to happiness, but all have the right to seek contentment and fulfillment by striving to live decent and dignified lives.

Robert R. Barton
Kerrville, Texas

CORRECTION

At a rally in Sharonville, Ohio, Democratic gubernatorial nominee Amy Acton called for "an executive order on wage theft." A union representative introducing her said, "Nonunion employers commit wage theft every day." The latter quote was misattributed in the June 27 Cross Country column.

Letters intended for publication should be emailed to wsj.ltrs@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

Pepper ... And Salt

THE WALL STREET JOURNAL

"That dish pairs well with antacids."

OPINION

Air Conditioning, Scourge of the French Left

By Alexander Kustov

As the latest heat wave discomforts Europe, France is arguing about air conditioning. Marine Le Pen's far-right National Rally supports issuing €20 billion (about $23 billion) in interest-free loans to buy 30 million to 40 million units and insulation. The French left argues that air conditioning is a selfish indulgence and an ecological menace. Jean-Luc Mélenchon, the country's most prominent left-wing leader, warned that cooling would mean "increasing the damage," and says he wouldn't expose his grandchildren to air conditioning because it "destroys your sinuses."

Heat waves kill thousands in Europe, but politicians resist the relief Americans can take for granted.

To an American, this is disorienting. Nearly 90% of U.S. households have air conditioning. But in much of Europe, cooling is a hot issue on which the populist right has the better side of the argument.

That should unsettle American progressives, who assume the far right is consistently irrational while the left is the party of science. On air conditioning, the opposite is closer to the truth. Keeping people cool in a deadly heat wave is humane and politically smart. It is the kind of help ordinary citizens can see for themselves and appreciate.

Summer heat is dangerous. In France, a single heat wave killed nearly 15,000 people in 2003. Across Europe, more than 61,000 people died in record heat in 2022. Air conditioning is the cure. The economist Alan Barreca and his colleagues found that the spread of home cooling explains most of the decline in "hot-day-related fatalities" in the U.S. since 1960.

Few advances have won people over so completely. In 1973 only about a quarter of Americans called home air conditioning a necessity. By 2006, 7 in 10 did.

Critics of air conditioning have a point about the amount of energy required. By the International Energy Agency's count, cooling uses close to one-tenth of the world's electricity. During last summer's heat wave, air conditioning helped raise demand in parts of Europe by 14%, past the usual winter peak, and it helped trigger outages in Italy. By 2050, the World Resources Institute estimates, cooling could emit 6.1 billion tons of carbon dioxide a year, close to one-fifth of all emissions.

Critically, that 2050 figure assumes a dirty grid; a clean one, like the one France has built, makes the problem largely disappear. Air conditioning accounts for about 3% of global emissions today, and in France, where two-thirds of the power is nuclear and much of the

CHAD CROWE

rest is low-carbon, running a unit is close to carbon-free.

Why doesn't that realization carry the day? The answer can be found in a deeper current of left-liberal thought that has nothing to do with science or engineering.

In early June, a group of left-wing economists, among them Joseph Stiglitz, Thomas Piketty and Kate Raworth, declared economic growth "a doomed strategy" and signed on in support of a road map, developed by United Nations Special Rapporteur Olivier De Schutter, for a new "degrowth economy." Its policies aim to reduce material consumption, shorten the workweek, and impose caps on personal income. Underlying this road map is the idea that wanting to be comfortable is shameful.

Ordinary French people seem to think so. This spring, Ipsos found that 84% of them consider air conditioning effective against the heat, but only 22% own a unit, even though most can afford it. Ms. Le Pen saw the opportunity in these numbers and hasn't let go. The people who get lectured about "energy sobriety" and told to endure, she likes to point out, are rarely the ones with cool offices and cool cars.

Defenders of the "European way" will say that none of this is ideological. Nobody actually opposes air conditioning, they insist; the buildings are simply old and hard to retrofit. Heat waves pass, and it's more practical to cover your windows with cardboard. True, old buildings are harder to cool. But when a society decides something is worth doing, it finds a way.

Opposition to cooling is written into the law in Europe. In France, a condominium owner generally needs the consent of the other owners to install air conditioning. In the country's heritage zones, a state architect can veto any unit visible from the street. In England and Wales, an air conditioner that has no heating function requires permission. The canton of Geneva issues a permit for comfort cooling only to people who prove they need it. Spain forbids public and commercial buildings from cooling below 80 degrees.

When it comes to air conditioning, with people dying in the heat, the populists are simply correct. The left's most respectable voices are telling grandmothers to draw down the shutters and wait it out. You don't have to like Ms. Le Pen, or agree with her on immigration, to admit she has this one right. Caring about evidence means being willing to say so out loud, even when the side that has lost the thread is your own.

Mr. Kustov is an associate professor of global affairs at the University of Notre Dame and the author of "In Our Interest: How Democracies Can Make Immigration Popular." He writes the Popular by Design newsletter at Substack.

America Is the Land of Endless Choice, Except in Politics

EDITOR AT LARGE
By Gerard Baker

Like most immigrants, I was astonished when I first came to America by the range of choices.

Even the fanciest European supermarkets typically offered three types of milk: whole, semiskimmed and skimmed. In America the refrigerator door opens into a world of gorgeous diversity: I can have my milk whole or with 1% or 2% fat. There's almond milk, soy milk and something called "half and half," midway between milk and cream.

In Europe even today, your choices in almost everything are much more constrained. This is a cultural feature, not a bug. I recently asked a waitress at a Paris restaurant for a medium-rare steak. She explained that the kitchen prepared its steaks only rare or medium. I asked politely if the cook could leave the steak on the grill for somewhere between the time it took to make it rare and the time it took to make it medium. She looked at me as though I had asked her to bring me the cow so I could introduce myself.

When it comes to politics, it's the other way around. In Europe, you will get short shrift if you ask the barista for a nonfat, no-foam, vanilla-flavored double-shot latte. But if you want a similarly tailor-made representative in government, the choice is yours.

You can have your politics served Communist, nationalist, Social Democratic, Christian Democratic, Green, Socialist, conservative, liberal and anything in between. In Britain—which, as in most things, used to look a bit like America but now seems dysfunctional and weird—there's a six-way contest: Labour, Conservative, Reform, Green, Liberal Democrat, plus nationalists in Scotland and Wales. That isn't including those who think it's time Count Binface or Howling Laud Hope was given his chance.

In America, political choice is binary: R or D. There's no soy doppio macchiato on the ballot. You can have it black or white. Next customer.

There is virtue in this. To some extent the idea of diversity in governing choice is an illusion. Ultimately all choices are binary—on the one hand, the choice we make, on the other, all the choices we reject. You win or lose. You're in government or in opposition. In Europe they have to accommodate all those parties by forming coalitions after elections, which typically result in instability and the paradox that almost no-one gets the government he actually voted for.

There's a case to be made for a two-party system, but what do you do when your party loses its mind?

In America the coalitions exist within parties. They shift with changing national priorities and political trends. Thanks to the genius of a constitution that distributes power widely, the risk of tyrannous majority rule is limited. The primary system offers a wider choice: Parties can present different flavors of left and right to a primary electorate that winnows them down for the general.

But this system is fraying. For one thing, we are becoming more like a parliamentary system, in which the parties in the executive and legislative branches fuse into one, thus weakening constitutional restraints on party rule. For another, the primary system is becoming less of a vehicle that channels a wide range of choices into a narrower selection, and more one that amplifies division.

The victory by "democratic socialists" and their allies in New York Democratic primaries last week is a signal moment in the nation's descent into political dystopia. In it we see a Democratic base, relatively small in number but energized by anti-Trump rage, that has decided that the Black Lives Matter, No Such Thing as a Woman, Mostly Peaceful Rioting that the party nourished under Joe Biden and Kamala Harris is too timid for their tastes.

Sure, we can overstate its importance. New York isn't America. What passes for cool radicalism in Brooklyn's Park Slope would get you a psychiatric evaluation in most of the country.

But the nature of our politics means the direction the far left of the party is taking has outsize significance. In a narrowly divided House, even a handful of Squad-like members will have the ability to drive outcomes by putting pressure on their party leadership.

Few things could induce me to vote for another four years of the sort of Republicanism we are enduring now. But one of them is definitely the alternative of Islamist-friendly, open-the-borders, defund-the-police, kill-the-billionaires socialists running the country. Out of America's vast diversity we are somehow at risk of narrowing our choice to that between a rampantly corrupt, inept, ideologically and practically capricious personality cult of a party and a party of graduate student activists with terrorist sympathies and ideas about economics that were discredited half a century ago.

There's no prospect of a third-party breakthrough. But if I can live in a country where I can have my steak done medium-rare and washed down with a glass of a liquid that is one-third soy, one-third oat and one-third half and half, why can't I choose a government that is sane, honest, patriotic, responsible and worthy of the people it governs?

Trump Should Be Able to Fire Junior Employees, Too

By Thomas Beck

The Supreme Court has overruled a 91-year-old precedent that limited the president's ability to fire certain senior-level executive branch officials. In *Trump v. Slaughter*, decided Monday, the court found that constitutional "text, history, and structure" teach that "the President may remove his subordinates at will." Chief Justice John Roberts, writing for the majority, explained: "When power is exercised well, the people know whom to thank; when power is exercised poorly, they know whom to blame—and whom to fire. That is the very premise of our system of government."

This opportune ruling comes on the heels of a June 3 executive order in which President Trump removed "for cause" job protections from roughly 8,000 federal employees in "policy-influencing positions." The effect is to make them subject to "at will" termination of their employment.

This executive order was the latest step in a process Mr. Trump began in his first term aimed at increasing accountability in the executive branch. But it affects only a small percentage of executive-branch employees. The president can go further and treat all executive-branch employees as at will. This is what the framers intended, because the president must have the unfettered ability to hold accountable those who assist him in carrying out his duties.

The president is constitutionally tasked with running the executive branch—which has become a mind-bogglingly massive organization that spends roughly $7 trillion annually, employs more than two million civilians, and would be unwieldy under the best circumstances. Extravagant—and, more important, unconstitutional—civil service protections have created a bureaucracy that is unanswerable to the president and, by extension, unaccountable to the American people.

For the first century of our republic, it was understood that the president could fire any executive-branch employee for any reason. The Pendleton Act of 1883 began to impose limits by prohibiting political favoritism in filling certain positions. Thirty years later, the Lloyd-La Follette Act introduced the idea that civil-service employees should be removed only for cause.

In 1978, the sweeping changes of the Civil Service Reform Act introduced immensely cumbersome substantive and procedural employment protections for more than 90% of civil servants. These include a mandate that adverse employment actions be taken only for cause, no fewer than a dozen mitigating "Douglas factors" that managers must consider before taking adverse employment action, various notification and procedural rights, and the right to appeal to the Merit Systems Protection Board. Such appeals include a formal hearing, the right to be represented by legal counsel, and in most cases the right to contest an adverse ruling in federal court.

The June 3 executive order notes that as a result of these burdensome requirements, only a quarter of the supervisors in the executive branch believe they could remove serious underperformers.

In *Bush v. Lucas* (1983), Justice John Paul Stevens wrote for a unanimous court: "Federal civil servants are now protected by an elaborate, comprehensive scheme that encompasses substantive provisions forbidding arbitrary action by supervisors and procedures—administrative and judicial—by which improper action may be redressed. They apply to a multitude of personnel decisions that are made daily by federal agencies."

These expansive employment protections for executive branch employees are inconsistent with the president's constitutional imperative to enforce the law, which the court has recognized many times. The Constitution vests "the executive power" in the president and obligates him to "take care that the laws

Civil-service protections keep the president and the people from holding the government accountable.

be faithfully executed." The Supreme Court recognized in *Myers v. U.S.* (1926): "The President alone and unaided could not execute the laws. He must execute them by the assistance of subordinates . . . As part of his executive power, he should select those who were to act for him under his direction in the execution of the laws. The further implication . . . must be his power of removing those for whom he cannot continue to be responsible."

In 2010, in *Free Enterprise Fund v. PCAOB*, the justices reiterated that the president must have "the authority to remove those who assist him in carrying out his duties" and that "without such power, the President could not be held fully accountable for discharging his own responsibilities."

In *Seila Law v. CFPB* (2020), the justices held that restrictions on the president's removal authority can't "unduly interfere with the functioning of the Executive Branch." That's the key point. How can it not unduly interfere with the functioning of the executive branch when more than 90% of those employed within it enjoy "an elaborate, comprehensive scheme" of job protections and a lengthy appeals process to challenge any termination?

It's not an extraordinary concept for employees to hold their jobs on an at-will basis. Most Americans do. If Mr. Trump were to treat all executive branch employees as at-will, he'd merely be putting them in a position comparable to their counterparts outside government, and he'd be managing the executive branch as the framers intended.

Mr. Beck is author of "Constitutional Separation of Powers: Cases and Commentary." He served as chairman of the Federal Labor Relations Authority, 2008-09, and a member until 2012. He was an adviser to the Trump-Vance transition and a consultant to the Department of Government Efficiency.

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Notable & Quotable: Gorsuch Concurs

From Justice Neil Gorsuch's concurring opinion in Trump v. Slaughter, June 29:

The Court today takes a notable step back toward the Constitution. By recognizing that the President is entitled to remove a principal officer who exercises executive power in his name, the Court does much to vindicate what Franklin D. Roosevelt and James Madison both understood: Under our Constitution, executive power does not belong to a "headless 'fourth branch,' " Roosevelt Committee 36, but must be exercised through a "chain of dependence" running from "the lowest officers" to "the President," and from him to the American people, 1 Annals of Cong. 499 (J. Madison).

At the same time, it would be a grave mistake to think that step is enough on its own. The fact remains that Congress has endowed formerly independent agencies not just with executive authority, but with enormous legislative and judicial powers as well. And now the President enjoys control over all those powers too. From here, the only sure path is to finish the journey we start today and restore legislative and judicial powers to where they belong: in Congress and the courts. We have tolerated adventurous theories long enough. It is time to return, all the way, to the Constitution.